

The Champions of Corporate Community Involvement: An Exploratory Two-Stage Study of Why and How Individuals Impact Corporate Community Involvement in their Organisations

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Attestation of Authorship

"I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning."

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Abstract

This study explores the role of managers and manager-owners in decisions to engage the community and select particular social causes. This exploratory study aims to investigate why and how individuals impact on corporate community involvement (CCI) in their organisations. This is of significance in New Zealand as corporate philanthropic funding to the non-profit sector accounts for only three percent, which is low by international comparisons (Tennant, O'Brien & Sanders, 2008).

The role of managers and their influence on CCI has been vociferously debated, with some arguing that personal impact should be limited and CCI decisions should be made solely according to profit maximisation. This perspective has used a rational and cognitive model of decision making paired with the Expectancy or reward/reinforcement theory in motivation to argue that management rationally considers the firm and then selects the best strategic option. This study turns to contemporary psychology to propose that managers may use 'hot' mental processing, including making CCI decisions based on values, emotions, ideologies and their own sense of identity.

This study utilises a two-stage mixed method approach. The first stage investigated six respondents utilising a phenomenology approach to give a detailed description of each manager's frame of reference and how this frame of reference impacted CCI outcomes. The second stage of this study progressed from a description to offering a theoretical explanation of the phenomenon, investigating the variables influencing how managers expressed their personal frame of reference in behaviour and the consequential impact on CCI decision making.

This study found that managers and manager-owners held a strong sense of values, well defined ideologies, emotions, preferences and opinions regarding social issues which constructed the frame of reference surrounding their organisations community involvement. However, the existence of the personal frame of reference did not consistently impact the visible behaviour of individuals or their organisation's corporate community involvement. Cold or rational thinking was shown to mitigate the impact of hot processing or alternatively post-justify decisions based on hot mental processing to validate the initial decision or alter how it was communicated within the organisation. Whether the personal frame of reference impacted CCI decision-making was influenced by the depth of the frame of reference, the internal mental dialogue regarding the acceptability of effectiveness of hot or cold decision making and task, organisational, and personal variables. This study offers a critique of extant research based on rational cognitive models and offers an alternative explanation for why and how managers champion CCI in their organisations. Further, through providing a deeper understanding of the roles of managers this thesis provides recommendations for non-profit organisations strategising to target the corporate sector for funding and provides some insights into how to mitigate or encourages the use of hot mental processing within CCI decision making.

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1 Introduction

1.1 Background to the study

Corporate philanthropic funding to the New Zealand non-profit sector is estimated to account for between three percent (Tennant, O'Brien, & Sanders, 2008) and seven percent (Slack & Leung-Wai, 2007) of total funding total to this sector. However, no reliable data exists which estimates the total funding of corporate involvement in the community, including partnerships and gifts in kind (Slack & Leung-Wai, 2007). It has been recognised that New Zealand businesses funding of the non-profit sector and investment by business in the community is relatively low by international standards (Tennant, O'Brien, & Sanders, 2008). While corporate involvement in the community has a lengthy history in other Western countries, such as United Kingdom and United States, this is less developed in New Zealand and consequently there is a paucity of research in this area in the New Zealand context.

International extant literature has focused predominately on the firm level analysis and the characteristics of the businesses who do give, investigating mostly large publically listed companies. However, the role of managers has been highlighted by a few key theoretical (Hemingway, 2005; Jones, 2007; Waldman & Siegel, 2008) and empirical investigations (Brammer, Millington, & Pavelin, 2006; Hemingway & MacLagan, 2004). These studies have found that the managers' level of social consciousness and their personal preference has considerable impact on the implementation of corporate community involvement (CCI) or the selection of a specific cause or a non-profit partner. Yet despite this fact no studies could be located that investigate why individuals 'champion' CCI (Cantrell, 2005; Valor, 2006).

Whether or not managers should exercise the discretion to direct the CCI portfolio is an issue well debated in literature. An entrenched view, first positioned by Freidman (1970), is that corporate resources should only be used to maximise return to shareholders, and consequently if the decision to give back to the community is based on personal preference of managers or a desire to generate social change, this is comparable to a 'fundamentally subversive doctrine' (Friedman, 1970, p.33) in a

socialist sense, i.e. subversive for capitalism. CCI may, however, reap significant outcomes that impact the bottom line, such as building a positive brand name and engaging employees to increase loyalty, satisfaction and productivity (Seifert, Morris & Bartkus, 2002). Consequently, managers may choose to engage in CCI or select a particular social issue in consideration of potential business outcomes (Madden, Scaife, & Crissman, 2006).

However, it has been recognised that engaging in the community and being involved in social issues, such as health, poverty and education is a particularly emotive area, and consequently decisions to engage in the community may be based on the manager's values, social ideologies and emotions, rather than profit maximisation (Waldman & Siegel, 2008).

Further, the rational models on which the profit maximisation approach to CCI are based are considered archaic and frequently disputed in academia (Dane & Pratt, 2007).

More recent academic developments hold that the 'hot' part of the brain, the values, emotions, sense of identity will always interact with the 'cold' mental processing (cognition and rationality) to influence decisions (Dane & Pratt, 2007; Kalidindi, Bowman, & Wyble, 2005; Westen et al., 2007). Consequently it is likely that 'hot' mental processing will impact on CCI decision making. From this perspective, CCI decisions may be made according to values, emotions, social ideologies and to align with the individual's sense of identity. This study was conducted in two stages based on a phenomenological research and grounded theory approach to test this key assumption.

1.2 Purpose of the research and research objectives

The first purpose of this study is to access and interpret individuals' frames of reference; the values, social ideologies, emotions and 'hot' components that impact on their approach to CCI decision making and identify their role in the adoption or progression of a CCI strategy in their firm as they have experienced it. Through adopting a phenomenological methodology this research aims to investigate the experience of champions of CCI within their organisations and to endeavour to find

common essences and underlying structures within and across each participant's structure of consciousness or frame of reference.

The purpose of the second stage of the study was to explore the variation and antecedents to management's personal frame of reference that impacts on CCI decisions. While the first stage established the essence of each participant's structure of consciousness, the second stage aimed to investigate the antecedents of whether this frame of reference was expressed through behaviour and impacted CCI outcomes. The grounded theory methodology adopted in this stage of the study allowed the conditions of hot and cold mental processing, as well as expressions, consequences and variations of these qualifiers to be explored directly.

It is hoped that this research will provide some clarity on the role of managers in CCI through using the lens of contemporary psychology literature and conducting a phenomenological research and grounded theory two-stage study which enables the experience of participants to generate new understanding unbiased by extant theory. Further, literature is dominated by the quantitative investigation of large publically listed companies (File & Prince, 1998; Litz & Stewart, 2000; Madden et al., 2006; Thompson & Hood, 1993), with limited investigation of other organisational or ownership contexts (Buchholtz, Amason & Rutherford, 1999; File & Prince, 1998; Madden et al., 2006; Thompson & Hood, 1993; Whitehouse, 2006). This study incorporates multiple organisational contexts, including small and medium sized enterprises and micro business, as well as various ownerships structures (privately owned, publically listed, sole proprietorships). This research aims to expand the current body of knowledge through investigating other ownership structures and organisational contexts than those of large corporations.

1.3 Research problem

This exploratory study aims to investigate why and how individuals impact on corporate community involvement in their organisations.

The study:

- Describes the experience of management when championing CCI.

- Encourages participants to reflect on why they have championed CCI and in doing so uncover their frame of reference.
- Investigates the level of influence participants' frame of reference has on the CCI decisions.
- Investigates the antecedents to exercising hot mental processing, cold mental processing or exercising one's personal frame of reference in CCI decision making.
- Establishes which antecedents mitigate or allow for hot or cold mental processing when making CCI decisions.
- Investigates the phenomenon within a variety of organisational contexts.

The following assumptions were developed and refined through the research process and literature review chapter, and investigated throughout the study. These assumptions are discussed in greater depth in Chapter Three.

1.3.1 Key assumptions

Assumption 1

Management is a key factor in the adoption, continuation or progression of corporate giving.

Assumption 2

Respondents will utilise affective processing when deciding to champion CCI.

Assumption 3

Values will be a referent for management's decision to champion CCI.

Assumption 4

Champions may seek CCI as a method to fulfil an obligation or duty to society.

Assumption 5

Managers may seek CCI as a method to feel related or connected to others.

Assumption 6

Management may use the role in championing CCI to create or reinforce their identity.

Assumption 7

Managers may make decisions based on intuition and then post-rationalize this decision through arguing the business case for CCI.

Assumption 8

Affective processing may have a greater impact on decision making among managers with high autonomy and discretion.

Assumption 9

The relationship between management and the upper echelon may impact perceived discretion and therefore CCI decisions may reflect higher levels of hot mental processing.

Assumption 10

The relationship between management and the upper echelon and perception of discretion may vary according to organisational size and ownership context.

Assumption 11

The role and title of the individual may impact the relationship with the upper echelon, the perceived levels of discretion and the impact of hot mental processing.

Assumption 12

The level of formal planning may be negatively related to the use of hot mental processing in CCI decision making.

Assumption 13

The level of formal planning and dedicated CCI processes may vary across organisational contexts.

Assumption 14

The greater the number of individuals involved in decision making process the lesser impact of hot mental processing.

