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Attracting Applicants with Corporate Social Responsibility: A Social Dilemma Perspective

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Approval of the Dissertation Committee

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Abstract

Attracting Applicants with Corporate Social Responsibility: A Social Dilemma Perspective

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There has been a surging interest in Corporate Social Responsibility (CSR) in society, and business leaders perceive that CSR is essential in business operations. However, CSR can lead to unsatisfactory outcomes when not appropriately understood or practiced. Therefore, I conducted two studies to provide an alternative CSR perspective (Study 1) and empirically test how firms can benefit the most from CSR in applicant attraction (Study 2).

In Study 1, I analyzed CSR as an organizational social dilemma (Rockmann & Northcraft, 2018), where the conflicts among stakeholders and between short- and long-term outcomes are inevitable. To minimize these conflicts, firms need to aim at long-term value maximization (Jensen, 2002) to provide the maximum outcome to the firm and satisfy all relevant stakeholders. Adopting these perspectives, I introduced Enlightened Shared Value (ESV) and compared ESV with major CSR approaches. ESV provides a clear metric and the method for CSR, which is lacking in existing CSR approaches. I suggest that shifting focus to long-term outcomes can reduce the conflicts in CSR and make CSR a win-win game.

In Study 2 ($N = 425$), I investigated how CSR affects applicant attraction in job choice situations. Previous research has shown that CSR positively affects applicant attraction in job choice situations, but less is known about the relative importance of each CSR dimension in applicant attraction. Categorizing CSR into four dimensions (employee, environmental, social,

and governance) and applying adaptive choice-based conjoint analysis (ACBC: Orme, 2020), I examined how each CSR dimension and important tangible attributes differently affect applicant attraction in job choice situations and how personal values influence the relationship. Additionally, I conducted an exploratory cluster analysis to segment individuals based on the pattern of their preference among job attributes in job choice situations.

Results from ACBC showed that the employee dimension had the largest influence on applicant attraction among the CSR dimensions, followed by the environmental dimension. However, CSR dimensions' influence on applicant attraction was mostly weaker than that of tangible attributes, especially salary. As a personal value measure, social value orientation (Murphy et al., 2011) positively influenced CSR's influence on applicant attraction. Also, the exploratory cluster analysis revealed three different groups: *CSR-oriented* (23.3%), *Individualistic* (26.4%), and *Pragmatic* (50.4%).

Taken together, findings from both studies contribute to theory and practice. First, understanding CSR as a social dilemma not just provides a new CSR perspective. It also helps practitioners by suggesting that ESV can lead to corporate value maximization in the long term. Second, CSR dimensions and their differing influences on applicant attraction, which I found in Study 2, suggest that CSR needs to be understood as multi-faceted. Still, more discussion is needed for CSR categorization. Third, findings from the conjoint and cluster analyses suggest that when firms use CSR to attract applicants, they need to understand that CSR influences applicants differently. Therefore, it is important to set target applicant groups and emphasize relevant CSR dimensions to attract them.

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Chapter 1: Introduction

Corporate social responsibility (CSR) is considered essential and fundamental today, not just in academia but also among business leaders and the majority of the workforce (e.g., Cone Communications, 2016; Deloitte, 2020; McWilliams et al., 2019; Strain, 2020). Especially, major business leaders in the U.S. state that companies should serve various stakeholders, including customers, employees, suppliers, and communities (Strain, 2020). However, in business operations, it appears that firms do not actively engage in CSR activities but instead maintain a more conservative stance on CSR, prioritizing shareholder values (Bebchuk & Tallarita, 2021, 2022). There exists a discrepancy between what corporate leaders state and what they do regarding CSR.

What makes such inconsistency between the perception toward and the actual engagement in CSR? The disagreement bases on understanding CSR as a strategic tool to increase profit (Meier & Cassar, 2018). Firms need to make profits to sustain themselves in the market, and not all CSR activities directly aim at corporate financial performance. Therefore, corporate decision-makers can perceive conflicts and become hesitant when making CSR-related decisions.

However, although CSR inevitably exaggerates conflicts between benefitting larger society and meeting value maximization in the short-term, shifting focus to long-term outcome can reduce the conflicts in CSR and make CSR a win-win game. In Study 1, I apply the social dilemma paradigm (Dawes, 1980; Rockmann & Northcraft, 2018) and propose a new approach to CSR, the *enlightened shared value*, which can lead to the best outcome for the firm and all relevant stakeholders. By applying this new CSR perspective, firms can take a more inclusive stance on and benefit from CSR.

In addition, I examine how firms can benefit the most from CSR when they attract job applicants. The employee is the most important resource for corporate success, and the importance of attracting talented workers is increasing, considering that there is a decrease in the number of workers in the market. Accordingly, companies compete over talented workers, and it becomes essential to understand what factors attract workers and applicants (Barber, 1998; Keller, 2017; MacCrae & Furnham, 2014; Michaels et al., 2001).

In terms of CSR, previous research has shown that CSR positively affects applicant attraction in job choice situations. However, CSR incorporates various dimensions, and less is known about the relative importance of each CSR dimension in applicant attraction. Therefore, in Study 2, I categorize CSR into four dimensions (employee, environmental, social, and governance) and examine how each CSR dimension and important tangible attributes differently affect applicant attraction in job choice situations and how personal values influence the relationship.

From Study 1 and Study 2, I provide theoretical contributions to the scholarship of CSR and practical guides to practitioners and decision-makers regarding how firms can benefit the most from CSR.

Chapter 2: Study 1[1]

Introduction

More than 50 years ago, Milton Friedman (1970) stated that the only social responsibility of a business is increasing its profits to maximize shareholder value. Although controversial, this shareholder perspective of corporate social responsibility (CSR) has gained popularity, especially in the business world, due to its simplicity and clarity (Crook, 2005; Karnani, 2011). Regardless of whether it is the end-goal in itself or a means to achieve other purposes (Handy, 2002), businesses should make profits, which makes the shareholder perspective easy to apply. According to this perspective, all corporate behaviors, including those socially or environmentally responsible, should add profits to firms (Karnani, 2011).

As an alternative to the shareholder perspective, another CSR perspective has gained popularity, especially in academia, which states that firms should fulfill all their stakeholders' interests. Known as the stakeholder perspective (Freeman, 1984), this approach broadens corporate responsibility beyond the financial bottom line, making it morally superior to the shareholder perspective (Donaldson & Preston, 1995). However, the stakeholder perspective lacks clear methods of satisfying both the shareholders and all other stakeholders. It also does not specify how to measure CSR outcomes. Therefore, the stakeholder view was adopted by a small number of firms, mostly privately-held, that do not face strong pressure to maximize shareholder value from CSR (Moon, 2014), or narrowly adopted to limited situations where doing socially or environmentally responsible behaviors clearly added profits (Porter & Kramer, 2006, 2011).

Although lacking the methods of satisfying all stakeholders and the metric of measuring the effectiveness and the outcomes of CSR, the stakeholder view is recently gaining supports among the business leaders. For example, in 2019, the Business Roundtable, an association composed of CEOs from major US companies, withdrew from the shareholder primacy and emphasized the commitment to all stakeholders (Strain, 2020). With the spread of the COVID-19 pandemic, the stakeholder perspective is receiving even more attention (e.g., Coy, 2020; Sullivan, 2020). This shift of interest to the stakeholder perspective reflects the acknowledgment in the business world that the sole pursuit of profit, especially in the short term, does not provide firms desirable outcomes in the long term (e.g., Koller et al., 2017). However, to be more applicable, the stakeholder perspective needs to provide how to balance all stakeholders' interests and how to measure the outcomes of CSR, which is lacking in existing CSR perspectives.

To address these issues, I propose a new stakeholder approach to CSR, named *Enlightened Shared Value* (ESV), which bases on long-term value maximization (Jensen, 2002) and the social dilemma paradigm (Dawes, 1980). ESV also addresses some of the weaknesses of a popular hybrid perspective (i.e., Creating Shared Value (CSV): Porter & Kramer, 2011). According to Jensen (2002), firms should pursue long-term corporate value maximization as the single objective and that incorporating all stakeholders' interests can lead to this goal. Although I agree with this argument, Jensen does not elaborate on how pursuing a long-term value maximization can balance the conflicting interests and satisfy all stakeholders.

Social dilemma (Dawes, 1980) is especially helpful in identifying these conflicts, along with opportunities for value maximization via CSR. To satisfy both shareholders and all other stakeholders, corporate leaders need to regard CSR as a social dilemma, where it is impossible,

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especially in the short term, to maximize the interests of all stakeholders at the same time. Instead, the conflicts of interest among stakeholders can be reduced when the stakeholders cooperate and pursue long-term goals. By adopting this strategy, firms can maximize their long-term values and provide each stakeholder group a satisfying, although not maximum, benefit. Social dilemma illuminates and articulates specific challenges and opportunities that corporate leaders face in joining profit-making with CSR, especially from publicly-held firms.

There are three primary aims of this paper. First, this paper outlines and explains how to apply the social dilemma paradigm to reveal the tensions corporate leaders and strategists face when making CSR-related decisions. Second, I propose ESV as an alternative CSR approach that addresses the weaknesses that current major CSR approaches have. Third, I provide theoretical and practical implications to the scholars and practitioners of CSR, corporate strategy, and leadership ethics. Overall, this paper contributes both academically and practically to enhance our understanding of CSR and creates interdisciplinary bridges between the study and practice of corporate strategy and leadership. To begin with, I provide a general description of the social dilemma and then analyze CSR as a social dilemma.

CSR as a Social Dilemma

Social Dilemma and Organizational Social Dilemma

A social dilemma is defined as "a situation in which a group of N-persons must choose between maximizing selfish interests and maximizing collective interests" (Komorita and Parks, 1994, p. 8). In social dilemmas, there is a constraining perception that "(a) the social payoff to each individual for defecting behavior is higher than the payoff for cooperative behavior, regardless of what the other society members do, yet (b) all individuals in the society receive a lower payoff if all defect than if all cooperate" (Dawes, 1980, p. 170). Therefore, when a

situation involves a social dilemma, one experiences and/or perceives tension between pursuing one's own benefit and pursuing the benefits of all individuals involved in the situation.

Scholars originally devised the social dilemma to explain individual decision-making in a group. However, the social dilemma framework has applicability in organizational contexts. Rockmann and Northcraft (2018) define an organizational social dilemma as "a situation within an organization in which multiple actors [or agents] must personally contribute resources for the action (often in the longer term) to be successful, yet each actor has an incentive (often in the short-term) to not contribute" (p. 495). Compared to non-organizational contexts in social dilemmas where actors are usually independent and homogenous, organizational contexts have additional factors and frequently involve dependency, hierarchy, and/or heterogeneity among actors (Rockmann & Northcraft, 2018). Therefore, knowing these additional factors would help our understanding of organizational social dilemmas.

First, in organizational contexts, corporate actors are not always limited to individuals. Depending on the context, an individual, a team, a unit, or a firm can become an actor in organizational contexts (Rockmann & Northcraft, 2018). Second, compared to the non-organizational settings where individuals are usually independent and do not interact in the future, actors in organizational social dilemmas are interdependent and can interact in other contexts as well. This interdependency leads to the heterogeneity of information, resources, and power among actors. Third, the temporal dimension is vital in organizational contexts (Van Lange et al., 2013). Some organizational decisions involve short temporal horizons and other decisions, particularly those choices with existential consequences, involve longer temporal horizons (e.g., Galbreath, 2017). Also, a single managerial decision can affect short-term and long-term outcomes differently (e.g., Martin, 2019).

Considering all of these additional elements makes organizational social dilemmas more complex than the decisions made in traditional social dilemmas (Rockmann & Northcraft, 2018). Next, I explain why CSR can be considered an organizational social dilemma and why considering CSR as a social dilemma is critical in providing specific aids in setting CSR strategies.

CSR as an Organizational Social Dilemma

For a society to function effectively, corporations need to consider their social responsibility and best act to positively impact people, the social environment, and the physical environment (Drucker, 1984). Corporate social responsibility (CSR), which has been defined as "actions that appear to further some social good, beyond the interests of the firm and that which is required by law" (McWilliams & Siegel, 2001, p. 117), captures these points. In terms of whom to serve, a socially responsible firm takes into account the interest of stakeholders who are individuals or groups with a 'stake' in the corporation (Freeman, 1984). There are variations regarding the scope of stakeholders in the literature, but the most widely recognized stakeholders are shareholders, managers, employees, customers, suppliers, partners, the general public, government authority, and the environment (Mele, 2008; Moon, 2014).

These stakeholders are grouped into those related to economic (e.g., shareholders), social (e.g., employees, the general public), or environmental dimension (e.g., environment) in CSR (Elkington, 1997; van Marrewijk, 2003). Alternatively, the stakeholders are grouped into internal and external stakeholders (O'Connor & Spangenberg, 2008). Internal stakeholders are those having direct economic interests in the company (e.g., employees, managers, shareholders). In contrast, external stakeholders are those having direct commercial importance to the company (e.g., suppliers, customers) or those having an indirect significance for commercial success (e.g.,

partners, government authority, general public, environment). When firms engage in CSR activities, the interests of different stakeholder groups converge, and firms manage the benefits of all of their stakeholders (Carvalho et al., 2014).

When firms engage in CSR, conflicts can arise among stakeholders (Freeman, 1984). Also, conflicts can exist between short-term and long-term consequences. These conflicts make CSR a social dilemma because what is best for a firm in the long term cannot be achieved unless individual stakeholders take the sub-optimal outcomes for themselves, especially in the short term. To take one prominent example that illustrates both types of conflict, in 2008, Nokia laid off 2,300 of their employees in Bochum, Germany in an effort to reduce costs and increase profits and shareholder gains in the short term. Contrary to expectations, this action only made the situation worse: the layoff agitated employees and customers, leading directly to protests and boycotts of Nokia. Consequently, Nokia lost €700 million in sales and €100 million in profits between 2008 and 2010 (Sucher & Gupta, 2018). In Nokia's case, the management lost sight of this interdependence of interests and the long-term insights that are critical for solving social dilemmas.

In addition to the conflicts present in all social dilemmas, CSR also contains the added complexity of organizational social dilemmas. First, each stakeholder in CSR is not a single individual but a specific group or division, such as shareholders, managers, lower-level employees, customers, and more. However, compared to other types of organizational social dilemmas, CSR has one unique point: instead of each stakeholder making their own decisions, corporate executives or managers make decisions in CSR on behalf of stakeholders. That means, senior executives or managers are the agents to all other stakeholders (Eisenhardt, 1989; Hill &

Jones, 1992). Thus, the management needs to balance the conflicting interests of all stakeholders and make the final decision that benefits the firm the most.