1.4 Significance of study

This study is of significance in furthering the academic body of knowledge, increasing the understanding of the non-profit sector and their interaction with businesses and of firms who currently engage in or are considering engaging in CCI.

The CCI literature is predominately founded upon archaic models of cognitive psychology. Through the lens of contemporary psychology and a methodology that emphasises theory generation from the experience of participants, this study provides a critical analysis of current theoretical and practical literature and a new perspective on the role of managers in CCI. As such, this study reflects a view frequently neglected in mainstream literature. Further, as extant literature is focused mostly on large publically listed companies, this study addresses the paucity of research in other organisational and ownership contexts. This is of significance given that small and

medium sized businesses account for 70% of business organisations in New Zealand (Wilson & McKinlay Douglas Limited, 2006).

A greater understanding of why managers support corporate giving will aid the approach toward targeting strategies of non-profit organisations. Cantrell (2005) stated that a deeper understanding of the business motives for giving would aid the non-profit sector. Knowledge of personal attitudes of the decision makers will allow a greater prediction of which corporations might give and why, thereby aiding non-profit organisations in the acquisition of corporate partners or donators (Campbell, Gulas, & Gruca., 1999). From a long term sustainability perspective, a greater understanding of the motivators could “maximise both the level of corporate support and the level of satisfaction of corporate support” (Cantrell, 2005, p 31). A greater understanding of the corporate expectations and processes leading to CCI may enable non-profit organisations to achieve more sustainable support.

This study is of significance in the New Zealand context given the small stream of funding from the corporate sector and the number of non-profit organisations that compete for this support. In an investigation of why small and mediums sized businesses gave, Madden et al. (2006) noted that in the Australian context there was a pool of untapped philanthropy and corporate support. These authors concluded that non-profit organisations may have access to greater corporate support if businesses were approached in the right way. This statement was made in a context where businesses accounted for 12 percent of the total of the Australian non-profit sector’s funding. Given the meagre three percent that business giving accounts for in the New Zealand context (Tennant et al., 2008) it would seem that there is greater scope for corporate funding from this sector if non-profit organisations had an improved understanding of the motivations and role of management in CCI.

The support for and funding of the non-profit and community sector also has wider repercussions in addressing social issues in New Zealand. Given that the government is the primary financer of non-profit organisations a diversified revenue stream implies that non-profit organisations can address the social issues that they deem important, as they see fit and without political influence from the government of the day

(Cantrell, 2005). This potentially could have a far reaching impact on social issues that are addressed as well as how they are supported.

Further, this study is of significance to businesses who currently engage in CCI. As this study has targeted businesses who are leaders in CCI as established by their nomination for the Prime Ministers Social Hero Awards (refer to sampling method, Chapter Four) the frame of reference reflected in stage one of this study is not of any management involved in CCI, but specifically of the management of best practice firms with regard to CCI. Consequently, if certain characteristics and essential structures of consciousness are seen to be present in this study, then CCI managers could be selected on this basis (Fritzsche, 1995). Understanding the motivation and decision processes of the champions of this phenomenon may directly affect future Human Resource (HR) strategies and influence who should be hired for these roles. If the HR acquisition strategies are altered to reflect best practice champions this may have far-reaching effects on how CCI is managed by firms and may thus lead to improved standards of CCI.

1.5 Organisation of the study

This chapter has introduced the area of research and contextualized why a study at the individual level is significant to the understanding of CCI. Further, this chapter has outlined the research problem and key assumptions and highlighted the significance of the study.

This thesis is organised as follows: the following chapter reviews literature deemed relevant to this study and explores the role of managers in CCI decision making. Chapter three highlights the key assumptions as developed throughout the literature review chapter to refine the research problem and assist in the bracketing process where data directs the findings, not preconceived hypotheses. Chapter four outlines the methodology giving specific details of how the study was conducted and the validity of using a two stage multi-method approach (phenomenology and grounded theory). Chapter five outlines the key findings from each stage of the study and presents a theory of how managers influence CCI outcomes as well as the qualifiers of this influence. Chapter six discusses the implications of these findings with regard to

theoretical development in this body of knowledge. Finally the conclusion in chapter seven outlines the limitations of this study and its implications for future research and practice.

2 Literature Review

2.1 Introduction to literature review

This chapter addresses the potential motivations and decision making process for Corporate Community Involvement (CCI), as outlined in CCI literature; it summarises extant empirical studies specific to CCI, explores the role of managers and the motivation behind CCI, then reviews traditional motivation and decision making theory to evaluate the current empirical work on CCI; finally, contemporary psychology literature is taken as a theoretical lens to propose an alternative view of why and how managers 'champion' CCI. The model developed through the chapter is intended to build an understanding of the literature reviewed in this chapter, as a basis for the study. The full model (as developed in full towards the end of this chapter) is depicted below. The shaded area is the key focus topic of this study.

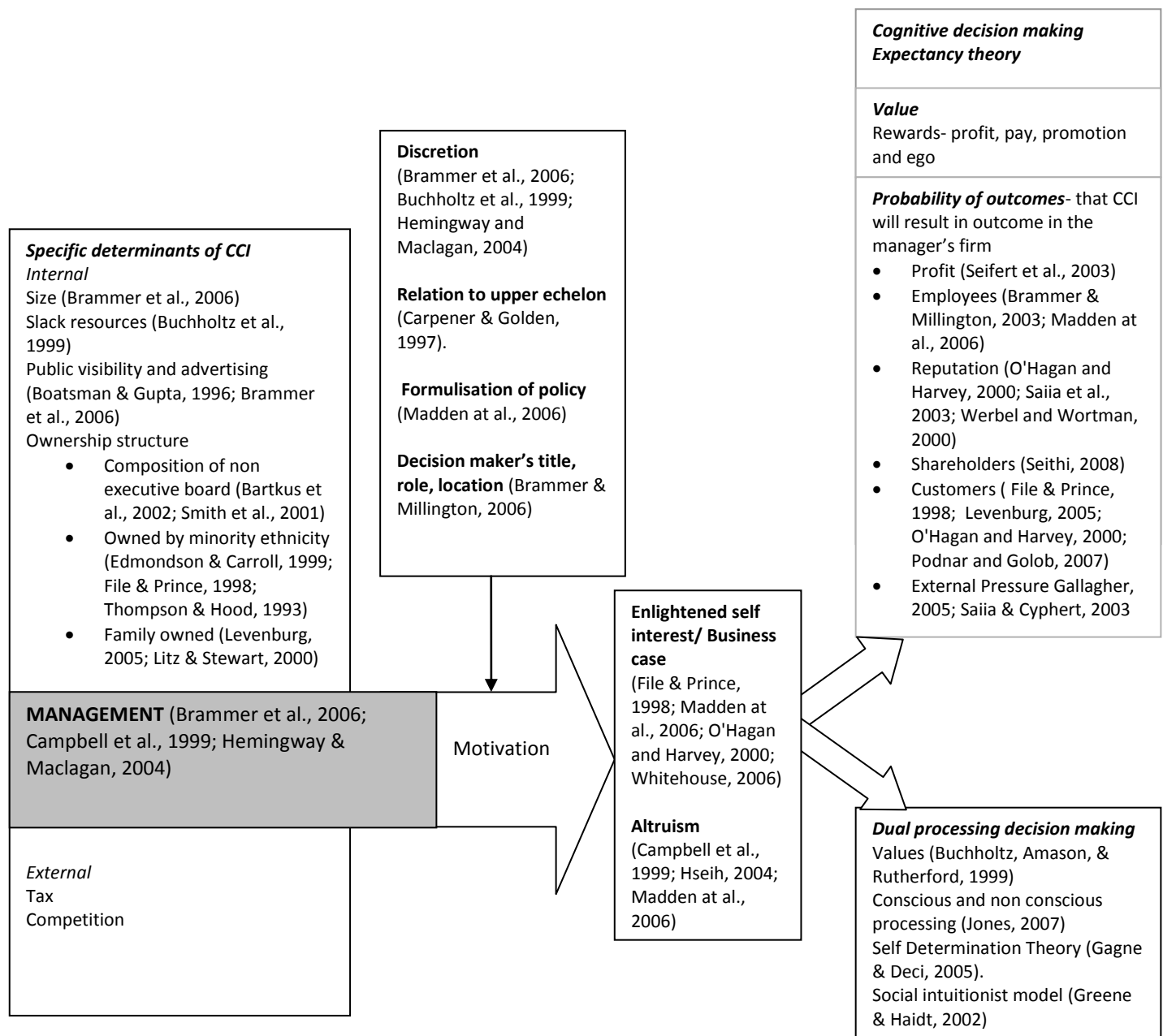


Figure 2-1 Model developed throughout the literature review chapter

2.2 Corporate social responsibility

Corporate Social Responsibility is the broad construct within which the sub concept Corporate Community Involvement (CCI) is located. Corporate Community Involvement is the focus area of this thesis. Consequently the broad concept, CSR is scoped below and its relationship to CCI is discussed.

2.2.1 Introduction to the body of knowledge

Corporate Social Responsibility (CSR) addresses the fundamental role that business plays, or ought to play in society (Idowu & Papasolomou, 2007). In 1953 a seminal piece was developed by Bowen which, according to Carroll (1999), was the beginning

of modern literature in this field. Since this point the concept of CSR has grown in both momentum and popularity with significant developments occurring in the literature in the last sixty years. Initially, embryonic literature focused on searching for a definition that incorporated the theological and philosophical debate over whether business faced social obligation. Academics, such as Davis (Cited in Carroll, 1999) contributed to this debate with concepts such as the 'Iron Law' which stated that "social responsibilities of businessmen need to be commensurate with their social power" and numerous normative models were later proposed (Davis cited in Carroll, 1999, p 271). From the 1970s the definitions of CSR proliferated and a greater focus was placed on how to 'operationalise' this concept. Consequently, work on CSR began to break into small pockets of literature which were specific to issues held as relevant by practitioners. A significant arm of this literature focused on the potential return of an investment in CSR with masses of literature focusing on CSR and profitability (Carroll, 1999).

Even more recently the literature remained split into various themes and concepts, which eventuated in the broadening of the concept of CSR (Carroll, 1999). Whilst historically CSR was considered to constitute only one element, philanthropy, it is now accepted that CSR has grown into an umbrella term (Whitehouse, 2006). The term CSR is now frequently used to incorporate the concepts business ethics, corporate citizenship, corporate accountability, sustainability, socially responsible investing (Ingley, 2008) and corporate community involvement (Nwankwo, Phillips, & Tracey, 2007; Seitanidi & Ryan, 2007).

Further, despite years of extensive literature no single definition of the concept of CSR has been universally accepted (Whitehouse, 2006). As this construct has grown to include other sub concepts various disciplines have taken an interest in CSR, ranging from public policy to environmental science which has increased the body of literature and interpretations of the concept. Consequently whilst the literature has significant depth and breadth consensus on a definition has been an insurmountable task (Campbell, Moore, & Metzger, 2002; Robins, 2005). For example, Paul and Siegel (2006) define CSR as the advancement or promotion of some social good. Alternatively Wood and Jones (1995) maintain that CSR is the duty for business to address social,

environmental, and economic demands from stakeholders. Masaka (2008) stated that the difficulty in defining the term was in part due to varied social issues and societal expectations across international contexts.

However;

“What cuts across a number of definitions that scholars have proposed on the concept of CSR is the general belief that, beyond the quest to maximise corporate profits, corporate organisations play a crucial role in solving society’s problems” (Masaka, 2008, p. 14).

The variety of definitions presented in academia is reflected in the practitioner’s conceptions of CSR. In an empirical study of management Whitehouse (2006) found that “despite the variety of conceptions adopted by the respondent companies, however, a number of recurrent themes emerged the most common of which was a concern to respond to the demands of stakeholders” (Whitehouse, 2006, p 284). The study of 16 United Kingdom (UK) firms indicated that management often defined CSR as managing a firm’s stakeholders. The ‘stakeholder theory’ which clearly has some resonance in practice as shown by Whitehouse (2006) was first developed by Freeman in 1984 (Carroll, 1999). This theory holds that a business is obligated to any constituent who has a stake in the firm or can affect or be affected by an organisation (Wood & Jones, 1995). Whitehouse (2006) attested that this concept has fallen out of favour within the CSR literature due to the difficulty in defining ones ‘stakeholders’ and establishing a balance between their conflicting vested interests in the organisation. Similarly Valor (2007) contended that the concept is too broad and does not address whether there is a hierarchical order and which stakeholders should be the most important. However various recent articles uphold stakeholder theory as a key component of CSR (Brammer, Millington, & Pavelin, 2006; Ingley, 2008; Valor, 2007). Often ‘stakeholder theory’ is utilized in CSR literature as a framework from which to discuss potential benefits, as well as ways to engage in CSR and with whom.

Further, empirical evidence indicates that practitioners are aware of the need for CSR or recognise that external factors are creating a pressure for it (O'Dwyer, 2002; Whitehouse, 2006). Critical events and environmental trends have pushed CSR in to

the average practitioner's agenda (Pless, 2007). These include an uncertain economic state with measures that attempt to avoid a boom and bust business cycle, scandals such as Enron and Worldcom leading to low societal confidence in the corporate sector, the development of global measures of societal, ethical and environmental accounting, auditing and reporting and the greater ability of the public to monitor a business's social and environmental performance as enabled by telecommunication and internet developments (Karp, 2003).

Corporate Social Responsibility is the broad construct within which the sub concept Corporate Community Involvement (CCI) is located. It is this concept that is the focus of this research. Akin to the expansive CSR construct, the Corporate Community Involvement concept is malleable and multidisciplinary. Further both concepts draw from 'stakeholder theory' to address how businesses engage with society, and more specifically how businesses can voluntarily support the community. The following section describes where CCI fits within CSR and discusses an evolution of this term.

2.3 Corporate Community Involvement and Corporate Social Responsibility

Carroll (1999) created a model to depict the various levels at which a firm can engage in CSR and dictates which activities (including CCI) are needed to determine an organisation as being socially responsible. This model, depicted as a pyramid starts with an 'economic focus' at the base level. This level represents profit, rather than being antithetical to CSR, as mandatory to securing a business's existence and supporting investment in the upper levels of the pyramid. The second layer, the 'legal focus' represents the firm's need to adhere to the law of the land. Similar to the first level this ensures the survival of the firm in the specific country of origin. The top two layers of this model are ethics and discretionary spending. Carroll (1998) defined these layers as the actions a firm can choose voluntarily to pursue.

Aupperle, Carroll and Hatfield (1984) empirically tested the model and found the ordering and proportions of the pyramid to be validated. Pinkston and Carroll (1996) confirmed the findings of Aupperle et al. (1984) in a sample of 591 multinational chemical firms. Other empirical studies have contested this model, however. The

ordering of the pyramid was found to be economic, ethical, legal then discretionary spending in a study of large black owned business in the United States (Edmondson and Carroll, 1999) and Podnar and Golob (2007) found that consumers consider ethics and discretionary spending to be a part of the same construct (therefore proposing a three part model: economic, legal and ethical, and discretionary) and found that there was some variation across cultures.

Despite such findings Seifert, Morris, and Bartkus (2003) stated that Carroll's model is "one of the most widely accepted models of corporate social responsibility" (p. 197) and the model is still recently referenced within CSR literature (Valor, 2007). However, some of the terms of this original model have evolved, as discussed below.

The pyramid of CSR discussed above is similar to other models presented in the CSR literature. Idowu and Papasolomou (2007) discuss a three layered model of CSR indicating the level of engagement in CSR. The most basic form of engagement is obeying the law, paying taxes and dealing fairly. The second layer (termed organisational) is the business's efforts to minimise its negative impact whilst the last layer represents the firm's efforts to alleviate social issues.

The focus of the research in this thesis is on the upper layer represented in these CSR models, which is categorised as discretionary spending. This layer, like the broader CSR concept, initially referred to corporate financial giving and was accordingly labelled 'philanthropy'. As the method of corporate giving evolved this concept was re-labelled 'discretionary spending' and included activities such as in-kind donations, associations with the community, voluntary service and philanthropic giving (Madden et al., 2006). Discretionary spending and philanthropy shaped most of the business engagement in the community in the first half of the 20th century (Brammer et al., 2006). Philanthropic activity, notably those of large publically listed companies, has become a hot topic for academic research due to the ease with which it can be measured in financial terms and the initial belief that philanthropy was motivated by benevolence or altruism. Published articles have recently proliferated which chart the development of the both the concept and the trend towards philanthropy (Saiia, Carroll, & Buchholtz, 2003).

However, more recently philanthropy has declined in favour of other ways to support and engage in the community or the non-profit sector. In the United States, for example, philanthropy has been declining precipitously since 1985 (Hess, Rogovsky, & Dunfee, 2002; Saiia, Carroll, Buchholtz, 2003). Practitioners have moved away from philanthropy citing a growing concern for its efficacy (Seitanidi & Ryan, 2007), little return on investment, scepticism from society over corporate motives for philanthropy and possible negative public exposure through an association with a separate and uncontrollable non-profit organisation (Nwankwo et al., 2007). Consequently many companies have sought to move away from philanthropy and towards more active and controllable involvement in the community such as social initiatives or non-profit partnerships (Hess et al., 2002). Such initiatives and interaction have been theorised to offer greater benefits to both the community and the business involved than transactional philanthropic payments (Seitanidi & Ryan, 2007).

This development has been captured by the coining of the term 'Corporate Community Investment' (Madden et al., 2006). Once more the evolution of the term reflects the broadening and advancement of the concept in practice. Corporate Community Involvement (CCI) is now the banner term for various activities including donations of stock and shares, non-profit public profiling, sponsorship, fundraising with customers, cause related marketing, social initiatives and full-fledged partnerships between companies and non-profit organisations (Seitanidi & Ryan, 2007). Delegates to a New Zealand Business Council conceptualised 33 different ways that a business could invest funds in society (Wilson & McKinlay Douglas Limited, 2006). Akin to the broader CSR concept, a confusing array of terms is used to refer to this phenomenon. In addition to Corporate Community Involvement, the terms: Corporate Giving, Corporate Support and Corporate Community Investment are frequently used to refer to this activity. "The lack of consensus on the definition of corporate giving seems to be typical of an area of marketing that is in transition and in need of additional research" (Cantrell, 2005, p. 32). Further, despite the conceptualisation of different forms of CCI, in practice philanthropy still dominates (Lucas, 2004). Similarly in particular contexts and localised cultures engagement in the community may not be classified as CCI (Edmondson & Carroll, 1999). This document uses the term Corporate Community Involvement (CCI) to refer to the phenomenon of corporate giving to the community.