In addition to stakeholder interdependency, the temporal horizon of a given CSR action or strategy is critical. CSR's outcomes occur at multiple time-points. When firms aim at the long-term outcome, their CSR activities should benefit corporate financial performance as well as the society and/or the environment. Unfortunately, because many CSR activities framed in terms of long-term insights appear only indirectly related to financial performance, CSR's positive effects on financial outcomes may be underestimated (Martin, 2019). Moreover, behavioral economics and decision science have established that human individuals and groups engage in irrational temporal discounting (Loewenstein & Thaler, 1989). Discounting of delayed rewards can result from real uncertainty about future outcomes (Frederick et al., 2002) but are often the consequence of cognitive limitations or insufficient cognitive effort. In cases where real uncertainty cannot be estimated at all (i.e., cases of genuine ambiguity rather than risk), strategic and managerial choices favor short-term profits and discount gains over the longer term. Such short-termism influences CSR-related decisions that negatively influence long-term outcomes (Martin, 2019).

As described so far, CSR involves the conflicts among stakeholders and between short- and long-term outcomes. Also, CSR contains the added complexity in organizational settings. Therefore, CSR can be considered as a type of organizational social dilemma. In the next section, I provide a typology of CSR and propose a new stakeholder perspective of CSR. Then, I compare the new perspective with existing major CSR perspectives through the lens of the social dilemma.

Enlightened Shared Value (ESV) for Long-term Value Maximization

CSR Typology

Because CSR involves multiple dimensions, there is a lack of consensus on the scope of CSR (Carvalho et al., 2014; McWilliams et al., 2006). Instead, there is a growing consensus on a typology of CSR. That includes a broad division between two competing approaches: the *shareholder* view and the *stakeholder* view (see Mele, 2008). Later, a third approach, *Creating Shared Value* (CSV: Porter & Kramer, 2006, 2011), gained popularity because it seemed to address the concerns from both shareholder and stakeholder approaches. Behind this division of CSR, there are features regarding economic perspective and business purpose, which leads to the differences in CSR priorities/methods and CSR metrics.

Economic Perspective and Business Purpose. CSR theories divide mostly along whether they endorse one of two major economic perspectives: neo-liberalism (i.e., market fundamentalism, to the exclusion of all other social value) and neo-Keynesianism (Malloch, 2013). Firms adopting neo-liberalism focus only on shareholder value, whereas firms taking neo-Keynesian views incorporate a broader range of stakeholders' interests. CSR theories also differ in what they advance as the purpose of a business (Handy, 2002). Businesses are variously portrayed as having both economic purpose and moral purpose, and each CSR approach weighs the two purposes differently (Lougee & Wallace, 2008; Handy, 2002).

CSR Priorities/Methods and CSR Metrics. Within the economic and moral purposes, each CSR approach provides different weights regarding what firms should focus on when doing CSR. Specifically, identifying the most optimal economic, social, and environmental responsibilities is crucial because corporate decisions will base on the relative importance among responsibilities in the three CSR dimensions. Finally, most CSR theories fail to guide adequate

metrics to guide optimal decisions via CSR outcomes. This last gap is a glaring one (Jensen, 2002) because firms need clear metrics to use and follow, especially when CSR theories themselves re-present economic and moral purposes as ever conflicting.

Applicability of CSR Approaches. Incorporating all factors described above, each CSR approach has a different level of applicability to businesses. Analyzing through the lens of social dilemma, CSR approaches that have less conflict among stakeholders and providing a better long-term outcome will be more applicable than those perpetuating conflicts. Table I provides a comparison among major CSR approaches, including a new approach, which I term *Enlightened Shared Value* (ESV). In the following section, I first describe ESV and compare ESV with each major CSR approach listed in Table 1.

Enlightened Shared Value

Jensen (2002) has long argued that CSR maintains a focus on long-term value maximization while avoiding discounting of delayed financial rewards. According to this perspective, long-term value maximization requires firms to consider all stakeholders' interests because they affect the firm's value in the long term. However, although Jensen's argument provides a metric and motivational rationale for incorporating long-term insights, it does not directly address the interdependence of firms within a market environment. Specifically, as for the conflicts of interest among stakeholders, Jensen's approach does not explain how to resolve the conflicts. Instead, he states that managerial decisions leading to long-term corporate value maximization resolve the conflict. Therefore, although providing theoretical insights, Jensen's (2002) statement and its application (e.g., Pichet, 2011) provides neither detailed methods nor practical guidelines.

Table 1

Comparison among CSR Approaches

Perspectives	Key scholar(s)	Economic perspective	Purpose of business (Handy, 2002)	Priority[*]	Metrics	Difficulty in measuring outcomes	Level of conflicts[**]	Applicability[***]
Shareholder perspective	Friedman (1970)	Neo-liberal	Economic >> Moral	EC only	Short-term value maximization	Easiest	High	Broad
Stakeholder perspective	Freeman (1984)	Neo-Keynesian	Economic = Moral	Different across models	Various metrics used, but no agreement	Difficult	High	Narrow
Creating Shared Value (CSV)	Porter and Kramer (2011)	Neo-liberal & Neo-Keynesian	Economic > Moral	SO/EN that fulfills EC	Short-/Medium-term value maximization	Easy	Moderate	Narrow
Enlightened Shared Value (ESV)	This paper	Neo-Keynesian	Economic = Moral	SO/EN fulfills EC	Long-term value maximization	Somewhat Easy	Low	Broad

Note. [*] Priority among CSR dimensions, EC: Economic dimension, SO: Social dimension, EN: Environmental dimension; [**] Conflicts among stakeholders and/or between short-term and long-term collective outcomes; [***] Applicability to business practices

What is missing in Jensen (2002) is the understanding of CSR as a social dilemma. Social dilemma provides the theoretical perspective that shows how corporate managers and leaders can resolve conflicts when pursuing the firm's long-term value maximization. In social dilemmas, individual and collective outcomes are interdependent, but they are non-zero-sum (Ploetner & Ehret, 2006; Rand, 2017). That means, pursuing maximum collective gains from CSR is not always detrimental to each stakeholder's individual gains. However, the maximum collective outcome from CSR is impossible unless each stakeholder's individual outcomes are at sub-optimal levels, at least in the short term.

When the insights of social dilemma combine with those of Jensen (2002), this new perspective fully specifies methodological frameworks and clear metrics that corporate leaders can adapt to the unique conditions of their firms and environments. I term this *Enlightened Shared Value* (ESV) approach to CSR. ESV perceives CSR as an organizational social dilemma, where the conflicts of interest are inevitable among stakeholders and between the short-term and the long-term outcomes. As a resolution, ESV states that the conflicts of interest in CSR can be minimized when firms pursue their long-term collective goal. Specifically, because the collective long-term goal and individual long-term goals are non-zero-sum, managerial decisions aiming at long-term corporate value can reduce conflicts among stakeholders. These decisions can also provide each stakeholder with satisfying outcomes, although individual outcomes can be at sub-optimal levels. For the simplicity of measuring CSR outcomes and better applicability in business practices, ESV adopts the long-term value maximization (Jensen, 2002) as the outcome measure.

Applying the criteria in the CSR typology described earlier, ESV can be categorized as follows. First, ESV incorporates the interest of all stakeholders, indicating that it is a stakeholder

approach. Therefore, ESV bases on the neo-Keynesian perspective and considers the moral purpose of business as important as the economic purpose. Second, adopting Jensen (2002), ESV aims at long-term value maximization and suggests that fulfilling the interest of all stakeholders can lead to the desired outcomes. Third, when there is any conflict among stakeholders and between short-term and long-term outcomes when doing CSR, the management should make decisions that lead to long-term corporate value. Sometimes, this decision can decrease the short-term benefits of any stakeholders.

As for the applicability of the approach, ESV has broad applicability because it provides a clear method to become socially responsible (i.e., the fulfillment of all stakeholders' interests) and a clear metric in measuring CSR outcomes (i.e., long-term corporate value maximization). Especially, providing a single outcome measure is crucial because it gives a clear guide when there are conflicts of interest when doing CSR. Additionally, understanding CSR as a social dilemma helps managers reduce conflicts among stakeholders by pursuing the long-term collective outcome.

An example shows that corporate leaders welcome and skillfully deploy such methods, and returns to the Nokia case. After the failure resulting from the layoffs in Bochum in 2008, Nokia planned another round of restructuring in 2011. At this time, management did not focus on short-term cost reduction. Instead, they developed the Bridge program in 13 countries, which helped employees find new opportunities. Nokia spent €50 million on Bridge, and a total of 67% of the participants were satisfied with it. Moreover, the sites targeted for downsizing made €3.4 billion in new-product revenues (Sucher & Gupta, 2018). Nokia's Bridge program, which might have incurred short-term costs to the firm when developing the program, led to both corporate

value maximization and employee satisfaction in the long term. ESV perfectly fits Nokia's Bridge program and its results.

In the next section, I briefly describe major CSR approaches and explain why ESV is superior to them, starting with the shareholder approach.

Comparison of ESV with Existing CSR Approaches

Shareholder Approach vs. ESV. The shareholder approach is neo-liberal, supporting non-intervention from the government and generally rejecting regulations in markets (Malloch, 2013). When adopting this economic perspective, the market becomes competitive and efficiency-oriented, making firms strive for value maximization (Jensen, 2002). When doing CSR, firms adopting this neo-liberal focus maximize shareholder values and are restricted by short-term insights. This is largely because market fundamentalism undermines motivation to recognize the irrationality in mistaking estimable uncertainties for ambiguity and in severely discounting delayed rewards (Frederick et al., 2002; Parkhe, 1993). Friedman (1962) states that there is "only one social responsibility of business - to use its resources and engage in activities designed to increase its profit so long as it stays within the rules of the game" (p. 133). According to Friedman (1970), the "rules of the game" refer to the legal framework and ethical custom. Therefore, there are two normative standards in the shareholder value approach: managers' fiduciary duties toward shareholders and compliance with the law (Mele, 2008).

The shareholder approach is straightforward, thus compelling to practitioners when doing CSR. For publicly held firms, it fits with the requirement of shareholder value maximization. Because the shareholder approach uses a clear metric (i.e., shareholder value maximization), firms adopting the approach are efficient in creating wealth (Jensen, 2002), making it the most preferred choice of CSR (Crook, 2005; Karnani, 2011).

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However, when compared to ESV, the shareholder approach has clear limitations. First, it focuses on profitability, especially on short-term outcomes, thus it neglects long-term consequences. Therefore, it can exaggerate conflicts between shareholders and other stakeholders that do not benefit from short-termism. Consequently, it might be less efficient than ESV for value maximization in the long term (Jensen, 2002; Martin, 2019). For example, when firms need to reduce financial losses in a short time, they can downsize the workforce through layoff (e.g., Sucher & Gupta, 2018). Such cost reduction through downsizing can produce visible outcomes and promote financial performance in the short term. However, when firms undergo a mass layoff to boost short-term profit, this strategy bears long-term risks such as losing employees to competitors or facing impaired reputation, negatively affecting the long-term corporate value (De Meuse et al., 2004; Love & Kraatz, 2009; Sucher & Gupta, 2018). Second, focusing only on shareholders' interests can neglect the firm's non-financial responsibilities, making the shareholder perspective morally inferior to ESV and other stakeholder approaches (Donaldson & Preston, 1995). Especially, the cost of neglected social and environmental responsibilities can accumulate and negatively influence the firm's financial performance in the long term. Therefore, the shareholder approach can create tensions among stakeholders and even put the firm at risk of long-term financial loss.

Stakeholder Approach vs. ESV. In contrast to the shareholder approach, the stakeholder approach is neo-Keynesian, emphasizing economic stability and assuming that the market is not self-regulating via market fundamentals alone (Malloch, 2013). When doing CSR, firms adopting the neo-Keynesian perspective include various stakeholders and target a long-term outcome (Freeman, 1984; Mele, 2008). When aiming at long-term outcomes, CSR activities can incur more costs than returns in the short-term because it takes time for firms to reap outcomes

from CSR (Ali et al., 2020). This limitation makes the stakeholder approach not an attractive option to decision-makers in publicly held firms where managers and executives may face greater pressure to gain short-term profit for shareholders. In contrast, a longer-term strategy that often incurs short-term costs is arguably more feasible in privately held firms, where that pressure for profit is not as prevalent. Because they have more freedom in doing CSR without concerning much about making short-term profits, decision-makers in privately held firms can adopt the stakeholder approach to fulfill the needs of various stakeholders. Therefore, the stakeholder approach is observed more in privately held than in publicly held firms. Examples of firms that operate or have operated based on the stakeholder approach include Patagonia, Seventh Generation, and Body Shop (Moon, 2014).

There are two influential models of CSR that take the stakeholder approach. Carroll (1991) proposes a pyramid model of CSR where economic responsibility is the most fundamental, followed by legal, ethical, and philanthropic responsibilities in order. Firms adopting the pyramid model consider doing social and environmental activities only after the financial responsibility is fulfilled. Carroll (2016) has recently distanced the pyramid from a suggestion of priority, resulting in less clarity in applying his pyramid model to actual business. The other most widely known stakeholder model is the Triple Bottom Line (TBL: Elkington, 1997), which advocates balancing the responsibilities of the three CSR dimensions of economic health, social responsibility, and environmental sustainability. According to TBL, firms should care for their financial, social, and environmental bottom-lines, and focus on long-term sustainability.

Compared to the shareholder view, the stakeholder view places greater emphasis on the moral purpose of a business. Stakeholder approaches take the rights and interests of the various

stakeholders, including the shareholders. That means, the stakeholder view also considers business success and fulfills economic responsibility, which is the basis of CSR for publicly held firms. Although various stakeholder models provide a different priority, they concern all three dimensions of CSR stated in TBL.