2.4 Corporate Community Involvement: recent developments in literature

Significant confusion surrounds the forms of CCI both academically and in practice. Various models have been proposed which attempt to address this confusion by defining the forms of CCI and categorising them within the construct (Nwankwo et al., 2007, Seitanidi & Ryan, 2007). Through an empirical investigation of multinational corporations in Nigeria Nwankwo et al. (2007) developed a model which places various forms of CCI on a two dimensional matrix. They argue that a firm's CCI activity can be classified according to the level of accountability to the local community and also the level of sustainability (the ability for the CCI activity to continue generating results after the initial investment). Similar to this model Austin (2000) proposed a Collaboration Continuum along which the CCI activity can vary according to the level of involvement and interactivity with the non-profit of community. In this model CCI activities can be placed along a continuum that ranges from philanthropic through transactional to integrative involvement. Despite presenting this model as a continuum, however, a firm does not need to progress chronologically through the stages. Nor does this model indicate which particular CCI activities are associated with each stage. Seitanidi & Ryan, 2007 use extant literature and Austin's (2000) collaboration continuum to define each form of CCI. For example, these authors define philanthropy as offering little ongoing interaction, a one-off transaction and an asymmetrical relationship between the firm and the non-profit which demands little accountability on behalf of the firm and offers little ability to regenerate the outcomes of the initial financial donation. Partnerships, however, refer to an activity where the firm and community (usually represented by a non-profit or a cohort of non-profit organisations) work co-operatively to solve problems, with greater longevity and power symmetry in their relationship. This form of CCI reflects a high level of accountability and sustainability (Seitanidi & Ryan, 2007). Hess et al. (2002) explored the forms of CCI according to the degree that a firm uses its core resources, aligns the activity to its core competencies and uses strategic and measured thinking when selecting a CCI activity. Alternatively, Seitanidi and Ryan (2007) discuss the expectations that firms have when adopting CCI and the potential benefits associated with each type of CCI.

Despite such classification schemes, little empirical evidence exists which dictates the most effective form of CCI. Theoretically, however, it is assumed that a corporate social initiative or partnership will offer the greatest benefit to both the firm and the non-profit organisation (Nwankwo et al., 2007). In this regard, Seitanidi and Ryan (2007) critiqued current practice as being too outcome driven, as in for example engaging in CCI and pursuing a relationship with a non-profit organisation primarily for a reputational outcome. They argue that this outcome focused approach risks marginalising the importance of the process and consequently missing the underlying benefits of working with the community such as learning and non financial resource exchange or a cross pollination of ideas (Cogman & Oppenheim, 2002). Seitanidi and Ryan (2007) critiqued CCI typology as serving rhetoric, rather than reality. These authors stated that the focus on outcomes has not permitted a deep understanding of the process needed to achieve the benefits attached to each typology. Consequently while the literature recognizes the theoretical benefits associated with each form of CCI, there is uncertainty as to how each form and the associated benefits can be achieved. "Hence more empirical research is needed to develop new insights of process-based interaction within the area of CCI" (Seitanidi & Ryan, 2007 p. 256).

Within CSR, Corporate Community Involvement has been regarded as the least important facet of CSR (Buchholtz, Amason, & Rutherford, 1999). Empirically it is weighted as the lowest in importance to practitioners as it is neither required nor often expected by society. As Buchholtz et al. (1999) articulated, CCI is often the last item in and first out [of the corporate agenda] within strategic decisions and organisational activities.

This reality raises the question of what influences the decision to engage, as well as which types of businesses engage in, CCI and why they do so.

2.4.1 Specific determinates of corporate giving

Current research in CCI focuses on who is engaging in CCI and to what extent (Cantrell, 2005). Several studies have developed an understanding of CCI through investigating distinct determinants of philanthropy. In defining 'who' is engaging in CCI, internal and external traits have been focused upon in an attempt to find a correlation with the corporation who is giving and in what amounts. Brammer et al. (2006) hypothesized

that internal traits can include the size of the business, the business's financial performance, as well as the external traits such as tax rates, ownership characteristics and the industry in which the business operates. The diagram below illustrates the key determinates of CCI as supported by references from extant literature.

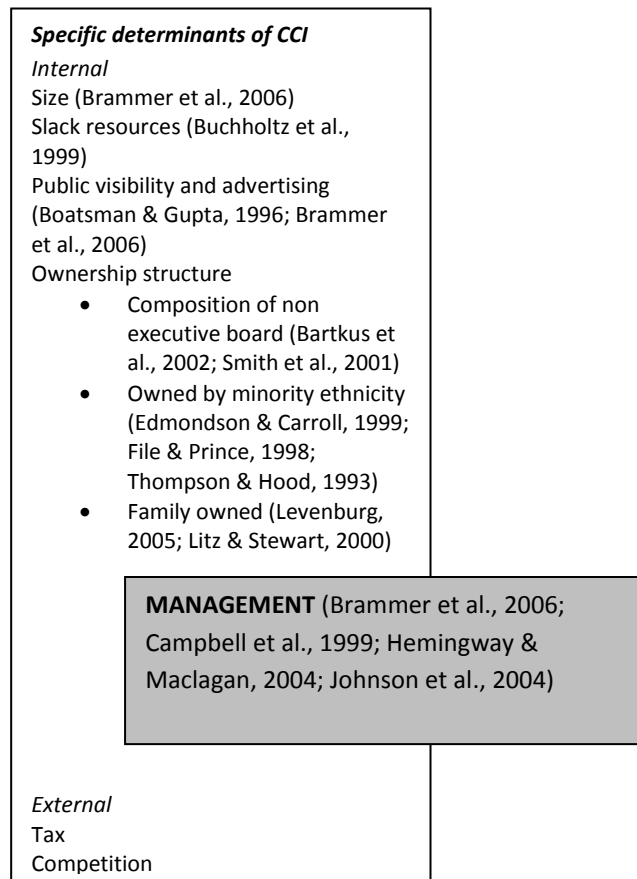


Figure 2-2 Specific determinants of CCI

The relationship between the size of a firm and the tendency to engage with the community is the “most robust finding in this body of literature” (Brammer et al., 2006, p. 235). The size of the company has been hypothesized to impact on whether a corporation will give and how much (Valor, 2006). Yet Campbell et al. (1999) discovered that the relationship between size and philanthropy was weak. Buchholtz et al. (1999) contended that it is not only the size that has an affect but the perception of slack resources. Through a survey administered to 147 respondents Buchholtz et al. (1999) discovered a positive relationship between perceived slack resource availability and philanthropy. This relationship, however, was moderated by the decision maker and their personal influence on the decision. Further, a lack of resources was

considered to be a critical factor for non-giving business (Saia et al., 2003). On the assumption that this hypothesis is correct, most CCI research has focused on CCI in large publically listed companies.

Financial performance has also been theorised to be a causal variable of corporate giving. However a study of UK firms' philanthropic giving over 24 years indicated that there was not a strong relationship. Philanthropic giving appeared to rise with greater linearity than performance (Campbell, Moore, & Metzger, 2002). Similarly annual sales appeared to have no affect on the philanthropic giving of companies investigated by Campbell et al. (1999). In addition, Seifert et al. (2003) found that there was a weak positive relationship between cash resources and cash donations and no relationship between giving and financial performance (both accounting and market measures of financial performance). Income presents a difficult variable to measure, however, as it can be a proxy for slack resources and company size (Boatsman & Gupta, 1996).

The ownership structures of philanthropic businesses have also been theorised to be associated with giving. Predominately, literature focuses on and empirically investigates large publically listed companies (Buchholtz, et al., 1999; File & Prince, 1998; Madden et al., 2006; Thompson & Hood, 1993; Whitehouse, 2006). In such literature the focus consequently is placed on the shareholders or the composition of the non-executive board.

Smith, Wokutch, Harrington, and Dennis (cited in Valor, 2006) found that a company is more likely to engage in philanthropic activities if managers are not shareholders. Conversely Bartkus, Morris, and Seifert (2002) hypothesised that certain factors such as the distribution of shares across shareholders, size and composition of board, the duality of the CEO's role as the chairman of the board and whether the CEO internally owns shares in the company would significantly impact the tendency to give. These authors found, however, that only the presence of large block shareholders was significant and the other factors were insignificant in corporate philanthropy.

Other forms of ownership (such as privately owned firms and partnerships) have also been empirically tested; however, these investigations represent a minority fraction of CCI and ownership literature (File & Prince, 1998; Litz & Stewart, 2000; Madden et al.,

2006; Thompson & Hood, 1993). Despite this, empirical studies conducted by Martin (1985) indicate that whilst fewer small privately owned firms give to the community, this giving represents a greater proportion of sales than their publically listed counterparts. This early finding was supported by more recent research conducted by in Australia by Madden et al. (2006) which showed that whilst giving by small and medium sized enterprises was buoyant they are more generous than the corporations. The ownership structure of small firms has also been found to impact on philanthropic levels. File and Prince (1998) found that whether or not a firm was owned by a minority culture, impacted on levels of philanthropy. Other studies which investigate CCI and ownership explore minority ownership (Thompson & Hood 1993; Edmondson & Carroll, 1999), family owned business (Litz & Stewart, 2000; Levenburg, 2005) and small and medium sized business (Madden et al., 2006). Litz and Stewart (2000) claim that in limiting empirical investigation to publically listed companies an important predictor and potential sector for CCI may have been overlooked.