However, there are several weaknesses in existing stakeholder views. First, because they do not provide a specific guideline on balancing stakeholder interests beyond stating the importance of the financial, social, and environmental responsibilities (Jensen, 2002), it is difficult for a manager to decide priorities among these interests when different stakeholders articulate different interests (Freeman & Liedtka, 1991). For example, when a firm's pro-environmental activities occur at the cost of sacrificing its opportunities on pro-social activities, the stakeholder approach does not provide a clear solution. Second, there is no agreement on the measurement of CSR performance in the stakeholder approach. In practice, various stakeholder-approach-related measures are used under the name of "balanced scorecard" or "ESG rating" (ESG stands for environmental, social, and corporate governance). However, most of them are either complicated to use in practice or have a different primary purpose than benefitting all stakeholders (Jensen, 2002; Schanzenbach & Sitkoff, 2020). For balanced scorecards, they are difficult to use in practice because they combine various measures in the scorecards without providing tradeoffs between measures (Jensen, 2002). In terms of the ESG ratings, these are finance- and investment-oriented. Their primary purpose is not to serve various stakeholders in the long term but to provide information to aid current and potential investors (Schanzenbach & Sitkoff, 2020). Accordingly, the stakeholder approach lacks both a clear metric to measure CSR's outcome(s) and the methods regarding how to become responsible in all four pyramid stages or all three dimensions of CSR. At best, they provide organization symbols (i.e., a

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pyramid, three separate ledgers) rather than lessons in strategy and management. Third, the stakeholder approaches may provide an excuse for managerial opportunism (Mele, 2008). For example, when there is no single measurable goal in CSR, managers can justify self-serving behaviors by appealing to the interest of the stakeholder groups that benefit from their decisions. Sometimes, when managers and executives undervalue the importance of economic responsibility, over-investment in CSR without considering its impact on financial performance can put firms at risk. Recently, Emmanuel Faber, the French conglomerate Danone's CEO, was fired due to its underperformance compared to its main competitors Unilever and Nestle. Critics blame Danone's underperformance on Faber's too much emphasis on CSR (Abboud, 2021). Last, it is difficult to measure the impact of CSR on all relevant stakeholders. Although morally superior, these limitations make the stakeholder perspective less applicable than the shareholder perspective.

These limitations can be addressed when adopting ESV, which provides a method of becoming socially responsible and a metric of measuring CSR outcomes. Specifically, ESV states that firms should aim at long-term value maximization (i.e., the metric), and serving all stakeholders (i.e., the method) can meet the goal. Having a simple performance measure makes ESV simpler to apply than existing stakeholder approaches because firms only need to focus on their long-term corporate value. Additionally, when conflicts arise among stakeholders, ESV analyzes the conflicts through the social dilemma paradigm, which explains how individual decisions in a group affect each individual and the entire group. Understanding CSR as a social dilemma enables ESV to prevent justifications of any opportunistic behaviors that only serve specific stakeholders but negatively lead to long-term value maximization. At the same time, ESV also prevents over-emphasis on CSR activities that do not lead to long-term value

maximization, meaning that it weighs economic responsibility as important as social and environmental responsibilities. Therefore, ESV has clear advantages over and better applicability than major stakeholder approaches.

Creating Shared Value vs. ESV. There is another major approach, first raised by Drucker (1984, 1995) and then elaborated by Porter and Kramer (2006, 2011), which suggests that the economic and non-economic social responsibilities are, in fact, compatible with each other. According to this approach, firms can maximize shareholder values while fulfilling their responsibility to other stakeholders (Drucker, 1995). Specifically, when a company engages in a CSR activity in its competitive area, CSR can also benefit the firm financially. Porter and Kramer (2011) term this type of CSR *Creating Shared Value* (CSV), which is also known as the shared value model, strategic CSR, or the business case for CSR (Porter & Kramer, 2006; Moon, 2014). Here, shared value refers to "policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates" (Porter & Kramer, 2011, p. 6). CSV emphasizes economic and societal benefits relative to cost.

Toyota's hybrid engine is a classic example of CSV. The engine emits only about 10% of the pollutants produced by conventional gasoline and diesel vehicles, and provided Toyota with substantial financial benefits (Porter & Kramer, 2006). Another example comes from the beverage industry, when Aquafina announced that it would use 50 percent less plastic in their half-liter water bottles, which reduced waste and costs simultaneously (Szekely et al., 2017).

CSV has advantages over shareholder and stakeholder approaches. First, it provides a view of CSR beyond zero-sum competition between CSR and profitability. CSV helps firms identify methods for CSR by promoting CSR activities within a firm's own areas of expertise

and where it is possible to increase profit in the near term as well as over time. Thus, CSV enables managers to devise corporate value maximization plans and to persuade shareholders. CSV provides both a metric of maximizing corporate value and a method of doing CSR in its competitive areas. It considers both the economic and at least a limited set of the moral purposes of business. Also, CSV reduces conflicts of interest among stakeholders to a certain level, especially for those benefitting from CSR activities.

As in all other CSR approaches, CSV also has limitations. First, it turns CSR from an ethical concern into a business issue. Whereas the stakeholder approaches consider multiple stakeholders' interests, CSV will not consider any activity that does not promise a short-term or at least a medium-term return on investment. When a CSR activity aims at the long-term goal and covers a long temporal horizon, it inevitably accompanies additional uncertainties and risks that do not exist in activities aimed at shorter-term goals. These uncertainties and risks are often exaggerated, leading to irrational temporal discounting when estimating long-term returns (Loewenstein & Thaler, 1989). Therefore, decision-makers adopting CSV tend to prefer CSR activities that can lead to visible financial outcomes in the short term, although there are chances that these activities could lead to a worse financial outcome in the long term. Especially, regarding CSR activities serving the general public and the environment, outcomes from these activities are usually long-term and indirect, hence they will not be preferred by corporate leaders adopting the CSV approach. Consequently, CSV will undervalue actions addressing broader stakeholder interests over longer temporal horizons, making it applicable only to limited situations (Karnani, 2011). Second, CSV can justify opportunism because firms may neglect to avoid harmful effects and only focus on profit-maximizing CSR activities. Kotchen and Moon (2011) argue that many firms engage in CSR to offset their irresponsible deeds. For example,

before its accounting scandal was revealed, Enron was praised for its CSR and rated as one of the best firms to work for (Vogel, 2005). In this case, the moral purpose of CSR appears superficial, and CSR seems to be used as a form of risk management which "promotes the firm's strengths to mitigate potential effects of weaknesses" (Lougee & Wallace, 2008, p. 106). When accumulated, these overlooked weaknesses and irresponsible deeds can negatively affect the firm's long-term performance and corporate value.

Compared to CSV which is relatively shorter-term focused, ESV is more longer-term oriented, enabling firms to incorporate the interests of broader stakeholders. Many socially- and environmentally-oriented activities have indirect and long-term returns, thus may not be considered from CSV approach. However, when these activities are ignored, corporate decision-makers may miss the opportunities to become more responsible and sustainable because, although realized in the long-term, socially and environmentally responsible activities can provide desired financial outcomes via enhanced corporate image and reputation (Ali et al., 2020). In contrast, when firms adopt ESV, set a long-term goal from CSR, and prepare for the decrease in the short-term financial performance, they not only serve broad stakeholders but also can benefit from a greater financial return in the long-term. As described earlier, Nokia's successful Bridge program provided a substantial financial return to the firm in the long term and satisfied both their shareholders and the employees (Sucher & Gupta, 2018).

When firms adopt ESV over CSV, having a common long-term goal is beneficial not only because it allows firms to consider CSR activities that result in positive returns in the long term. Having a common long-term goal can also decrease conflicts of interest in the short term. CSR is an organizational social dilemma where corporate managers and executives make decisions on behalf of all stakeholders. The outcomes from CSR are affected by these initials

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decisions and the reactions from all stakeholder groups afterward. In social dilemmas, self-serving decisions guarantee maximum relative outcomes for that specific stakeholder group, whereas cooperative decisions guarantee maximum collective outcomes (Dawes, 1980; Rockmann & Northcraft, 2018). When applied to CSR, any activity intended to serve specific stakeholders will mainly benefit those stakeholders. However, since the activity does not benefit other stakeholders, the collective outcome to all stakeholders will be worse than when CSR activities aim at serving broader stakeholders. For example, Amazon did not have air conditioning (A/C) in some of its warehouses, including one in Allentown, Pennsylvania. In the summer of 2011, several Amazon workers working at the warehouse collapsed due to the heat inside the warehouse, which went over 100 degrees Fahrenheit. Although Amazon could have prevented it by opening the garage doors of the warehouse to circulate the air and drop the temperature down, they refused it because of the concern of the theft. Instead, they hired ambulances and paramedics to wait outside for any emergent situation. After the collapse of the employees and facing harsh criticism, Amazon provided cooling bandannas to the employees working there (Head, 2014). From the CSR point of view, taking care of the employees and maintaining financial performance are both important to the firm. However, installing A/C units in the warehouse will incur huge costs, and the increased productivity and employee satisfaction expected from the A/C installation will affect the financial performance in the longer term. Therefore, from the CSV perspective, investing the minimum resources (i.e., hiring paramedics/ ambulances and/or providing cooling bandannas) to keep the employee in the workforce would be the best decision for the firm in the short term. However, providing cooling bandannas or only taking care of those collapsed is worse to the employees than installing A/C units. Such insufficient treatment can lower employee loyalty and increase their turnover. Moreover, because

there is a positive relationship between air conditioning and industrial productivity (Zivin & Kahn, 2016), installing A/C units can better promote performance in the longer term. Therefore, Amazon's solution at the Allentown warehouse was not the best for the long-term corporate value.

In contrast, as shown in Nokia's successful case, the Bridge program can be considered an ESV-induced decision because the program serves various stakeholders, including the employees and the shareholders, and aims at the long-term outcome. Since employee education and relocation would not produce financial outcomes in the short term, running the program would be considered more as costs than returns at first. However, in the long term, the program not just benefited the employees and ultimately led to a considerable profit to the firm, it also enhanced the firm's reputation in the market (Sucher & Gupta, 2018). In sum, ESV-induced decisions pursue long-term corporate value maximization and incorporate broader stakeholders' interests than CSV-induced decisions. Therefore, ESV has broader applicability and makes fewer conflicts of interest than CSV.

Discussion

There has been a surging interest in CSR in society, and business leaders perceive that CSR would be indispensable in business in the future (Gelles & Yaffe-Bellany, 2019). This is because irresponsible corporate behaviors can cause disastrous social and environmental outcomes, possibly leading to negative financial performance. So, there is an increasing agreement that doing CSR is good not just for society but also for the firm (e.g., Strain, 2020).

Then, how can firms become socially responsible? Various CSR approaches suggest what firms should focus on and how to become socially responsible. However, existing approaches miss the point that CSR involves an organizational social dilemma. When firms consider CSR,

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there are conflicting interests among stakeholders, also between the short-term and the long-term outcomes. Without understanding the structure of these conflicts and tensions, firms cannot fully involve in and benefit from CSR because it seems that doing CSR is counterproductive in financial performance. Therefore, firms, especially publicly held firms, either passively involved in CSR or used CSR narrowly (Vogel, 2005).

However, when understanding CSR from the ESV approach, firms can reduce perceived conflicts and tensions in CSR by aiming at the long-term outcomes. To achieve value maximization in the long term, firms must consider the interests of all stakeholders. Addressing the needs of all stakeholders can lead firms to become responsible at the economic and non-economic levels. Therefore, this paper suggests ESV as an alternative to existing CSR approaches.

Theoretical Implications

This paper provides implications both to the academics and to the practitioners. For the academic discussions, this paper suggests three important points. First, this paper applies the social dilemma paradigm when analyzing the structure of CSR. Specifically, I see CSR as an organizational social dilemma (Rockmann & Northcraft, 2018). Although Rockmann and Northcraft (2018) introduce various examples in organizational settings, they did not mention CSR in their discussion. However, CSR involves the key elements, conflicts, and tensions in other organizational social dilemmas.

Second, this paper applies various criteria when comparing and contrasting major CSR approaches. Existing discussions focus on the economic theory (neo-liberalism vs. neo-Keynesianism, the purpose of business (economic vs. moral purpose), and the methods (priorities among the three CSR dimensions and how to become responsible) when categorizing CSR. In

addition to these criteria, this paper also applies the metrics and the level of conflicts in various CSR approaches. These two elements are especially important because corporate executives and strategists will be hesitant in making decisions if any approach lacks guidelines on how to become socially responsible and profitable at the same time. Also, understanding the conflict can help managers persuade other stakeholders when implementing CSR. To better understand CSR and get the best outcomes from it, these two elements should be included in the discussion of CSR.

Third, this paper suggests ESV as a new approach to CSR. When firms apply short-term strategies, they cannot reduce the conflict between the short-term and the long-term outcomes because a single CSR activity can result in different outcomes at different points over a temporal horizon (Martin, 2019; Van Lange et al., 2012). Moreover, short-term strategies can mostly benefit the shareholders in the short term at the cost of other stakeholders, like in the case of Nokia in Bochum in 2008 (Sucher & Gupta, 2018). Alternatively, applying the stakeholder perspective does not provide a clear guideline for conflicts among stakeholders or between the short-term and the long-term outcomes. Therefore, stakeholder approaches cannot provide exact solutions to the firms. In contrast, when applying the ESV, it provides a clear metric, i.e., long-term corporate value maximization, and provides the method of reducing conflicts that exist in other CSR approaches. ESV is an alternative perspective to CSR, and is superior to existing CSR approaches.

Practical Applications

In addition to the theoretical contributions, this paper also provides practical implications to corporate executives, managers, and strategists. First, for those practicing short-term-focused CSR, this paper shows that short-term-focused CSR exaggerates conflicts and tensions.

Specifically, CSR could involve or exaggerate conflicts among various stakeholders and between short- and long-term outcomes when aimed at the short-term outcome, which is not beneficial to the firm in the long term. As described earlier, Nokia's mass layoff to cut costs and boost profit in the short term faced a backlash, resulting in worse financial outcomes afterward (Sucher & Gupta, 2018). In contrast, when aimed at the long-term outcome, CSR can promote financial performance because CSR creates a positive corporate image, decreases costs, and reduces risks (Ali et al., 2020; Bhattacharya et al., 2021; Harjoto & Laksmana, 2018), which is not easy to observe in the short term. Supporting these arguments, recent studies on CSR show that CSR leads to long-term benefits (Hannah et al., 2021; Koller et al., 2017; Lu et al., 2018). These positive results can help practitioners persuade various stakeholders when making CSR-related decisions.