Public visibility and mass advertising have also been found to greatly impact on whether a company will give or not. Brammer et al. (2006) found that the intensity of advertising was correlated to corporate giving in publically listed companies. Similarly media pressure, from a greater public presence, was found to be a key motivator in social reporting (Adams, 2002) and industries with a higher contact with the public were found to be more likely to engage in CCI (Boatsman & Gupta, 1996).

External factors, such as tax rates and competition have also been hypothesized to be correlated to corporate giving. However, some evidence does not support these correlations (Boatsman & Gupta, 1996; Campbell et al., 2002). Brammer et al. (2006) discovered through a study of 200 publically listed companies that it was the internal factors that had the greatest impact on the levels of CCI, rather than external or contextual factors.

A further internal factor that has received considerable attention is why business engages the community. This sect of literature investigates the possible business rationale and motivations for investing in the community as well as potential motivations. Further, this literature explores whether the motivations can be

attributed to particular individuals in the business and the role these individuals play. It is the role of the manager that is the key focus of this empirical study.

2.5 The motivations for CCI and the role of managers are explored below.

2.6 The motivation behind CCI

Significant theoretical attention has been given to the motivations behind CCI. Seifert, Morris, and Bartkus (2003) proposed four core motivations: a prestige *agency* perspective where the manager is using discretion to look good and feel good; a *strategic* perspective where the company is motivated by the belief that doing good is good for business; an *institutional* perspective where the firm seeks to maintain its legitimacy and position in society; and finally *nobles oblige*, an altruistic sense of duty.

Similarly, Campbell et al. (2002) outlined four categories of motivation behind a philanthropic investment (managerial utility, strategic, political and altruistic) and O'Hagan and Harvey (2000) outlined four common motivations behind philanthropy that reflect those outlined by Seifert et al. (2003).

Alternatively Madden et al. (2006) argued that CCI motives can be placed on a continuum ranging from altruistic to strategic. Figure 2.3 summarises this stream of research.

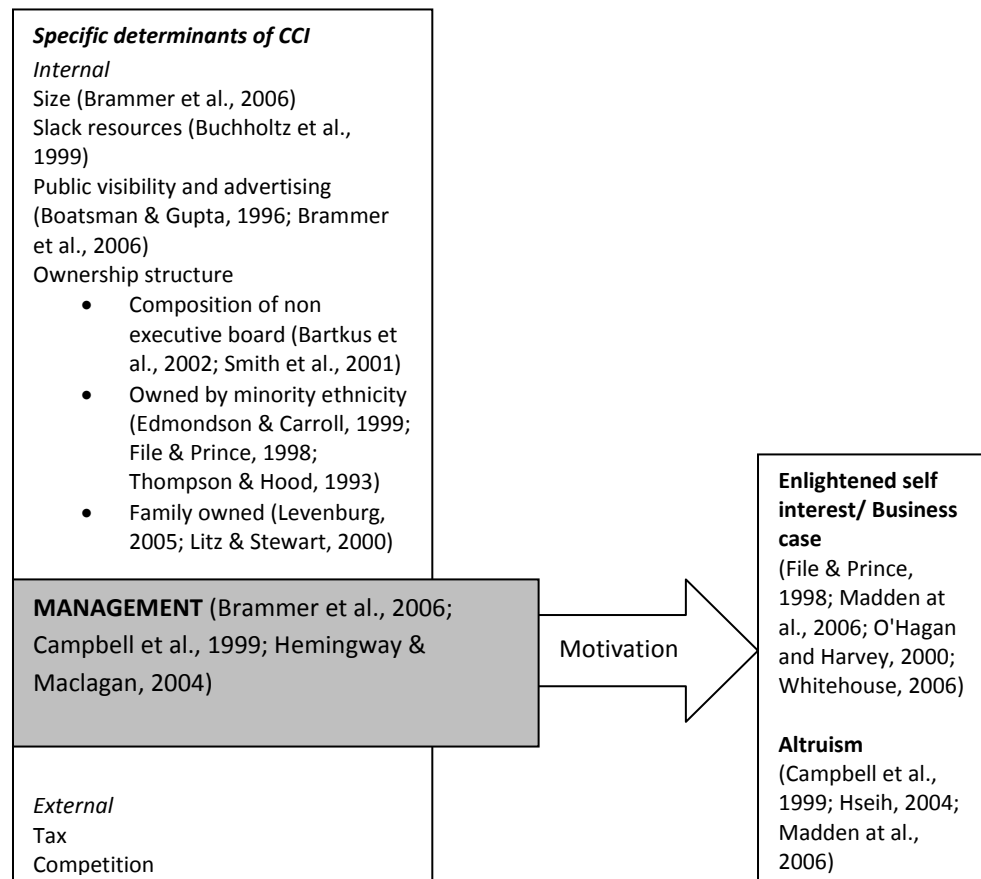


Figure 2-3 The motivation for CCI

The remainder of this chapter draws upon multiple disciplines (predominately organisational behaviour, psychology and literature specific to CSR and CCI) to investigate the role of managers in adopting maintaining or developing CCI. The diagram above is further developed throughout this chapter to illustrate the addition and progression of extant theory as it is discussed.

2.6.1 Manager level motivation

Most empirical and theoretical work in this area is focused on the rationale for a firm to engage in CCI, with little consideration as to who is making the decision. There is, however, a stream of literature which focuses on the individual level and the influence at this level when undertaking CCI. Aragón-Correa, Matías-Reche, & Senise-Barrio (2004) stated that literature focusing on organisational decision making and strategy

tends to fall into two camps: one emphasizing the role of the manager, and the other inertial perspective stating that strategic decision making is reactionary to the external environment (rather than management) (Aragon-Correa et al., 2004). Similarly, the CCI literature can be divided by these terms. Whilst a considerable amount of literature focuses on the determinants for giving, the other arm of literature highlights the role of management. Whether managers do or should heavily influence CCI strategy has generated significant debate and criticism which is outlined in section 2.4.2.

Through the investigation of factors influencing CCI the role of management has been highlighted in multiple empirical studies. In a survey of 200 managers in publically listed companies Brammer et al. (2006) found that one of the most significant influences on CCI decisions was the Chief Executive Officer either directly or through mediating profit and historical commitment to CCI. Seventy percent of respondents in a study of 184 food distributors and producers in the United States indicated that they gave because of support from top management (Campbell et al., 1999). Buchholtz et al. (1999) proposed an integrated model of managerial discretion and philanthropy that was verified through the study of 43 mid-sized publicly listed firms. Campbell et al. (1999) support the significance of management in a survey of 184 food distributors which found that the decision maker's social consciousness was a better predictor of CCI activity than other factors.

Hemingway and MacLagan (2004) also support this notion with an analysis of secondary research which showed how managers can use discretion to influence decision making and how a few managers who champion the issue have the ability to raise the CSR agenda. Further, an analysis of social sponsorship in publically listed companies by O'Hagan and Harvey (2000) hypothesized that a sizable proportion of unexplained variation in the levels of social sponsorship may be accounted for by management although these academics did not directly test managers' influence. Further they found that as 41 percent of respondents had no formal selection process for prioritizing engagement in social activities, managers may have a significant influence in choosing who to sponsor and the form of engagement. Similarly in literature focused on social and environment reporting, Idowu and Papasolomou (2007) discovered that the founder of the business influenced the decision to report

and the method of reporting social performance. This finding may have particular significance for small and medium sized businesses that may have a founder still in place at the head of the firm.

Despite the considerable evidence that the managerial level is a significant factor in understanding why businesses engage in CCI there are few studies that investigate why managers would be motivated to do so. Very few empirical studies investigate in depth the personal drivers for managers to support CCI (Rossi, Brown, Baas, & Rotterdam, 2000; Waldman & Siegel, 2008). As Valor (2006) recognised, “no study has been found where... personal factors had been taken into account” (p. 22). Brammer et al. (2006) noted that “the prevailing empirical methodology used in existing work involves drawing inferences concerning philanthropy’s purposes from cross sectional correlations between corporate giving and firm characteristics”, rather than studying directly the motives and purpose for corporate giving (p. 235). However, studies do exist which engage heavily with organisational representatives to investigate the individual motivations of managers when pursuing CSR (Belal & Owen, 2007; Pless, 2007) or CCI in specific contexts (such as Madden et al.’s. (2006) investigation of philanthropy in small and medium sized businesses).

2.6.2 Friedman’s view

Nevertheless, a considerable amount of literature argues that the manager’s individual influence on the decision to adopt CCI should be limited. Led by Friedman (1970) this view holds that managers are responsible to business owners and to this constituent group alone. Friedman viewed the movement towards CSR as paramount to fraudulent activity where managers use their discretion to spend shareholders’ money, impose a cost, forgo revenue and decrease the shareholders’ return on investment (Ingley, 2008). Such an action was labelled as a ‘fundamentally subversive doctrine’ (Freidman, 1970, p. 33). In 1991, Hayley coined the term ‘social currency’ in relation to managers using their discretion to influence a firm’s CCI activities (cited in Campbell et al., 2002). This term reflects the overall position held by Friedman where the ability of managers to invest in CCI was an executive perk, not based within business strategy (Madden et al., 2006).

This argument is clearly geared towards contexts where there is a separation of ownership and control within the business. That is, organisations where the managing agents are separate from the principle owners of the organisation, such as publically listed companies as opposed to sole proprietorship. As the majority of CCI literature is focused on publically listed companies, however, this perspective is particularly salient in this body of literature.

‘Agency theory’ supports this notion of separation between owners and managers. This theory conceptualizes a manager’s use of discretion to implement activities that run contrary to generating shareholder wealth (Whitehouse, 2006). Consequently the primary responsibility of the non-executive board is to control and monitor management. Based on axioms developed in economics the agency theory posits that management (as agents) acts against the interests of the owners (principal) (Idowu & Papasolomou, 2007) and holds that conflicts of interest, conflicting goals and information asymmetry provides the potential for opportunism and shirking on behalf of the agent (Fong & Tosi, 2007). This theory held significance throughout the 1980s when cases surfaced of management using their power to overstep shareholders’ interests (Huse, 2005). An emphasis was placed on the separation and independence of management and board in the hope that this would reduce such conflicts of interest and allow the board objectively to monitor management. Consequently most corporations now operate with a unitary corporate governance structure within an executive and non-executive governance system (Bezemer, Maassen, Bosch, & Volberda, 2007; Gabrielsson & Winlund, 2000). As the share market becomes truly global and the owners of corporations become nameless more codes have been developed that emphasise accountability to shareholders (Huse, 2005).

Throughout much of the United States’ and United Kingdom’s history, Friedman’s perspective was not only supported but legislated (Ingley, 2008). Corporate managers were prohibited from allocating resources to any activity not benefiting the shareholders. “The Supreme Judicial Court of Massachusetts ruled in 1881 that neither a railroad nor a musical instrument company could legally underwrite the expenses of a music festival along the railroad’s lines, even though both clearly stood to benefit from attendance at the festival” (Himmelstein 1997, p. 17 cited in Campbell et al.,

1999). A similarly restrictive position was held in the United Kingdom. The inability to undertake an altruistic philanthropic activity was legally enforced until 1953 and the case of *A.P. Smith Manufacturing Company v. Barlow*, when a judicial ruling altered this situation in the United Kingdom (Campbell et al., 1999).

Campbell et al. (1999) argued that this history has created an implicit form of 'ethical egoism' where the corporate sector still believes that a manager should act to benefit the stockholder and that such a motive is ethically just. It may be this entrenched ideology that has led many academics to discount the role of the individual manager as potentially engaging in CCI without shareholder consent. Similarly research participants have expressed discomfort in explicitly discussing their personal motivations and their individual influence on CCI activities (Madden et al., 2006; O'Dwyer, 2002).

2.6.3 Enlightened self interest: Strategic motivation and the business case

In response to the vociferous denunciation by the opponents to CCI, supporters have argued that CCI does not necessarily run contrary to business profit and return on investment. These proponents argue that there may be sufficient demand for CCI such that it becomes profitable to meet this demand (Waldman & Siegel, 2008). This view holds that 'doing good' can in fact be good for business.

Campbell et al. (1999) stated that it is the 'ethical egoism' that lays the groundwork for this perspective of enlightened self interest. Similarly Power (1991) argued that management has taken control of this debate by "appropriating social issues and translating them into their own economic and risk based language" (cited in O'Dwyer, 2002, p.39).

This view holds that business should invest in CCI if it is of benefit to the business (Buchholtz et al., 1999). Significant theoretical and empirical evidence has been collected to sustain this view. Various positive outcomes of a CCI strategy have been theorised including building brand name and recognition, corporate reputation management, increasing employee productivity, regulating scrutiny, drawing in

investors who want to invest in businesses with positive economic and social performance, ensuring community co-operation (Bartkus, Morris, & Seifert, 2002) and securing franchise from society and stakeholders (Ingley, 2008). In support of this enlightened self-interest perspective are numerous studies that have investigated the correlation between financial quantitative measures of profit, positive qualitative business outcomes and CSR or CCI (Bagnoli & Watts, 2003; Paul & Siegel, 2006). This is discussed further in section 2.7.1.

2.6.4 Altruism/ Benevolence motivation

The altruistic perspective states that business is responsible to more stakeholders than shareholders alone and that as a powerful social institution firms have a duty to promote social good (Karp, 2003). This view holds that corporations ought to engage in CCI out of a concern for *inter alia*, human rights and social justice, reflecting the theoretical developments of early business and society literature (O'Dwyer, 2002).

Whilst the enlightened self interest perspective attempts to counter Friedman's position, by arguing that CCI can aid economic performance, various philosophers and academics have critiqued the 'strategic/business' outlook as perverting the normative reasons for corporate engagement in CCI. This view holds that businesses ought to engage in the community to fulfil an obligation to society, not because it will benefit the business. As the business profits from operating in society, activities such as CCI should be adopted to repay or show concern for the society that has enabled the business to operate and profit. Activists hold that contributing to society and the community is not an elective, but a duty (Masaka, 2008). CCI motivated by the enlightened self interest perspective "strips it of its intrinsic worth and degrades it to a mere instrument for the achievement of corporate organisations' self-interested goals (Masaka, 2008, p. 15). O'Dwyer (2002) distinguished between CSR1 which refers to a normative concern for society and CSR2 which reflects the corporate agenda of wanting to *seem* more socially responsive. CSR2 reflects how the engagement of business in social issues or CSR has been 'captured' by management and redefined in the language of business and profit maximization.

“Conceptions of CSR which place the concerns of the wider society at their core have liberating or empowering potential... Managerial capture of broad, society-centred CSR conceptions renders this liberating or empowering potential redundant” (O'Dwyer, 2002, p. 528).

Valor (2006) defined an altruistic action as a voluntary action by the proponent, where the recipient receives no external reward (such as an increase in sales) and where the recipient is benefited. Valor (2006) stated that consequently very few firms who receive benefit from CCI strategies can argue that they have engaged in CCI for an altruistic purpose and therefore the notion of strategic philanthropy is an oxymoron. Similarly, Masaka (2008) argued that this discretionary element cannot be considered voluntary in the strictest sense if the business is operating in a context where society expects it as this implies business will receive the benefit of meeting societal expectations. However, it could also be argued that if the received benefits were unsought and the outcomes were unexpected, the motivation could remain altruistic.

Various empirical studies have incorporated the measure of altruism in empirical studies of CCI and have found that a genuine desire to make a difference and be a good corporate citizen has motivated CCI. Hsieh (2004) found that a sense of responsibility was rated as the top motivation in a survey of 236 publically listed companies (these authors did not distinguish, however, whether this sense of responsibility was attributed to the individual or firm). Approximately three quarters of 184 respondents indicated that they donated corporate resources to aid a social problem (Campbell et al., 1999). In 15 face to face interviews with Australian small and medium sized enterprises, Madden et al. (2006) found that trying to be a good corporate citizen and an obligation to local communities was the leading reason for supporting CCI. Similarly, the desire to improve the community was the leading motivator in African-American-owned businesses in the United States (Edmondson & Carroll, 1999).

2.6.5 Summation of extant research on motivation and CCI

Conflicting findings exist within extant research on CCI motivations. Whilst several authors find that business is motivated by the potential strategic gains, other studies

highlight managerial discretion as key variable in corporate giving and yet further studies identify that a genuine concern for society or desire to generate positive social change motivates CCI activities.

The table below highlights the key empirical studies that study directly why businesses engage in CCI.

Table 2-1 Summary of empirical work related to motivations for CCI

Author	Year	Type of CCI	Method	Type of business	Key findings
Campbell, Gulas, & Gruca,	1999	Philanthropy	184 questionnaires with 9 reasons for giving (both strategic and benevolent).	Food distributors and producers.	Firms donated for altruistic reasons.
O'Hagan & Harvey	2000	Sponsorship of social events	69 questionnaires with strategic motivations for sponsoring arts.	Publically listed companies surveyed.	Motivated for a promotion of corporate image, corporate hospitability and media coverage.
Buchholtz, Amason, & Rutherford	1999	Philanthropy	Tests a theoretical model in a questionnaire of 43 CEOs and other top management.	Midsized publically listed firms in the foodservice and software industry.	Support for theoretical model linking firm slack resource, managerial discretion and managerial values.
Brammer, Millington, & Pavelin	2006	Philanthropy	Postal survey of 200.	Publically listed firm on the London Stock Exchange.	Discretion of top management and historical commitment.
Hsieh	2004	Corporate donation behaviour	Survey of 236.	Taiwan publically listed firms.	Top motivators were sense of responsibility, top management team
Brammer & Millington	2003	Community Involvement	Analysis of published data from 148 companies.	Cross section of Large United Kingdom publically listed firms. Members of the PerCent club.	When CCI managed from a CSR department CCI is twice as high as when managed in marketing or PR department and ten times as high as centrally administered. Variations in levels of involvement based on industry.
Pless	2007	CSR	Case study of Anita Roddick- responsible leadership.	Business founder	Drives of responsible leadership: Intra psychic and moral drivers, values and social norms, defining moments in

					life.
Madden, Scaife, & Crissman, 2006	2006	CCI, namely philanthropy	15 face to face interviews and 5 focus groups.	Small and Medium sized business from law and accounting industry.	Respondents felt expected to give, it was of benefit to the business or to follow personal interests.
Thompson & Hood	1993	Philanthropy	Pilot study with interviews of 59 small business owners and a survey of 169.	Minority owned and non minority owned small businesses. United States.	None of the minority firms had philanthropy policies, whereas 12% of non minority had a policy. Minority vs. non minority the only significant factor related to philanthropy. Minority firms gave to religious organisations, unlike non-minority owned organisations.
Litz & Stewart	2000	CCI, namely philanthropy	Survey of 307 respondents. Analysis of variance across family/potentially family owned firms.	Potential family and family owned businesses United States.	Family firms more involved in community than non family firms.
File & Prince	1998	Corporate philanthropy and cause related marketing	Survey of 478. Snow balling sample method.	Privately held medium sized enterprises in United States.	Strategic and cause related marketing motivations more prevalent than altruistic motives. Company image and product promotion key motivation. When motivated by business outcomes more satisfied with community involvement.
Edmondson & Carroll	1999	Philanthropy	Survey of 74.	Black owned publically and privately held businesses in United States.	Most popular CCI philanthropic activities were youth, gifts to black community, and advice to minority firms. Top motivations were to protect and improve work environment, practice citizenship in the community and give back with no benefit t the firms.