Second, this paper provides a guideline about what firms should pursue when doing CSR. For social dilemmas in general, self-serving decisions always provide a better relative outcome for each individual than cooperation, thus being considered a rational choice (Dawes, 1980). However, it is not optimal when concerning the absolute individual outcome or the collective outcome for the entire group. In organizational contexts, the absolute outcome is more important than the relative outcome, primarily when firms focus on long-term sustainability in the market (Bjørn & Hauschild, 2013). Therefore, firms need to focus on value maximization at the collective level to become sustainable in the market. By applying ESV which aims at the long-term outcome through cooperation, firms can become socially/environmentally responsible and achieve corporate value maximization simultaneously. When corporate executives and strategists understand the benefit of cooperation over selfish decisions and believe that other stakeholders will also cooperate for value maximization, CSR-related decisions will be less affected by

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irrational temporal discounting when estimating the return of CSR activities. Accordingly, ESV can be adopted by corporate decision-makers as a better alternative to existing approaches..

Third, this paper provides and analyzes various real-world examples to help practitioners make CSR-related decisions. For each case, this paper described each firm's decision and explained how that decision benefitted the firm or put the firm at risk afterward. Provision of both successful (e.g., Nokia's Bridge program, Toyota's hybrid engine, and Aquafina's lighter water bottle) and unsuccessful (e.g., Nokia's mass layoff, Danone's over-emphasis on CSR, Amazon's insufficient employee treatment) examples can guide practitioners on what to aim and avoid when doing CSR. Especially, the Nokia examples will be helpful because the firm initiated two CSR activities based on different CSR perspectives, and they led to opposite outcomes (Sucher & Gupta, 2018). Also, the recent Danone case showed the danger of over-emphasis on CSR without considering economic sustainability (Abboud, 2021). Overall, this paper provides valuable tips and guides to practitioners both through theoretical discussion and real-world examples.

Suggestions for Future Research

Among various stakeholders, corporate leaders take the most crucial role when doing CSR because they are the ones who make decisions on CSR. From the shareholder perspective, corporate leaders are the agents to the shareholders who own the firm. Therefore, agents only needed to serve the shareholders who want to maximize their profits (Friedman, 1970; Jensen & Meckling, 1976). In contrast, the stakeholder perspective states that corporate decision-making should consider all relevant stakeholders' interests. Hill and Jones (1992) state that corporate leaders are agents to various stakeholders, such that leaders make decisions on behalf of all stakeholder groups. Considering that ESV incorporates all stakeholders' interests, decision-

makers are responsible for accommodating conflicting interests and leading to long-term

corporate value maximization. To make CSR-related decisions for the maximum corporate value

in the long-term, corporate leaders need to understand that CSR involves social dilemmas.

Apart from being the decision-makers in CSR, corporate leaders themselves are

stakeholders, making them tempted to behave opportunistically and serve their own interests at

the expense of the firm's collective benefits (Jensen, 2002). Therefore, corporate managers need

to be responsible and ethical when making CSR-related decisions (Waldman et al., 2020).

Brown, Treviño, and Harrison (2005) defined ethical leadership as "demonstration of

normatively appropriate conduct through personal actions and interpersonal relationships, and

the promotion of such conduct to followers through two-way communication, reinforcement, and

decision-making" (p. 120). CSR activities serving all stakeholders are ethical, and in order to

monitor whether the CSR activities are operating as planned and whether all stakeholder groups

are cooperating for long-term value maximization, leaders need to communicate with each

stakeholder groups. When available, they sometimes need to reward desirable behaviors and

discipline undesirable behaviors of the followers. Studies have shown positive relationships

among CSR, ethical leadership, and performance (e.g., Aftab et al., 2022; Nejati et al., 2020; Zhu

et al., 2014). However, it is not clear what CSR perspective (e.g., shareholder perspective,

stakeholder perspective, ESV, etc.) is most effective in promoting performance from ethical

leaders.

Additionally, in order to prevent undesired long-term outcomes from social uncertainties,

external regulations can be used to deter free-riding and promote cooperation (Ledyard, 1994;

Sefton et al., 2007). According to the inequity aversion theory (Fehr & Schmidt, 1999),

individuals are willing to punish free-rides at the expense of individual costs. However, it would

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not be easy for firms to incur costs to monitor and punish all free-riding decisions and behaviors. Here, external stakeholders such as governments and NGOs can use legislation, regulations, and/or certifications to promote cooperation when firms do CSR. For example, the Accountable Capitalism Act (Warren, 2018), ISO 26000 (International Organization for Standardization, 2010), or B corporation certification (Honeyman & Jana, 2019) can influence firms to behave more responsibly and aim at long-term outcomes. However, these external regulations should be supplementary and not primary. Otherwise, firms can be tempted to focus on passive involvement when doing CSR because actively following all the regulations and policies will incur extra costs to the firms.

Therefore, future research on leaders' perception of CSR, leadership style, and the role of external regulations would help scholars and practitioners understand how to promote CSR, especially the ESV approach of CSR that is suggested in this paper.

Conclusion

CSR is gaining popularity in the business world, but it can cause avoidable conflicts when not appropriately understood or practiced. When CSR is correctly understood and corporate leaders understand CSR as a social dilemma, they can minimize the conflict between CSR and pursue value maximization at the collective level in the long term. Having a theoretical grasp of why this is the case, along with an outline of a framework for how to realize this in practice, benefits all stakeholders, including the shareholders of publicly held firms. ESV yields both of these outcomes and motivates future empirical work in this important area linking corporate strategy, business management, and leadership ethics.

Chapter 3: Study 2

Introduction

For corporations to stay competitive in today's fast-changing and unpredictable market, attracting and recruiting highly competent individuals is critical (Breaugh & Starke, 2000; Chapman et al., 2005; MacCrae & Furnham, 2014). The retirement of Baby Boomers and the insufficient supply of skilled applicants have led to a shortage of top performers at the global level (Evertz & Süß, 2017; Keller, 2017). Also, the COVID pandemic has worsened the labor shortage because many workers who voluntarily left their jobs during the pandemic are not returning to work (De Smet et al., 2022). Accordingly, firms compete for qualified individuals, often referred to as the "war for talent" (Michaels et al., 2001).

When firms recruit employees, various tangible and intangible factors influence applicants' attraction to a potential employer (Furnham & Palaiou, 2017). Among the intangible factors exerting an increasing influence is corporate social responsibility (CSR), or the "actions on the part of the firm that appear to advance, or acquiesce in the promotion of some social good, beyond the immediate interests of the firm and its shareholders and beyond that which is required by law" (Waldman et al., 2006, p. 1703). Comprising most of the workforce, Millennials and Generation Z perceive individual responsibility to the environment and society as critical (Deloitte, 2020), which they can fulfill through working at firms actively engaging in CSR. Also, studies have found that CSR attracts job applicants and positively affects employee attitudes and performance (e.g., Donia et al., 2019; Hedblom et al., 2019; Ng et al., 2019).

However, despite CSR being generally desirable, less is known about the relative importance of different CSR dimensions in applicant attraction. CSR may include responsibilities for employees, environment, society, and corporate governance dimensions (Bustamante et al., 2021; Schanzenbach & Sitkoff, 2020). Suppose individuals weigh each CSR

dimension differently when applying for a job. In this case, firms focusing on CSR dimensions important to applicants would have an advantage in applicant attraction over firms emphasizing CSR dimensions less critical to them. For example, a firm offering excellent employee benefits may look more attractive to applicants than another firm providing excellent local community support. Also, knowing this information would mean that firms can effectively and efficiently allocate their limited CSR resources for maximum outcomes in applicant attraction.

Even when the relative importance of each CSR dimension is known, how CSR affects applicant attraction depends upon various boundary conditions, including individual differences. For CSR's influence on applicant attraction, studies consistently report the role of personal values in this relationship (e.g., Bustamante et al., 2021; Gully et al., 2013; Zhao et al., 2019). CSR concerns the interest of not just internal (e.g., shareholders, employees, or managers) but also external (e.g., customers, the general public, or the environment) stakeholders, thus CSR would attract job applicants having more prosocial and other-oriented values than those having more self-oriented values (Bustamante et al., 2021; Freeman, 1984). Therefore, the current study examines how CSR dimensions attract applicants differently and how personal values influence these relationships.

Specifically, this study uses Social Value Orientation (SVO: Murphy et al., 2011; Van Lange, 1999) as the personal value measure, which refers to "the dispositional weights individuals assign to their own and to others' outcomes in interdependent situations" (Pltezer et al., 2018, p. 63). Although scholars have used SVO in various decision-making studies (e.g., Balliet et al., 2009), no known applicant attraction studies have used it before. Moreover, SVO items involve the conflict of individual and collective interests, which is also present in CSR

(Han, 2021). Therefore, using SVO as an indicator of personal value will add to our understanding of the role of personal values in the CSR-applicant attraction relationship.

This study contributes to both theory and practice and leverages a novel methodology to aid our understanding of applicant attraction. In terms of theory, this study broadens our understanding of the relationship between CSR dimensions, applicant attraction, and SVO. Specifically, this study explains how each CSR dimension differently influences applicant attraction and how SVO influences these relationships. Practically, this study suggests to recruitment and human resources personnel what CSR contents firms should prioritize when recruiting and attracting applicants and explains whether emphasizing CSR can substitute the influence of tangible attributes in applicant attraction. Methodologically, this study applies adaptive choice-based conjoint analysis (ACBC: Orme, 2020; Sawtooth Software, 2014) and uses job choice tasks to examine how various CSR dimensions and non-CSR attributes affect applicant attraction differently. Additionally, using the importance scores from the conjoint analysis, this study applies cluster analysis to segment individuals based on the pattern of their preference among job attributes in job choice situations.

The paper is organized as follows. I first review the role of employer branding in applicant attraction, elaborating on how each CSR dimension affects applicant attraction differently. After that, I discuss how personal values influence the importance of various job attributes on applicant attraction. Then, I describe the study and report the results, followed by discussing and providing theoretical and practical implications.

Conceptual Background and Hypotheses

Employer Branding and Applicant Attraction

Firms manage various resources to remain competitive in the market. Among them, human capital is considered the most important asset because recruiting and retaining top talent in the workforce is critical for building a competitive edge. When competing for talented individuals, firms first need to attract the attention of these individuals (Barber, 1998). For this purpose, firms purposefully create and manage their image to appeal to potential applicants and keep current employees, known as *employer branding* (Lloyd, 2002). Employer branding applies a marketing approach where firms sell employment, and the targets are potential and current employees (Price, 1996). Thus, the primary goal of employer branding is to communicate to existing and prospective employees that the firm is a desirable workplace (Lloyd 2002).

When firms do employer branding, job profiles are valuable tools at the pre-interview stage of recruitment, which helps firms make applicants aware of and interested in the firm and the job (Boudreau & Rynes, 1985). Studies have found that employer attributes affect company attractiveness and the likelihood of offer acceptance (e.g., Powell, 1984; Taylor & Bergmann, 1987). Especially when job profiles contain attributes that applicants prioritize or prefer, applicants are more likely to perceive that there is a good fit between them and the firm (Rynes et al., 1991; Schneider et al., 1995), positively affecting their attraction to the employer (Uggerslev et al., 2012). Therefore, in their job profiles, firms can strategically emphasize the images their potential employees consider important, thereby increasing the chance of attracting top performers.

Then, firms need to understand what corporate images positively influence applicant attraction. In the next section, I describe the importance of CSR in applicant attraction.

Corporate Social Responsibility and Applicant Attraction

When a firm creates and manages its image through employer branding, it can strategically emphasize specific attributes for the maximum outcome in applicant attraction. According to Furnham and Palaiou (2017), employer branding involves tangible rewards such as financial packages and location and intangible rewards associated with personal values. One such intangible feature, corporate social responsibility (CSR), exerts an increasing influence on applicant attraction (Rupp et al., 2013). Compared to their more value-neutral older generation parents, younger generations, who comprise most of the workforce, are more concerned about individual responsibility to the environment and society (Deloitte, 2020). To them, employers more engaged in CSR would appear more attractive than those less involved in CSR.

For example, Millennials report they are willing to trade off CSR and pay, so they may sacrifice some of their salaries to work at a company that is socially and environmentally responsible (Cone Communications, 2016). In an experimental study, as another example, adding CSR content in the recruitment message was equivalent to about an additional 35% of the hourly wage for a part-time job (Hedblom et al., 2019). According to the signaling theory (Baum & Kabst, 2013; Rynes et al., 1991; Spence, 1973), firms can send a positive signal to potential applicants through their CSR involvement. Because CSR concerns not just the bottom line but also the welfare of various stakeholders related to the firm and because employees are one of the firm's stakeholders, CSR can influence applicants to expect the firm to take good care of them when hired. Accordingly, CSR can help firms attract more applicants, hire talented employees for less salary, and ultimately achieve better performance. Firms can effectively emphasize CSR in their job profiles to attract top talent.

CSR Dimensions on Applicant Attraction

CSR Categorization. Although CSR is generally desirable, less is known about the relative importance of different CSR dimensions in applicant attraction. CSR covers a wide range of corporate actions that serve various interest groups, so scholars and practitioners classify CSR into different dimensions or categories (e.g., Carroll, 1991; Elkington, 1997; European Commission, 2011; Schanzenbach & Sitkoff, 2020; Scheidler et al., 2019; Turker, 2009). In this study, I apply the intrinsic versus extrinsic CSR (Scheidler et al., 2019) as well as the ESG framework (Schanzenbach & Sitkoff, 2020).

CSR activities related to employees and future employees are most relevant for job applicants. Therefore, CSR activities targeted at employees are expected to influence applicant attraction more than CSR activities serving other beneficiaries. Accordingly, CSR can be classified into internal and external CSR (Scheidler et al., 2019). Internal CSR relates to corporate activities promoting employees' working conditions and environment (Rodrigo & Arenas, 2008; Turker, 2009), whereas external CSR relates to corporate activities about social and environmental issues that primarily benefit external stakeholders (Brammer et al., 2007).

However, grouping CSR into internal versus external CSR appears too simple because employees are just one of the many beneficiaries of CSR. Putting all non-employee stakeholders into a single group seems too broad. In business practice, CSR is usually grouped into those related to environmental, social, and corporate governance issues. Referred to as ESG (where 'E,' 'S,' and 'G' stands for 'environmental,' 'social,' and 'governance,' respectively), this categorization is most popular and widely used in business because performance in ESG factors adds corporate value in the future. Therefore, firms publish ESG reports to increase their values and attract investors (Schanzenbach & Sitkoff, 2020).

Among the ESG components, the environmental dimension concerns the sustainability of natural resources and the environment. It includes using renewable energy sources, managing air or water pollution from its operations, and attitude and actions around climate change issues. The social dimension of ESG addresses issues about social relationships. One of the central relationships is the firm's relationship with the employees. Still, the social dimension of ESG also includes relationships with customers, suppliers, the local community, and the larger society. The governance dimension of ESG is mostly about how executive members manage a company and how the company follows various policies, rules, and regulations. This dimension includes issues such as financial and accounting transparency, executive compensation, and balancing the interests of multiple stakeholders (Schanzenbach & Sitkoff, 2020).

Several applicant attraction studies applied CSR activities from the internal versus external categorization and the ESG dimensions (e.g., Bustamante et al., 2021; Lis, 2012; Montgomery & Ramus, 2011). However, these studies did not explicitly use the ESG framework, or some overlap exists in their CSR categorization. For example, Bustamante et al. (2021) categorized CSR into 'employee responsibility,' 'socioenvironmental responsibility,' and 'governance and ethics.' In this categorization, the social and environmental dimensions of ESG are merged into the socio-environmental dimension, where the company's relationship with employees is excluded and separately categorized as 'employee responsibility.' Montgomery and Ramus (2011), as another example, have 'environmental sustainability and socially conscious behavior' and 'relationship with local communities and outside stakeholder' factors that have some overlap in meaning. Therefore, to reflect both intrinsic/extrinsic CSR and ESG frameworks and avoid overlapping, the current study uses four dimensions for CSR: *employee responsibility*, *social responsibility*, *environmental responsibility*, and *corporate governance*. Here, I adopt

Bustamante et al.'s (2021) employee and governance dimensions but distinguish social and environmental dimensions separately because they address different issues. In the social responsibility dimension, I excluded the issues related to employees to avoid their overlap with the employee responsibility dimension.

CSR vs. Non-CSR attributes on Applicant Attraction. Although there seems to be some trade-off between CSR and salary (Cone Communications, 2016; Hedblom et al., 2019), whether the influence of CSR is more significant than that of tangible job attributes in applicant attraction is another issue. For this, studies provide mixed results when comparing the impact of CSR with essential tangible attributes such as salary or workplace location in applicant attraction. One main reason for the mixed results is that studies applied different CSR categorizations, where some used CSR as a single employer attribute (e.g., Montgomery & Ramus, 2011; Ronda et al., 2021) and others used multi-dimensions for CSR (e.g., Bustamante et al., 2021; Meyerding, 2018).

When applicants compare CSR categories with tangible job attributes, priority among these job characteristics can base on how relevant each attribute is to the applicants. When firms emphasize employer attributes that are highly relevant to applicants, these firms can attract applicants more than firms that focus on less relevant attributes (e.g., Bustamante et al., 2021; Meyerding, 2018; Montgomery & Ramus, 2011).

Specifically, these differences in relevance can be explained by the needs each job attribute satisfies. According to Alderfer (1969), humans have needs for existence, relationship, and growth, which are called *ERG* needs. These needs are ordered in a hierarchy such that existence needs are the most fundamental, followed by relationship needs and growth needs. When different employer attributes satisfy different human needs, people will likely pursue basic

needs over higher-order needs when both are unmet but achievable. The basic needs are associated with one's existence and safety (Maslow, 1943), making them difficult to ignore when unsatisfied.

Among tangible employer attributes, salary and workplace location have been rated as essential factors in applicant attraction (e.g., Meyerding, 2018; Montgomery & Ramus, 2011). Compared to CSR, these non-CSR attributes would attract applicants more because salary and location are directly associated with existence needs. In contrast, CSR dimensions are either less or indirectly related to the existence needs. CSR concerns the interest of various stakeholders, and many of the CSR activities fulfill relationship and/or growth needs. Consequently, I expect salary and workplace location to influence applicants more than CSR dimensions on applicant attraction, which I hypothesize in the following.

H1a: Salary will show a larger influence than CSR dimensions on applicant attraction.
H1b: Location will show a larger influence than CSR dimensions on applicant attraction.

How does each CSR Category Affect Applicant Attraction? When comparing the four CSR dimensions through ERG needs, the employee dimension is most relevant to the applicants because it directly concerns the benefit and well-being of the employees (Bustamante et al., 2021; Lis, 2012). This dimension deals with working conditions and environment, so the benefits one can expect from this dimension could be less than the benefits one directly receives from salary and workplace location. Still, this dimension relates to the existence needs, making them more fundamental than other CSR dimensions. Although not impossible, it will be difficult for one to ignore existence needs and pursue higher-order needs if the former is not satisfied. Therefore, the employee dimension will be the most important among all CSR dimensions in applicant attraction.

The governance dimension primarily focuses on how management operates the firm. Therefore, it somehow relates to the employees but less than the employee dimension. To employees, governance issues about employees associate with the existence needs, whereas governance issues about other stakeholders relate to the relationship needs. Therefore, I expect the governance dimension to be the second most important CSR dimension in applicant attraction.

Environmental and social dimensions target external beneficiaries, indirectly relating to the applicants' benefits. These dimensions mainly concern corporate relationships with external stakeholders and long-term corporate sustainability, making them less relevant to employees than other CSR dimensions. Consequently, applicants will be less affected by them than either the employee or governance dimension. When comparing the two, the social dimension will exert a more significant influence on applicant attraction than the environmental dimension because the social dimension targets other groups of individuals (e.g., customers, suppliers, local community). In contrast, the environmental dimension mainly targets non-human resources and natural environments, making it less relevant to the applicants.

Overall, depending on their relevance to the applicants and the type of needs each dimension satisfies, each CSR dimension will affect applicant attraction differently, which I hypothesize in the following.

H2a: Among the four CSR dimensions, the employee dimension will show the largest influence on applicant attraction

H2b: Among the four CSR dimensions, the governance dimension will show the second largest influence on applicant attraction

H2c: Among the four CSR dimensions, the social dimension will show the third largest influence on applicant attraction

H2d: Among the four CSR dimensions, the environmental dimension will show the smallest influence on applicant attraction

In the next section, I describe the boundary conditions that impact the relationship between CSR and applicant attraction, where I focus on personal values.

Social Value Orientation in Applicant Attraction

SVO on Applicant Attraction for CSR dimensions. As explained so far, CSR is desirable for firms because it positively influences applicant attraction and employee attitudes and performance (e.g., Donia et al., 2019; Hedblom et al., 2019; Ng et al., 2019). However, the relationship between CSR, applicant attraction, and work-related outcomes depends on individual differences. For example, although CSR is valued by the majority of the workforce (Deloitte, 2020), not everyone would welcome earning less salary for working at a firm highly involved in CSR. Similarly, although the employee dimension of CSR is more relevant to the applicants than other CSR dimensions (Bustamante et al., 2021), some applicants could have a different priority among CSR dimensions. Value orientation is an important factor affecting the degree to which CSR appeals to job applicants. Depending on individual value orientation, the effect of CSR on applicant attraction may be strengthened or weakened. If a job applicant does not care much about CSR, then the amount or intensity of CSR will have little influence on applicant attraction and job choice. For the role of personal values, studies have found that personal values influence the strength of the relationship between CSR and job attraction (e.g., Bustamante et al., 2021; Gully et al., 2013; Zhao et al., 2019).

The mechanism of how personal values influence the CSR-attraction relationship is explained by person-organization fit (Schneider et al., 1995). According to Schneider et al. (1995), applicants are more likely to be attracted to and selected by the employer when value congruence exists between the individual and the firm. Therefore, applicants whose values are congruent with the firm's CSR activities are more likely to be selected by and stay in the firm than applicants whose personal values do not fit the firm's CSR activities. Considering that CSR fits more with individual responsibilities to external beneficiaries than with self-interest, job applicants who prioritize responsibility to others over self-interest will show a greater attraction to the firm that emphasizes CSR than those who value self-interest over responsibilities.

Existing studies applied various personal value measures such as universal values (Bustamante et al., 2021), the desire to have a significant impact through work (Gully et al., 2013), or collectivism (Zhao et al., 2019). These studies consider that personal values related to altruism and cooperation fit CSR, thus positively influencing the CSR-applicant attraction relationship. However, these conceptualizations of personal value do not capture an essential characteristic of CSR, which involves the conflict between short-term and long-term outcomes and also between individual and collective outcomes. According to Han (2021), CSR is a type of social dilemma involving a conflict between shareholders' and other stakeholders' interests (Dawes, 1980; Rockmann & Northcraft, 2018). When firms prioritize the interest of various stakeholders, the costs incurred from CSR activities would be a short-term loss to the firm because it takes time for firms to financially benefit from CSR activities targeted at non-shareholders, especially external stakeholders (Ali et al., 2020). That means firms inevitably risk a short-term financial loss to the shareholders when aiming to benefit various stakeholders (Jensen, 2002). Therefore, compared to the value orientation measures that only capture CSR's

altruistic or collective component, applying a personal value measure that also involves the conflict between personal and others' gain would better reflect the nature of CSR when predicting applicant attraction.

Reflecting the conflicts of interest in CSR, the current study uses Social Value Orientation (SVO: Murphy et al., 2011; Van Lange, 1999) for the value orientation measure. SVO has been used to categorize individuals based on their attitudes about allocating resources. The allocation tasks in SVO involve conflicts between self-interest and collective interest, which aligns well with the root conflict inherent in CSR. SVO broadly distinguishes individuals into "prosocials" and "proselfs" based on a series of resource allocation tasks (Murphy et al., 2011). However, because SVO scores are continuous, this study does not use SVO categories but uses SVO scores instead, where a higher score indicates that one is more prosocial.

Overall, there is value congruence between CSR and SVO because CSR concerns the interest of various stakeholders, and those scoring higher in SVO value collective over individual gains. Therefore, there will be a good person-organization fit between those high in SVO and firms highly involved in CSR. In contrast, those low in SVO are motivated by personal gains, so their person-organization fit will be relatively low to an employer highly engaged in CSR. Therefore, I expect that the importance of CSR on applicant attraction is higher among those having more prosocial values. Accordingly, I hypothesize the following.

H3a: SVO will positively predict the importance of the employee dimension in applicant attraction

H3b: SVO will positively predict the importance of the environmental dimension in applicant attraction

H3c: SVO will positively predict the importance of the social dimension in

applicant attraction

H3d: SVO will positively predict the importance of the governance dimension in

applicant attraction

SVO on Applicant Attraction for Salary and Location. For the non-CSR attributes

used in the study, I expect a poor fit between SVO and them. Salary and workplace location are

mainly concerned about one's own benefit, whereas high scores in SVO indicate unselfish,

prosocial orientation. Therefore, I expect that SVO will negatively affect the influence of salary

and workplace location on applicant attraction, which I hypothesize the following.

H4a: SVO will negatively predict the importance of location in applicant attraction

H4b: SVO will negatively predict the importance of salary in applicant attraction

Method

Study Overview

This study investigates how CSR contents in job profiles affect applicant attraction using

conjoint analysis and how SVO influences this relationship. One of the study's major strengths is

using behavioral measures, thus less susceptible to social desirability bias than measures using

rating scales (Hilbig et al., 2014; Horiuchi et al., 2021). Specifically, I use conjoint analysis for

job choice and Social Value Orientation (SVO) for personal values. Also, I apply cluster analysis

to segment individuals into different categories.

Participants and Data Collection

I targeted undergraduate juniors and seniors for study participation because they are soon

entering the job market, making applicant attraction a relevant dependent variable. Considering

that the survey is written in English and it is possible to have different perceptions of CSR across

countries due to different regulations or policies, I limited participants to those located in the U.S. and who are fluent in English.

The survey was conducted online and created with Lighthouse Studio 9.13.2 (Sawtooth Software, Provo, UT)[2] , which can design conjoint analysis tasks. The survey was uploaded using Sawtooth Software's platform, and I recruited participants through Prolific[3], an online participant provider. Studies report that Prolific provides a participant pool that is reliable and superior to other online platforms (e.g., Palan & Schitter, 2017; Peer et al., 2017). In total, 499 individuals completed the survey, and each participant received $3 through Prolific after completion.

Of the 499 participants who completed the survey, 20 were not in their third or fourth year in undergraduate programs, thus were removed. I also dropped 48 more participants whose fit score from the cluster analysis data was lower than the 95th percentile fit score from randomly generated data (Orme, 2020). Finally, I removed an additional six participants either because their importance scores from at least one of the six employer attributes were outliers or because their overall responses were considered multivariate outliers (Leys et al., 2018). Consequently, the final sample contained 425 cases.

Of the remaining 425 participants, ten individuals (2.4%) revealed their gender as 'non-binary/third gender.' Although meaningful, these individuals were considered missing in the analysis due to the small number of cases compared to other gender categories. Therefore, gender was considered binary in the analysis, where 50.6% were men. Regarding age groups, 84.9% were between 18 and 24 years old. In terms of the racial/ethnic demographics, 72.2% were White, and 10.4% of all participants indicated that they have Hispanic, Latino, or Spanish

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[2] https://sawtoothsoftware.com/lighthouse-studio
[3] https://www.prolific.co/

origin. Of those who reported their household income, 44.9% had household income less than $50,000, 28.8% between $50,000 and $99,999, and 26.3% at least $100,000.

In terms of the validity of the sample size for analysis, Orme (2020) recommends conjoint analysis to have at least 300 participants. For the appropriate sample size for the cluster analysis, Dolnicar et al. (2014) suggest having a sample size of at least 70 times the number of clustering variables. I used six attributes for the cluster analysis, which recommends having at least 420 participants. Therefore, 425 cases are considered sufficient for both conjoint and cluster analyses.

Adaptive Choice-Based Conjoint Analysis for Applicant Attraction

Studies have widely used conjoint analysis to measure applicant attraction and job choice (e.g., Bustamante et al., 2021; Meyerding, 2018; Montgomery & Ramus, 2011). In conjoint analysis, participants directly compare job profiles side-by-side when making a decision, allowing it to capture possible trade-offs between job-related factors across jobs. For example, one may need to choose between a job that offers a higher salary but requires longer work hours versus another that provides a lower salary but requires shorter work hours. Each job profile contains a mix of attractive and unattractive features, so one must trade off between features when making decisions. Therefore, conjoint analysis better reflects real decision-making situations than rating one job at a time without direct comparison to others (Orme, 2020).

For applicant attraction studies, scholars have used different types of conjoint analysis. The current study uses the adaptive choice-based conjoint analysis (ACBC), which allows customization for each participant, presenting different job profiles to different participants. The software bases this customization on their previous decisions, thus helping participants focus more on the relevant job choice tasks than when all participants compare the same sets of job

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profiles. ACBC also allows comparing more than two job profiles at a time, which is lacking in some types of conjoint analysis (Orme, 2020). Therefore, I used ACBC for job choice tasks.