Campbell et al. (2002) reviewed philanthropic data over 16 years to investigate the motivations for CCI. Whitehouse critiqued this investigation as failing “to identify clear evidence in favour of any one single factor” (p. 282). However, Campbell et al. (2002) contend that an understanding of CCI is complex and multifaceted.

“The previous empirical work attempting to test these different motivations is by no means conclusive and findings in support of, and in apparent contradiction to, each of the different motivations have been reported. It is likely that actual donation decisions are, in fact, driven by a combination of two or more of the above motivations, and that these explanations may be mutually enriching rather than mutually exclusive in nature” (p.31).

However, respondents were found to be either altruistically (termed philanthropic by the authors) or strategically motivated, but not both (File & Prince, 1998). File and Prince (1998) found that strategic and philanthropic motivation scales were negatively correlated.

2.6.6 Contextual variables impact managerial decision making and motivations

Various contextual variables have been highlighted as impacting the motivation and decision making related to CCI. These contextual variables are illustrated in the model below.

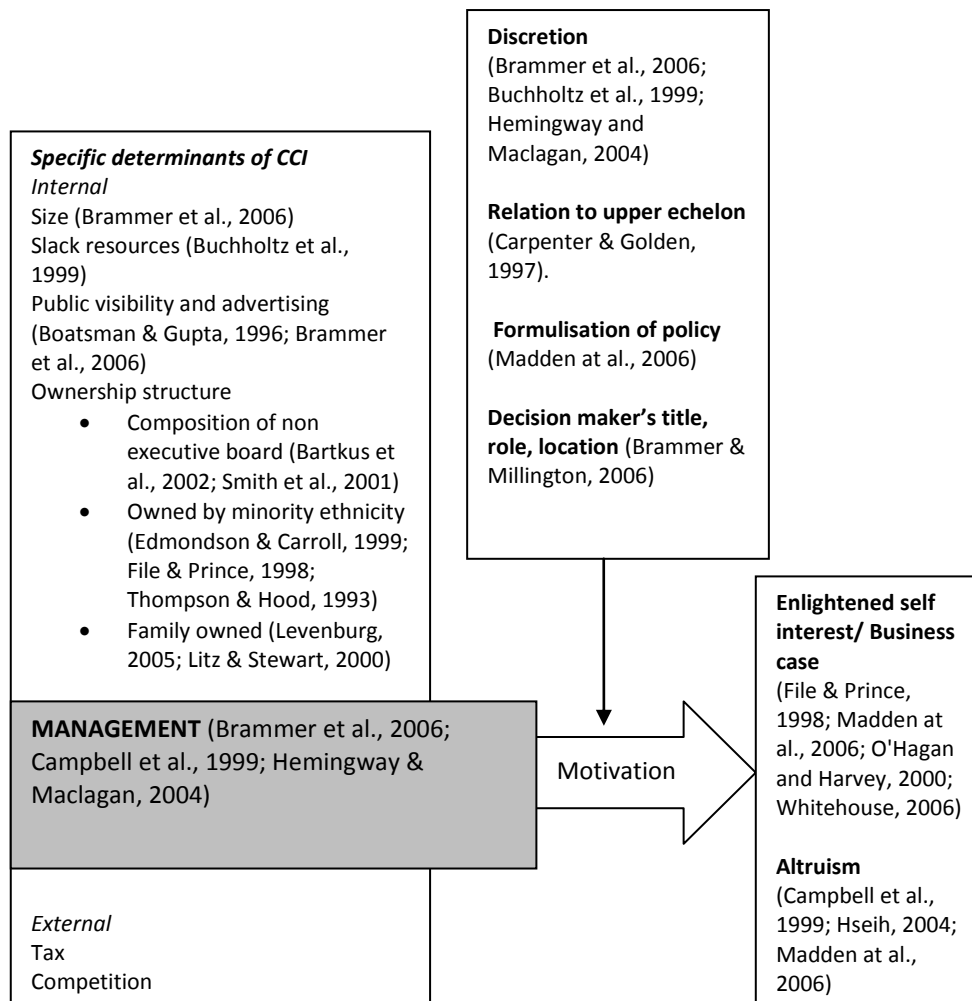


Figure 2-4 Contextual variables impacting managerial decision making and motivation

Further, the motives for engagement in CCI have been theorised to vary according to the *form* of CCI. Seitanidi & Ryan (2007) argue that the variance in motivations can be attributed to the different forms of CCI. These authors developed a typology of CCI activities and categorised each CCI with a specific motive (altruism, social responsiveness, compensation rewards). For example these authors stated that engaging in a social partnership is motivated by a desire to be socially responsible whereas social sponsorship is motivated by return on investment. As noted in the figure above by Campbell et al. (2002), however, the association of a singular motive for each of the key CCI activities is potentially counterfactual. As a case in point, these authors stated that philanthropy is motivated by altruism, yet this statement runs

contrary to empirical support for strategic philanthropy. Further, this theoretical typology was not empirically tested (Seitanidi & Ryan, 2007). The model is also contended by the fact that multiple motives are highlighted in literature despite the dominance of a singular form of CCI: Philanthropy.

The decision maker's title and role and the influence of these factors on discretion to make decisions have also been found to impact on the motivation for CCI (Brammer & Millington, 2003). The locations of *where* CCI decisions are made in the organisation are seen to have a bearing on why the firm is giving and the amount. Whilst traditionally the decision to give to the community was centralised, there is evidence in publically listed companies that the decision is now decentralised, with CSR-specific positions (Brammer et al., 2006; Saiia et al., 2003). Recent research found that 35 percent and 41 percent of CCI decision making respectively is decentralised to either the CSR department or a marketing department, while twenty four percent of CCI decisions is centralised to central administration in publically listed companies (Brammer et al., 2006). These results varied from earlier work conducted by Brammer and Millington in 2003. Organisational structure in publically listed companies has been redesigned to reflect the significance of CCI decisions. "The organisational structure within which any activity, including corporate philanthropy, is managed is expected to be contingent upon the role and importance of that activity" (Brammer et al., 2006, p. 235).

Consistent with this statement an empirical study found that where the decision was made within the organisation impacted on CCI expenditure. When CCI was managed by a CSR department the expenditure was twice that of the marketing department and ten times more than when centrally administered. However, empirical surveys of large publically listed companies frequently sample CEOs despite the greater indication that CCI strategy is becoming more decentralised (Brammer et al., 2006).

Similarly motives are theorised to vary according to *who* is making the decision (Madden et al., 2006). When decisions are decentralised to specific CSR departments there is evidence that the decision will be more strategic. When the decision is decentralised it is held that the higher level agents in the decision making hierarchy will ratify the decision made in levels below, ensuring that decisions are made in the

best interests of the organisation. This implies that decentralised decision makers may have a lesser ability to exercise their personal motivations or preference (Fama & Jensen, 1983). Saiia et al. (2003) stated that as CCI is notoriously ambiguous publically listed firms seek legitimacy through creating specific roles and departments for CCI and this in turn may influence firms' motivations to pursue or adopt CCI. Institutional theory suggests that as "an organisational function matures; it tends to become more professional" (Saiia et al., 2003, p 185). In an empirical study Saiia et al. (2003) tested the hypothesis that with greater career focus (as developed by the creation of roles and departments) the higher the level of strategic motivation and rationale for pursuing, selecting and monitoring CCI. The authors found support for this hypothesis. Similarly, they found that managers in their sample of 126 American publically listed companies articulated an awareness of the need for professionalism and accountability in CCI. Over seventy five percent of respondents in a survey agreed that 'strategic philanthropy' is led by an empowered CSR manager (Saiia et al., 2003). Similarly Hsieh (2004) found that whether the firm had a PR department impacted on the motives for engaging in CCI in Taiwanese publically listed companies.

When CCI decision making is centralised the policy is more diverse, possibly "reflecting the preferences of the individual decision makers" (Brammer & Millington 2003, p. 224). Similarly a study of small and medium sized enterprises in Australia found that when the decision was made in a sole proprietorship by an individual the decision was based on personal interests and values. However, in partnership firms the respondents indicated that they did not want to inflict their personal interests on the partnering individual and therefore CCI was only adopted when motivated by strategic business benefits (Madden et al., 2006). O'Hagan and Harvey (2000) also found that when the decision was made in a group the company image and business benefits were the most dominant consideration, however this motivation decreased when the decision was individually made.