In generating importance scores for each employer attribute from the conjoint analysis, I used multinomial logistic regression (MNL). In conjoint analysis, MNL produces a set of utility weights, called *part-worths*, for each attribute that provides the maximum likelihood fit to the choices made in conjoint tasks (Orme & Chrzan, 2021). In estimating the part-worths of the job attributes, I applied the Hierarchical Bayesian (HB) estimation method, which obtains part-worth estimates at the individual level (Orme, 2020; Orme & Chrzan, 2021). The resulting part-worths for the employer attributes in job choice were used as importance scores in the analysis.

Procedure

The study comprises three main sections: personal value, job choice, and demographics. First, after the instructions, background information, and consent, participants made a series of decisions using the SVO items by Murphy et al. (2011). As for the possible priming effect of SVO on behavioral decision-making, Bekkers (2004) found that participants' behavioral decisions influenced SVO when they answered SVO items after the behavioral measures. In contrast, participants' choices on SVO were more consistent and had better predictive power for behavioral measures when they did SVO before the decision-making tasks. Therefore, I presented SVO items before the job choice tasks.

Second, participants completed a series of job choice tasks using ACBC, composed of two stages: Screening and Choice Tasks. In the screening stage, participants saw a series of job profiles and answered whether each job profile shown was a possibility or not. Each participant's answers in this screening stage were used for the customization in the choice tasks. When the software needed further information from specific participants for the customization, these

participants saw a list of attributes and levels and answered whether there was an unacceptable or a must-have item. Whether one answers these unacceptable/must-have questions and the lists for these questions were also customized based on each participant's answers to the screening questions. Next, during the choice tasks stage, participants completed a series of job choice tasks where they compared three job profiles at a time and chose the one they preferred the most. In this stage, each participant saw a different combination of job profiles provided by the software.

Last, participants answered demographic questions.

Materials

Employer Attributes in Choice Sets. I chose employer attribute descriptions after reviewing previous applicant attraction/job choice studies (e.g., Bustamante et al., 2021; Meyerding, 2018; Montgomery & Ramus, 2011; Ronda et al., 2021). For CSR, I used specific examples to make CSR more relevant to the participants when doing job choice tasks rather than providing a generic explanation of each CSR dimension. The employee dimension includes job security, employee health, work-life balance, family-friendly policies, and fairness and anti-discrimination policies in recruitment/hiring/promotion. The environmental dimension includes waste management, use of renewable energy, eco-friendly office, and incentives/programs for environmentally friendly commutes. The social dimension includes donations to charities/public schools, volunteer programs, supporting artists, and sponsoring/hosting community events. The governance dimension includes accounting transparency, diversity at the board and executive level, transparency of executive pay, and codes of ethics for employees/contractors/supply chain. For the location, I used generic terms because the preference of the workplace location is more subjective than objective. In terms of salary, I used $60,000 as the average starting salary based

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on the salary data for college graduates in 2021 (National Association of Colleges and Employers, 2021).

Considering the levels of each attribute, the number of levels can influence the importance of an attribute in ACBC, such that attributes having more levels tend to have higher importance (Orme, 2020). Therefore, all attributes had three levels. Table 2 shows the employer attributes and their levels used in the study.

SVO Measure. I used six primary SVO slider items by Murphy et al. (2011) to produce an overall SVO score. These items were presented in random order and on separate screens to avoid the order effects. In each SVO item, a participant chooses one of the nine pre-assigned self-other resource allocations. Figure 1 shows the instruction and an example of the SVO tasks. In calculating SVO scores, the average allocation for the Self ($\bar{A}_s$) and the average allocation for the Other ($\bar{A}_o$) are first calculated. Then, using the following formula, the inverse tangent of the ratio between the two means generates a single SVO score ranging between -70 and 120, where a higher score indicates that one is more prosocial (Murphy et al., 2011).

$$SVO° = \arctan\left(\frac{(\bar{A}o-50)}{(\bar{A}s-50)}\right)$$

Demographics. Demographic questions such as gender, age group, education level, employment status, income level, political view, and ethnicity were measured. Among them, studies found a gender effect on the perception of CSR, such that women are more concerned about CSR than men (Kahreh et al., 2014; Ronda et al., 2021). Also, political orientation relates to the attitude toward CSR, such that liberal individuals value CSR more than conservative individuals (Jeong & Kim, 2020). Thus, I controlled for gender and political orientation in the analysis.

Table 2

Job Profile Attributes and Levels

Attributes	Levels		
CSR dimensions			
Employee responsibility (e.g., job security, employee health, work-life balance and family-friendly policies, fairness and anti-discrimination policies in recruitment/hiring/promotion)			
Environmental responsibility (e.g., waste management, use of renewable energy, eco-friendly office, incentives/programs for environmentally friendly commutes)	Poor	Average	Good
Social responsibility (e.g., donation to charities/public schools, volunteer programs, supporting artists, sponsoring/hosting community events)			
Corporate governance (e.g., accounting transparency, diversity at the board and executive level, transparency of executive pay, codes of ethics for employees/contractors/supply chain)			
Non-CSR attributes			
Workplace location	Unpreferred	Neutral	Preferred
Starting salary (annual)	$51,000 (15% below average)	$60,000 (average)	$69,000 (15% above average)

Figure 1

SVO Instruction

RESOURCE ALLOCATION TASK

For this task, imagine that you have been randomly paired with a partner, whom we will refer to as **the other.** You will both remain fully anonymous to each other. So, all of your choices will be completely confidential.

For the task, you will make a series of decisions about distributing money between you and this anonymous other person. In each scenario, please indicate the distribution of money you prefer most by selecting the corresponding button below. You can only make one selection in each scenario. Your decisions will yield money for both yourself and the other person. There are no right or wrong answers. This is all about personal preferences.

In the example below, a person has chosen to distribute the payoff so that he/she receives $50, while the anonymous other person receives $40.

[EXAMPLE]									
You Receive	$20	$25	$30	$35	$40	$45	$50	$55	$60
Other Receives	$70	$65	$60	$55	$50	$45	$40	$35	$30
	○	○	○	○	○	○	●	○	○

When you are ready to begin, click "next".

Results

Correlation Matrix

Table 3 show means, standard deviations, and correlations. The bivariate results show correlations among gender, political orientation, social value orientation (SVO), and the four CSR dimensions and two non-CSR attributes used in the job choice task. Gender was positively correlated with political orientation ($r = .132, p = .007$), indicating that women tend to be more liberal than men. Also, political orientation was positively correlated with SVO ($r = .110, p = .023$), showing that those more liberal tend to be more prosocial. However, no significant relationship was found between gender and SVO ($r = -.017, p = .725$).

For the employer attributes, the general pattern of bivariate relationship showed that the CSR dimensions positively associated with gender, political orientation, and SVO, whereas non-CSR attributes showed negative relationships with them. Each attribute significantly correlated with at least one of gender, political orientation, and SVO. Especially, employee dimension (rs $\geq .108, p$s $\leq .026$), social dimension (rs $\geq .106, p$s $\leq .028$), and salary (rs $\leq -.154, p$s $\leq .002$) significantly correlated with gender, political orientation, and SVO. In addition, the environmental dimension significantly correlated with political orientation ($r = .157, p = .001$) and SVO ($r = .162, p < .001$), and the governance dimension significantly correlated with gender ($r = .182, p < .001$) and SVO ($r = .130, p = .007$). Location significantly correlated only with gender ($r = -.121, p = .014$), indicating that workplace location is more important for men than women when choosing a job.

Table 3

Means, Standard Deviations, and Correlation Matrix (N = 425)

Variable	M (SD)	1	2	3	4	5	6	7	8
1. Gender	.49 (.50)	-							
2. Political orientation	3.96 (1.13)	.132**	-						
3. SVO	27.54 (12.31)	-.017	.110*	-					
4. CSR: Employee	20.81 (8.50)	.133**	.134**	.108*	-				
5. CSR: Environmental	12.52 (6.30)	.037	.157**	.162***	-.168***	-			
6. CSR: Social	10.23 (3.93)	.120*	.106*	.134**	-.026	.631***	-		
7. CSR: Governance	11.39 (3.88)	.182***	.050	.130**	.281***	.133**	.370***	-	
8. Location	15.01 (6.27)	-.121*	-.095	-.049	-.331***	-.239***	-.449***	-.395***	-
9. Salary	30.03 (11.58)	-.154**	-.185***	-.230***	-.549***	-.550***	-.544***	-.525***	.116*

Note. Gender: 0 = Men, 1 = Women.

Political orientation is based on a 5-point scale (1 = Very conservative, 5 = Very liberal).

SVO = Social Value Orientation.

CSR = Corporate Social Responsibility.

*p < .05, **p < .01, ***p < .001

Within the employer attributes used in job choice tasks, CSR's employee dimension positively correlated with governance ($r = .281$, $p < .001$) but negatively correlated with the environmental dimension ($r = -.168$, $p < .001$). Also, the social dimension positively correlated both with the environmental ($r = .631$, $p < .001$) and the governance dimension ($r = .370$, $p < .001$). The non-CSR attributes (i.e., location and salary) were positively correlated with each other ($r = .116$, $p = .017$), but negatively correlated with all CSR dimensions (rs $\leq -.239$, ps $< .001$).

Analyses

To test hypotheses H1a – H2d, I performed a repeated-measures analysis of variance (ANOVA) for the importance of six employer attributes with post-hoc pairwise comparison applying Bonferroni correction. Because these hypotheses test the importance of the employer attributes in job choice, I did not include any control variables in the analysis. Also, considering that the importance of each employer attribute was relative to all other attributes included in the job choice tasks, I included all six attributes in the ANOVA to test each hypothesis.

To test hypotheses H3a – H4b, I performed two separate multivariate multiple regression (MMR) analyses, one for the four CSR dimensions and another for the two non-CSR attributes. MMR examines the differential effects of the same set of predictor variables on different outcome variables, thereby reducing the probability of finding significant results by chance than when conducting separate analyses for each outcome variable (Dattalo, 2013; Vincent & Zakkariya, 2021). In the MMR models, I predicted either the four CSR dimensions or the two non-CSR attributes (i.e., location and salary) from SVO, controlling for gender and political orientation. Following the multivariate models, I ran separate regression analyses for each outcome variable to examine the influence of SVO on each employer attribute after controlling

for gender and political orientation. Both SVO and political orientation were centered on the mean, and no multicollinearity issue was found. In addition to the regression models only with the main effects of the predictor and control variables, I also ran regressions including all two-way and three-way interaction terms among gender, political orientation, and SVO to examine possible interaction effects. However, none of the interaction terms significantly predicted each employer attribute. Therefore, I removed all interaction terms from the final models.

Importance of Employer Attributes in Job Choice

In repeated ANOVA, the overall test examines whether there are any differences in the importance among the six employer attributes in applicant attraction. Mauchly's test showed that the sphericity assumption was violated, $\chi^2(14) = 1298.69$, $p < .001$, therefore Greenhouse-Geisser corrected tests were reported ($\varepsilon = .49$). The results show that job choice was significantly affected by the type of employer attribute, $F(2.47, 1045.61) = 383.56$, $p < .001$.

Since the overall ANOVA result was significant, I conducted post-hoc pairwise comparisons to compare and rank the importance of the six employer attributes. In hypotheses H1a-H1b, I predicted that the non-CSR attributes would show a larger influence on job choice than CSR dimensions. First, the importance of salary was significantly higher than that of employee ($M_{diff} = 9.27$, $SE_{diff} = .86$, $p < .001$, 95% CI [6.69, 11.76]), environmental ($M_{diff} = 17.51$, $SE_{diff} = .77$, $p < .001$, 95% CI [15.23, 19.79]), social ($M_{diff} = 19.80$, $SE_{diff} = .68$, $p < .001$, 95% CI [17.78, 21.82]), and governance ($M_{diff} = 18.65$, $SE_{diff} = .68$, $p < .001$, 95% CI [16.64, 20.65]) dimensions, supporting H1a. Second, the importance of location was significantly higher than that of environmental ($M_{diff} = 2.49$, $SE_{diff} = .48$, $p < .001$, 95% CI [1.08, 3.91]), social ($M_{diff} = 4.78$, $SE_{diff} = .43$, $p < .001$, 95% CI [3.53, 6.04]), and governance ($M_{diff} = 3.45$, $SE_{diff} = .44$, $p < .001$, 95% CI [2.15, 4.75]) dimensions, but significantly lower than the employee dimension

(M_{diff} = -5.79, SE_{diff} = .59, p < .001, 95% CI [-7.53, -4.06]). Therefore, H1b was partially

supported as respondents rated the CSR employee dimension as more important than location in

terms of job choice.

In hypotheses H2a-H2d, I predicted that the employee dimension would show the

strongest influence on job choice among the four CSR dimensions, followed by the governance,

social, and environmental dimensions in order. Within the four CSR dimensions, the importance

of the employee dimension was significantly higher than that of environmental (M_{diff} = 8.29,

SE_{diff} = .55, p < .001, 95% CI [6.65, 9.92]), social (M_{diff} = 10.57, SE_{diff} = .46, p < .001, 95% CI

[9.22, 11.93]), and governance (M_{diff} = 9.42, SE_{diff} = .40, p < .001, 95% CI [8.23, 10.61])

dimensions, supporting H2a. However, contrary to the expectations in hypotheses H2b-H2d, the

importance of environment dimension was second-highest and significantly higher than that of

the governance (M_{diff} = 1.13, SE_{diff} = ..34, p = .012, 95% CI [.14, 2.13]) and the social (M_{diff} =

2.29, SE_{diff} = .24, p < .001, 95% CI [1.59, 2.99]) dimensions. The importance of the governance

dimension was the next and significantly higher than that of the social dimension, M_{diff} = 1.15,

SE_{diff} = .21, p < .001, 95% CI [.53, 1.78]. Therefore, although there were significant differences

between the CSR dimensions regarding the importance of job choice, the ordering of those

differences was not as hypothesized in H2b-H2d. Figure 2 and Table 4 present repeated ANOVA

and post-hoc comparison results for H1a-H2d.

Figure 2

Importance of the Employer Attributes in Job Choice
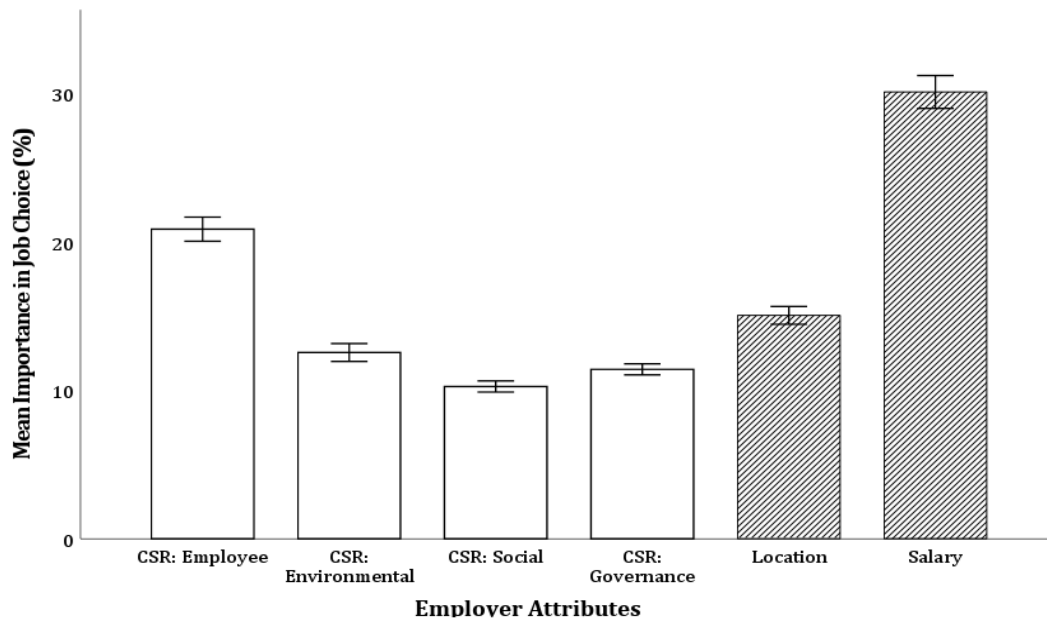
Note. Shaded bars represent non-CSR attributes.
Error bars represent 95% CI.

Table 4

Post-hoc Pairwise Comparisons of the Means

Variable	Mean Difference (*SE)*				
	1	2	3	4	5
1. CSR: Employee	-				
2. CSR: Environment	8.29 (.55)***	-			
3. CSR: Social	10.57 (.46)***	2.29 (.24)***	-		
4. CSR: Governance	9.42 (.40)***	1.13 (.34)*	-1.15 (.21)***	-	
5. Location	5.79 (.59)***	-2.49 (.48)***	-4.78 (.43)***	-3.63 (.42)***	-
6. Salary	-9.23 (.86)***	-17.51 (.77)***	-19.80 (.68)***	-18.65 (.68)***	-15.02 (.61)***

Note. *t*-tests results with Bonferroni Correction.
CSR = Corporate Social Responsibility.
*$p < .05$, **$p < .01$, ***$p < .001$

Influence of SVO on Job Choice

In hypotheses H3a-H3d, I predicted that SVO would positively influence the importance of each CSR dimension in job choice. In multivariate tests having both categorical and continuous variables, equality of covariance and error variances are assumed (Field, 2013). According to Box's test, equality of covariance was not violated (M = 11.19, F(10, 814389.87), p = .352). Also, Levene's test showed that the equality of error variances was not violated across the four CSR dimensions (Employee: F(1, 413) = .64, p = .424; Environmental: F(1, 413) = 2.31, p = .129; Social: F(1, 413) = .01, p = .904; Governance: F(1, 413) = 3.81, p = .052).

When sample sizes are equal for the dependent variables in multivariate tests (e.g., MMR), Pillai's and Hotelling's statistics are considered robust (Field, 2013), and both statistics were statistically significant (Pillai's trace (V) = .13, F(12, 1230) = 4.73, p < .001; Hotteling's trace (T^2)= .14, F(12, 1220) = 4.90, p < .001). Therefore, one or more independent variables significantly predict one or more outcome variables. Then, I tested whether the coefficients for each independent variable across the four dependent variables were statistically significant. Pillai's test statistics were statistically significant for SVO (F(4, 408) = 4.68, p = .001), political orientation (F(4, 408) = 4.22, p = .002), and gender (F(4, 408) = 4.69, p = .001), indicating that each predictor and control variable predicts the multivariate outcome variables.

To further examine the relationships between the control (gender and political orientation) and independent (SVO) variables and each dependent variable, I ran four separate hierarchical regression models predicting the importance of each CSR dimension. Results, presented in Table 5, showed that SVO positively predicted the importance of employee (B = .07, SE = .03, p = .046, 95% CI [.001, .13]), environmental (B = .07, SE = .02, p = .003, 95% CI [.02, .12]), social (B = .04, SE = .02, p = .010, 95% CI [.01, .07]), and governance dimensions

($B = .04$, $SE = .02$, $p = .006$, 95% CI [.01, .07]), after controlling for gender and political

orientation. These results indicate that those who scored higher in SVO would value CSR more

in job choice than those who scored lower in SVO. Therefore, hypotheses H3a-H3d were all

supported.

In hypotheses H4a-H4b, I predicted that SVO would negatively influence the importance

of each non-CSR dimension in job choice. Assumptions of the equality of covariance ($M = 6.70$,

$F(3, 31277117.51) = 2.22$, $p = .083$) and the equality of error variances (Location: $F(1, 413) =$

2.05, $p = .153$; Salary: $F(1, 413) = .005$, $p = .941$) were not violated. Also, both Pillai's and

Hotelling's statistics were statistically significant ($V = .11$, $F(6, 822) = 7.70$, $p < .001$; $T^2 = .12$,

$F(6, 818) = 8.05$, $p < .001$), indicating that one or more independent variables significantly

predict one or more dependent variables. Then, I examined whether the coefficients for each

independent variable across the two dependent variables were statistically significant. Pillai's test

statistics were statistically significant for SVO ($F(2, 410) = 9.96$, $p < .001$), political orientation

($F(2, 410) = 4.86$, $p = .008$), and gender ($F(2, 410) = 6.39$, $p = .002$), indicating that each

predictor and control variable predicts the multivariate outcome variables.

In the follow-up test, I ran separate regression models for location and salary to further

examine the relationships between the independent and each outcome variable. Results,

presented in Table 6, showed that SVO did not significantly predict the importance of location in

job choice ($B = -.03$, $SE = .03$, $p = .299$, 95% CI [-.08, .02]) above and beyond gender and

political orientation, failing to support H4a. For salary, SVO did negatively predict the

importance of salary ($B = -.20$, $SE = .04$, $p < .001$, 95% CI [-.28, -.11]), indicating that those who

scored higher in SVO are concerned less about salary in choosing jobs than those scored lower in

SVO. Therefore, hypothesis H4b was supported.

Table 5

Regression Results for Each CSR Dimension in Job Choice

Variable	B	95% CI for B		$SE\ B$	β
		LL	*UL*		
Attribute: Employee responsibility ($F(3, 411) = 5.81$, $R^2 = .04$, $p < .001$)					
Constant	19.79***	18.64	20.93	.58	
Gender	2.07*	.43	3.71	.83	.12*
Political orientation	.81*	.08	1.54	.37	.11*
SVO	.07*	.001	.13	.03	.10*
Attribute: Environmental responsibility ($F(3, 411) = 6.29$, $R^2 = .04$, $p < .001$)					
Constant	12.37***	11.53	13.21	.43	
Gender	.27	-.93	1.47	.61	.02
Political orientation	.75**	.22	1.29	.27	.14**
SVO	.07**	.02	.12	.02	.14**
Attribute: Social responsibility ($F(3, 411) = 5.12$, $R^2 = .04$, $p = .002$)					
Constant	9.74***	9.21	10.27	.27	
Gender	.89*	.13	1.64	.38	.11*
Political orientation	.22	-.11	.56	.17	.06
SVO	.04**	.01	.07	.02	.13**
Attribute: Corporate governance ($F(3, 411) = 7.33$, $R^2 = .05$, $p < .001$)					
Constant	10.66***	10.14	11.18	.27	
Gender	1.43***	.68	2.17	.38	.18***
Political orientation	.02	-.31	.35	.17	.01
SVO	.04**	.01	.07	.02	.13**

Note. Gender: 0 = Men, 1 = Women.

Political orientation is based on a 5-point scale (1 = Very conservative, 5 = Very liberal).

SVO = Social Value Orientation.

Political orientation and SVO are centered on the mean.

*$p < .05$, **$p < .01$, ***$p < .001$

Table 6

Regression Results for Each Non-CSR Attribute in Job Choice

Variable	B	95% CI for B		SE B	β
		LL	UL		
Attribute: Location ($F(3, 411) = 3.24$, $R^2 = .02$, $p = .022$)					
Constant	15.73***	14.88	16.59	.44	
Gender	-1.42*	-2.64	-.20	.62	-.11*
Political orientation	-.40	-.95	.14	.28	-.07
SVO	-.03	-.08	.02	.03	-.05
Attribute: Salary ($F(3, 411) = 13.84$, $R^2 = .09$, $p < .001$)					
Constant	31.71***	30.20	33.23	.77	
Gender	-3.23**	-5.39	-1.07	1.10	-.14**
Political orientation	-1.41**	-2.37	-.45	.49	-.14**
SVO	-.20***	-.28	-.11	.04	-.21***

Note. Gender: 0 = Men, 1 = Women.
Political orientation is based on a 5-point scale (1 = Very conservative, 5 = Very liberal).
SVO = Social Value Orientation.
Political orientation and SVO are centered on the mean.
*$p < .05$, **$p < .01$, ***$p < .001$

Cluster Analysis

Providing segments for potential applicants would be helpful for practitioners who recruit employees. When applicants are grouped into segments, firms can target which segment to focus on when recruiting. Therefore, as an exploratory analysis. I performed a cluster analysis to segment participants from the importance scores of the six employer attributes.

In clustering, I followed the two-stage clustering by Punj and Stewart (1983), which begins with a hierarchical clustering followed by a non-hierarchical, iterative partitioning algorithm. These authors recommend this method because the iterative partitioning method, such as k-means clustering, performs better than the hierarchical clustering when the starting centroids of each cluster are given. Also, hierarchical clustering can provide reliable starting centroids for

iteration and help one choose the number of clusters without any prior information (Déjean & Mothe, 2016; Punj & Stewart, 1983; Sarstedt & Mooi, 2019). In clustering, I did not standardize the importance scores of the employer attributes because the employer attributes having less variance indicate that those characteristics did not impact job choice much. If I standardized the data, this information would decrease or be lost. Hennig (2016) states that standardization is not always desirable in clustering, and I agree that using unstandardized data better captures the nature of data in the current study.

I used Ward's linkage for the hierarchical clustering to produce a primary cluster solution that performs better than other linkage methods (Punj & Stewart, 1983). Also, I used the dendrogram and the variance ratio criterion (VRC: Caliński & Harabasz, 1974) to decide the number of clusters (Sarstedt & Mooi, 2019), which revealed a three-cluster solution. I used the centroids of these clusters as the starting points in k-means clustering, which applies an iterative partitioning algorithm to find the final cluster solution. Table 7 and Figure 3 compare the importance of employer attributes in job choice across the three clusters, in raw and zero-centered scores, respectively.

Table 7

Comparison of Employer Attributes across Clusters

Employer attribute	All	Cluster 1 : *CSR-oriented* ($n = 99$)	Cluster 2 : *Individualistic* ($n = 112$)	Cluster 3 : *Pragmatic* ($n = 214$)	$H(2)$
CSR: Employee	20.81	26.96	12.78	22.16	167.02***
CSR: Environmental	12.52	17.67	8.89	12.04	694.66***
CSR: Social	10.23	13.05	7.72	10.25	99.23***
CSR: Governance	11.39	13.64	8.54	11.84	93.63***
Location	15.02	13.57	18.09	14.07	33.06***
Salary	30.03	15.10	43.97	29.64	336.57***

Note. Because the homogeneity of variances assumptions were violated, non-parametric tests were conducted to compare across clusters.
*** $p < .001$

Figure 3

Mean-centered Importance Scores of Employer Attributes across Clusters
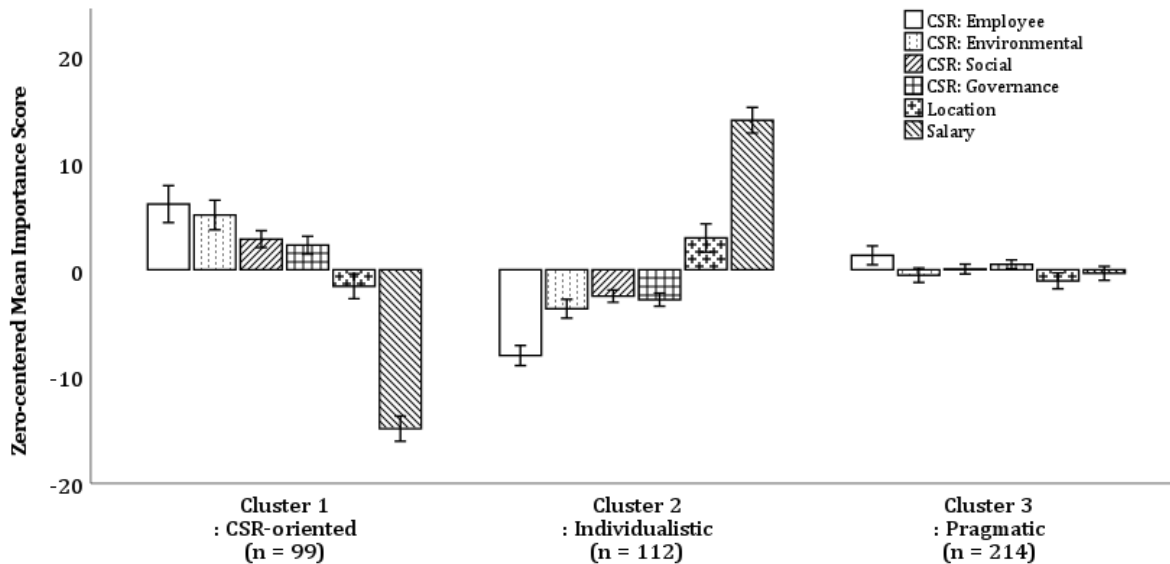
Note. Error bars represent 95% CI.

Based on their orientation toward the six job attributes, I term the clusters *CSR-oriented*, *Individualistic*, and *Pragmatic*. Cluster 1 (*CSR-oriented*) included 99 cases (23.3%) of the sample. Individuals in this cluster showed a greater interest in all CSR dimensions than those in other clusters. Especially, individuals in the cluster considered employee and environmental responsibilities more important than salary and workplace location, where employee responsibility received the highest importance in job choice. Cluster 2 (*Individualistic)* included 112 cases (26.4%) of the sample and showed a strong preference for salary and location in job choice but cared less about all CSR dimensions. Overall, participants in this cluster tend to show high interest in their own benefits. Finally, Cluster 3 (*Pragmatic*) was the largest and included 214 cases (50.4%) of the sample. This cluster showed a similar pattern of preferences to the overall sample, considering salary, employee responsibility, and location as important attributes in job choice.

When comparing other characteristics, there was a significant gender difference across the clusters (χ^2(2, 412) = 9.37, *p* = .009). Specifically, women consisted 57.3% of the CSR-oriented cluster but only 37.5% of the individualistic cluster. I also compared the political orientation and SVO across these clusters. Levene's tests showed that the homogeneity of variances assumptions was violated for political orientation (*F*(2, 422) = 5.60, *p* = .004) and SVO (*F*(2, 422) = 5.05, *p* = .007), so I used the Kruskal-Wallis statistics to compare them across the clusters. Political orientation (*H*(2) = 14.78, *p* < .001) and SVO (*H*(2) = 16.79, *p* < .001) differed across clusters. Subsequent pairwise comparisons (using Bonferroni correction) revealed that for the political orientation, the individualistic cluster significantly differed from the CSR-oriented (*p* < .001) and the pragmatic (*p* = .027) clusters. However, there was no significant difference between the CSR-oriented and the pragmatic clusters (*p* = .216). For the SVO, the

CSR-oriented cluster significantly differed from the individualistic ($p < .001$) and the pragmatic ($p = .006$) clusters. Yet, there was no significant difference between the individualistic and the pragmatic clusters ($p = .395$). Table 8 compares gender composition, political orientation, and SVO across the three clusters.

Table 8

Gender Composition, Political orientation, and SVO across Clusters

Characteristics	All	*CSR-oriented* (*n* = 99)	*Individualistic* (*n* = 112)	*Pragmatic* (*n* = 214)	χ^2(2, 422)	*H*(2)
Women (%)	49.4	57.3	37.5	52.2	9.37**	
Political orientation	3.96	4.24	3.63	4.00		14.78***
SVO	27.54	31.17	24.42	27.49		16.79***

Note. Political orientation is based on a 5-point scale (1 = Very conservative, 5 = Very liberal).
SVO = Social Value Orientation.
**$p < .01$, ***$p < .001$

Discussion

In this era where firms compete for talented workers (Michaels et al., 2001), it becomes essential for firms to understand what job attributes attract applicants. Along with tangible attributes like salary or office location, intangible attributes such as CSR show increasing importance in applicant attraction and job choice (e.g., Bustamante et al., 2021; Montgomery & Ramus, 2011; Ronda et al., 2021). So far, studies have investigated either how CSR contents in job profiles attract applicants (e.g., Meyerding, 2018; Ronda et al., 2021) or how detailed CSR features attract applicants differently (e.g., Bustamante et al., 2021; Montgomery & Ramus, 2011). Some of these studies also examined the influence of personal values on the relationship (e.g., Bustamante et al., 2021).

However, no study has examined how different CSR dimensions attract applicants in job choices that reflect real choice situations *and* how personal values influence this relationship, which I examined in this study. To categorize CSR, this study incorporated the internal/external CSR distinction (Scheidler et al., 2019) and the ESG framework (Schanzenbach & Sitkoff, 2020). To reflect the real job choice situations, I used ACBC (Orme, 2020; Sawtooth Software, 2014), which has rarely been used in job choice studies (e.g., Ronda et al., 2021). Also, adopting a contemporary perspective that CSR is a type of social dilemma (Han, 2021), I used SVO (Murphy et al., 2011) as the personal value measure that exhibits an essential characteristic of social dilemmas. Additionally, I ran a cluster analysis to segment participants based on the importance scores from the conjoint analysis, which can provide implications to practitioners.

This study found that CSR's employee responsibility dimension is a vital employer attribute in applicant attraction. The employee dimension entails corporate activities that promote the working conditions/environment of the employees (Rodrigo & Arenas, 2008; Turker, 2009). Its influence on job choice was more significant than all other CSR dimensions and even workplace location. In Montgomery and Ramus (2011), responsibility toward employees was less important than the work location. In a more recent study by Bustamante et al. (2021), in contrast, the employee dimension was considered more important than the location in job choice. Therefore, findings from the current study reflect the recent trend that CSR is an essential factor when attracting employees. The employee dimension not just fulfills corporate responsibility beyond the financial bottom line but also satisfies the existence needs of an individual (Alderfer, 1969), which other CSR dimensions lack. Therefore, I hypothesized and found that the employee dimension is the most important CSR dimension in job choice situations.

In terms of other CSR dimensions, contrary to what I have hypothesized, the environmental dimension was considered more important than the social and governance dimensions. The environmental dimension aims at the sustainability of natural resources and the environment from business operations, and the social dimension focuses on corporate relationships with external beneficiaries (e.g., customers, suppliers, the local community, and the larger society). The governance dimension concerns how executive members manage a company and how the company follows various policies, rules, and regulations. Traditionally, the environmental dimension was considered less important than the social dimension because corporate activities on the environmental dimension do not affect corporate performance as much as the activities on the social dimension (e.g., Cormier et al., 2011; Michelon et al., 2013). Also, from the ERG needs perspective (Alderfer, 1969), the environmental dimension appeared less associated with the existence and relationship needs than the other CSR dimensions. However, in a recent poll using a sample representative of the U.S. population, respondents indicated that environmental responsibility is the most important ESG dimension, followed by corporate governance and social responsibility in order (Verdict, 2021), which aligns with the results of this study. One possibility of these results is that there are increasing concerns about global warming and climate changes worldwide (Bergquist & Warshaw, 2019), which might have reflected the participants' increased interest in environmental responsibility in job choices.

When comparing CSR dimensions with salary, however, none of the CSR dimensions showed a more significant influence on applicant attraction than salary. This finding can be explained by the fact that salary fulfills more fundamental needs than the CSR dimensions (Alderfer, 1969). In a recent study (Briscese et al., 2021), for example, workers were motivated the most by wage but showed interest in CSR only when the involvement of CSR did not affect

their wages. Although CSR is generally desirable, it cannot fully substitute tangible attributes that better fulfill one's security and safety needs (Deloitte, 2020; Maslow, 1943).

Last, the cluster analysis produced three distinct segments: CSR-oriented, individualistic, and pragmatic clusters. Although younger generations show increasing interest in CSR, not all individuals value CSR when applying for and choosing jobs. For example, those in the individualistic cluster were mainly affected by tangible self-interests such as salary and workplace location. These individuals were less prosocial and less liberal than others. In contrast, individuals in the CSR-oriented cluster were generally more concerned about CSR dimensions and showed a higher interest in employee and environmental responsibility than salary or location. Individuals scored high on SVO in this cluster and were more liberal than others. When comparing clusters revealed in this study with those in Ronda et al. (2021) that used a different set of job attributes in job choice tasks, both studies had two applicant clusters comparable to each other. First, there was a 'sustainability-oriented' cluster in Ronda et al. (2021), similar to the CSR-orientation cluster in this study. Participants in both clusters considered CSR as important in job choice. Also, both studies had a 'pragmatic' cluster where participants considered individual benefits and employee care essential factors in job choice.

Theoretical Implications

This study provides implications for academics and practitioners. For the academic discussions, I suggest three important points. First, I applied a new categorization of CSR where I included both the intrinsic-extrinsic distinction and the ESG framework. In some studies, the social and the environmental dimensions are merged (e.g., Bustamante et al., 2021; Montgomery & Ramus, 2013) because they mainly target external stakeholders and indirectly relate to corporate performance. However, although those who consider environmental responsibility

important also tend to view social responsibility as important, they address different targets and people assign different importance to the two (e.g., Verdict, 2021). In the current study, I found that the influence of the environmental dimension was stronger than that of the social dimension in job choice situations. Therefore, I suggest future studies distinguish social and environmental dimensions when categorizing CSR.

Second, this study applied SVO as the personal value measure in the job choice tasks. SVO uses resource allocation tasks, thus less prone to the social desirability bias than self-report rating measures (Hilbig et al., 2014; Horiuchi et al., 2021). Moreover, SVO captures the conflict inherent in CSR (Han, 2021) and can thus be considered an alternative to existing personal value measures used in CSR and applicant attraction studies. So far, however, SVO has rarely been used outside economic and decision-making studies, and the current study was the first applicant attraction/job choice study that used SVO as the personal value measure. As results showed, the effect of SVO on applicant attraction held significant for all CSR dimensions and salary after controlling for the influence of gender and political orientation. Political orientation, which can be considered as another personal value measure, was less influential overall than SVO when predicting the importance of CSR dimensions on applicant attraction. Therefore, the current study broadened the application of SVO in applicant attraction/job choice study.

Third, the current study applied ACBC, which is considered one of the most advanced conjoint analysis methods (Orme, 2020). ACBC addresses the weaknesses of other conjoint methods such as choice-based conjoint (CBC) or adaptive conjoint analysis (ACA) used in previous CSR-applicant attraction studies. As for ACA, it provides customization but allows comparing job profiles only in pairs. Also, ACA tasks use a rating scale rather than a participant's choice between objects (Sawtooth Software, 2007), thus less reflecting the real job

choice situations. In CBC, participants choose between two or more objects at a time, thus better

reflecting real choice situations than ACA. However, CBC cannot customize, so all participants

see the same choice sets, making participants less focused on the tasks (Brand & Baier, 2020). In

contrast, ACBC allows customization *and* can compare more than two objects simultaneously,

thus superior to both ACA and CBC. The current study adds an example of ACBC and

encourages future applicant attraction/job choice studies to apply this advanced method.

Practical Applications

In addition to the theoretical contributions, this study provides practical implications to

corporate executives and human resources personnel. First, when firms use employer branding to

attract applicants via CSR, it could be unclear which CSR dimension to prioritize to get the

maximum outcome. The current study showed that employee responsibility is the most important

CSR dimension. Therefore, firms need to emphasize their involvement in employee

responsibility, such as family-friendly policy or provision of job security, to attract applicants

effectively. In addition to employee responsibility, firms can emphasize their environmental

responsibility, the second most important CSR dimension. Patagonia is an excellent example that

highlights both employee and environmental responsibilities. As for employee responsibility, the

company has been operating on-site child care since 1983 and supports paid leaves for

themselves and their family members (Stanley, 2020). Regarding environmental responsibility,

Patagonia's products use recycled materials, and the company donates 1% of its sales, known as

"1% for the Planet" (Rogers, 2018). Consequently, the company has frequently been listed as

one of the best companies to work for (e.g., Axios Harris Poll 100, 2022).

Second, this study showed that different clusters exist among young applicants.

Therefore, firms can strategically approach them when looking for specific types of individuals.

Suppose a firm has a good reputation for its environmental and social activities but does not provide a competitive salary. In that case, the firm can focus on the applicant cluster influenced by these CSR activities the most. According to the cluster analysis results in this study, the CSR-oriented cluster fits this case, where individuals are more prosocial and liberal than those in other clusters. Firms can use SVO or political orientation questions to select prosocial and liberal applicants in the recruitment process. In contrast, when a firm engages in CSR at the minimum level but gives a competitive salary and its office location is preferred, its target should be individualistic applicants where individuals are more conservative and 'pro-self.'

Third, the current study suggests that firms should not rely only on their CSR involvement when attracting applicants. Although CSR is increasingly important in applicant attraction, salary is the most important attribute when choosing a job. In most situations, applicants will consider CSR attractive only when the salary level is sufficient for them. Except for the CSR-oriented cluster, which accounts for about 23% of individuals in the sample, most respondents rated salary as the most important employer attribute. Considering both CSR and non-CSR attributes, salary and employee responsibility are the most critical employer attributes overall, so providing a competitive salary and employee care would attract applicants.

Limitations

Although this study proposes a novel and integrative approach to the relationship between CSR, applicant attraction, and SVO, several limitations exist. First, this study used the internal/external CSR distinction and the ESG framework. However, other CSR categorizations (e.g., Carroll, 1991; Elkington, 1997) are also frequently used in academia and practice. Therefore, further studies examining how job applicants categorize CSR would help better understand the relative importance of different CSR dimensions in applicant attraction.

Second, this is the first study applying SVO in applicant attraction, and further study using SVO would help understand the role of SVO in applicant attraction. SVO is a behavioral measure based on actual decisions, so it would be meaningful to compare it with a measure of prosociality based on perception and see whether there are any differences between behavioral and perception measures in applicant attraction. For example, Grant's (2008) prosocial motivation uses a rating scale to measure one's prosocial *motivation*, which can be compared with SVO, which examines one's prosocial *decision*.

Third, this study applied ACBC, the most advanced type of conjoint analysis (Orme, 2020). In this study, participants compared job profiles in triples, where each job profile contained six job attributes with three levels each. The high cognitive load required for each choice task and the repeated nature of the tasks could have made some respondents not fully engage in the conjoint tasks. Alternatively, a more straightforward design can lower cognitive load and engage respondents more. For example, Ronda et al. (2021) used ACBC in applicant attraction, where job profiles were presented and compared in pairs, and each attribute had only two levels. However, although more straightforward and engaging to the respondents, a simpler design inevitably sacrifices the richness of the data. Therefore, future work is needed to find the job choice conjoint tasks that both provide good data quality and secure data richness.

Despite these limitations, the current study contributes to the scholarship of CSR, applicant attraction, and SVO. In particular, I found that potential job applicants value CSR dimensions differently. Methodologically, I hope the application of ACBC in this study to encourage future studies to use this advanced methodology. Practically, I hope the main findings and the cluster analysis results help practitioners when they attract and recruit employees.

Chapter 4: Conclusion

Taken together, findings from both studies contribute to theory and practice. First, understanding CSR as a social dilemma not just provides a new CSR perspective. It also helps practitioners by suggesting that ESV can lead to corporate value maximization in the long term. Second, CSR dimensions and their differing influences on applicant attraction, which I found in Study 2, suggest that CSR needs to be understood as multi-faceted. Still, more discussion is needed for CSR categorization. Third, findings from the conjoint and cluster analyses suggest that when firms use CSR to attract applicants, they need to understand that CSR influences applicants differently. Therefore, it is important to set target applicant groups and emphasize relevant CSR dimensions to attract them.

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