The level of *discretion* that managers have has been highlighted as a key factor in understanding what motivates CCI. The concept of managerial discretion is based on the range of responses a manager believes is available to them (Carpenter & Golden, 1997; Key, 2002). In a given situation a manager determines what issues are in their

domain of action or discretionary set of available responses (Carpenter & Golden, 1997). Despite this concept being held as a pivotal concept in CSR and in ethical decision making (Key, 2002), the role of perceived discretion has received little academic attention (Aragón-Correa et al., 2004). In the model developed and tested by Buchholtz et al. (1999) discretion was a key variable influencing corporate giving. "It is in discretionary actions, where a manager has latitude of action, that the individual characteristics of that manager exert their strongest influence" (Buchholtz et al., 1999, p 173). Finkelstien and Hambrick (1990) saw discretion as a function of task characteristics, internal factors and management characteristics (Carpenter & Golden, 1997). Similarly, whilst perceived discretion has been theorised as influenced by the team size, industry variables and organisational culture, Key (2002) found that only organisational culture and personality traits greatly impacted the perception of discretion. Carpenter and Golden (1997) also found that the level of discretion was based on the relationship between the decision maker and the upper echelon.

When the decision maker is located close to the upper echelon within a central administration they have been found to have greater diversity of CCI supported by the corporate, possibly reflecting the greater discretion these individuals may perceive themselves to have. Similarly, it is possible that due to the size and structure of smaller or privately held organisations the CCI decision maker may be close to the upper echelon. This may imply that that in these contexts managers may illustrate greater perceived discretion. "It is feasible to expect that an owner-controlled small business would behave differently from a manager-controlled large business" and this may have wider implications for the personal influence of the manager and the resulting motivation for engaging in the community (Thompson & Hood, 1993, p. 198).

Further, the process of managing CCI has been found to vary considerably between organisations. Whilst the majority of the 200 publically listed companies investigated were found to foster a formal budget and plan (Brammer et al., 2006) smaller privately owned businesses were found to have considerably less formalized policies surrounding CCI (Madden et al., 2006; Thompson & Hood, 1993). With less formalization the decision maker exerts greater discretion which may allow the personal values, ideology, and personality to influence the decision process, rather

than basing such decision on business rationale (Thompson cited in Buchholtz et al., 1999; Madden et al., 2006; Waldman & Siegel, 2008). Wilson et al. (2006) found that New Zealand small and medium sized businesses used mostly emotions and personal objectives to guide their social investment activities. Business owners or managers of small privately owned firms are less restrained by bureaucracy and formalization and with less standardized and specialised roles (Stewart & Roth, 2007). Further, small and medium sized enterprises are dominated by personal relationships. Consequently “the fact that in the owner-managed small firm control remains in the hands of one of the owners, potentially enabling him or her to make personal choices about the allocation of resources” (Spence & Rutherford, 2001, p. 127). Conversely, there is evidence that this assumption does not hold universally true. CCI decisions were found to be made strategically and for economic benefit in a study conducted by File and Prince (1998) that investigated small privately owned enterprises.

However, as noted above a significant proportion of CCI study is dedicated to publically listed companies (File & Prince, 1998; Litz & Stewart, 2000; Madden et al., 2006; Thompson & Hood, 1993), with a paucity of research in other types of organisations and across various ownership structures (Buchholtz, Amason et al., 1999; File & Prince, 1998; Madden et al., 2006; Thompson & Hood, 1993; Whitehouse, 2006). Publically listed companies have been the predominant focus of CCI research due to data availability (Brammer et al., 2006). As stock exchanges and financial institutions are encouraging listed companies to produce CSR reports the corporate sector has a greater availability of more detailed accessible secondary data (Idowu & Papasolomou, 2007). Further, on the assumption that size and philanthropy are correlated small and medium sized firms are relatively ignored. However Madden et al. (2006) noted that “our data suggests that there is an untapped reservoir of philanthropic support in this business sector” (Madden et al., 2006, p. 10). Martin (1985) indicated that fewer small firms give, however when they are givers they give more in proportion to pre-tax income.

However, data on micro-businesses and their engagement in the community is near nonexistent (Madden et al., 2006; Thompson & Hood 1993). Within the New Zealand CCI landscape no study could be located that identified the philanthropic giving from

this sector. Whilst some research investigates the CCI of the business sector this is often extrapolated from sample groups of large publically listed companies and therefore may not fairly represent other types of businesses (Slack & Lueng-Wai, 2007). The impact of ownership characteristics has been overlooked (Litz & Stewart, 2000) with a large void of research in micro, privately owned or family owned businesses (Levenburg, 2005; Madden et al., 2006). Frequently the findings of CCI in large publically listed firms are transferred to other contexts. However, it is inaccurate to assume that small or large firms or contexts of combined or separate ownership and control are directly comparable (Thompson & Hood 1993).

Further, empirical studies frequently are limited to quantitative survey methods and whilst this enables the identification of key motives, the exploration of the relationship between each motive and the personal and firm motivations is limited.

The following section utilises motivation and decision making literature drawn from organisational behavioural, psychology and personal giving literature to evaluate the existing CCI studies of motivations and the role of management across different organisational contexts.

2.7 Motivation and decision making

Extant psychology literature on Motivation and Decision Making is particularly useful in the discussion of reasons for corporate engagement in CCI and why managers might choose to champion this activity. Both the motivational literature and the decision making body of knowledge are well developed and embedded within a rich accumulation of empirical evidence and wider psychology literature. The definition of each of these constructs and their implications for the discussion of CCI motivations are outlined in the following section.

2.7.1 Introduction to motivation

Motivation relates to the psychological process that moves a person towards an action (Westen, Weinberger, & Bradley, 2007). The study of motivation has long been considered a difficult undertaking, as the researcher is attempting to observe the inner workings of the brain (Locke, 1996). Traditionally motivation theory has been the

domain of psychologists and behavioural scientists and has been dominated by laboratory studies. In recent years the study of self reported measures has become more acceptable and has enabled research to move outside of the laboratory into organisations. This has transitioned the study of motivations from isolated tasks to more complex forms of behaviour, and can be applied to such corporate behaviours as championing CCI. Further, motivation is now positioned as a key area of study within the organisational behaviour literature (Locke, 1996; Locke & Latham, 2004).

Despite an interdisciplinary approach to the study of motivation a common definition of motivation has been accepted with minor variations. This construct definition divides motivation into three aspects: *energy* (the potency or strength of the motivation), *direction* (what the individual is moved towards), and *persistence* (how the motivation is sustained over a period, notably in the face of resistance or conflict) (Mitchell, 1982). Whilst consensus has been reached on the components of the motivation construct the alternative terms *intensity*, *direction* and *duration* are also used (Locke & Latham, 2004). Further, Ryan and Deci (2000) also extend this model to include *equifinality*, which relates to how the motivation was activated and if the motivation will be acted upon.

In the early stages of the study of motivation, extant literature was *content* focused. An emphasis was placed on what individuals were motivated by and establishing universal motivations that motivate all individuals. An outcome of this era was models which focused on inherent needs that drive all human actions, such as Abraham Maslow's hierarchy of needs (1954) or David McClelland's work (1971). Theories developed in this period have been termed theories of arousal, where a need or social pressure was seen as stimulating motivation (Steers, Mowday, & Shapiro, 2004).

From the 1970s onwards, a greater focus was placed on the *process* of how motivation develops and then motivates action. During this period a greater emphasis was placed on developing causal or structural models, such as goal-setting theory and expectancy utility theory (Steers et al., 2004). This period focused on theories of choice, where theorists attempted to capture various mental processes that an individual underwent when deciding which activity to pursue (Mitchell, 1982). Steers et al. (2004) labelled this period as the 'golden age' where significant theoretical and empirical progression

occurred, much of which still holds influence in contemporary motivation literature. These authors have argued that since the 1990s new developments in the motivation literature have declined abruptly.

Nevertheless, several early theories are especially relevant to the discussion of why managers might be motivated to adopt CCI.

The majority of motivation literature in the field of organisational behaviour explores how to induce motivation and encourage a particular behaviour. This literature frequently focuses on the variation of respondents' reaction to the external environment and control systems and has received the most intensive scientific attention (Mitchell, 1982; Ryan & Deci, 2000; 2004). Also of relevance to this thesis is the small sub-set of literature on self motivation, where an individual is responsible for motivating themselves and how motivation persists in the face of resistance, frustration or conflict (Locke & Latham, 2004). Extant literature on these facets represents an insight into how a manager's motivations can persist in face of organisational control systems, resistance or opponents to CCI activities.

2.7.2 Overview of decision making

The construct of decision making relates to how an individual chooses a particular course of action. Reflecting the extant motivation literature, the structure of the decision making literature follows a similar line of development and progression. Schwenk (1995) divides this literature into content and process driven theories. As with motivation literature, the 'decision making' construct has been noted as difficult to theorise, with often unstructured and messy empirical data (Schwenk, 1995). This body of literature has been critiqued as offering limited insights and, despite being a mature paradigm, is built from incomplete assumptions (Papadakis, Lioukas, & Chambers, 1998).

The following section explores the development of the broad psychology literature, including motivation and decision making literature from the 'golden age' to the most contemporary literature, and then discusses the relationship between the constructs of decision making and motivation.

2.7.3 The development of psychology theory, including decision making and motivation

2.7.3.1 Cognitive revolution

Early work in psychology was based on two underlying positivist assumptions: firstly that only material or external events could be causal and secondly that only the directly observable or perceivable could be within the realm of scientific investigation (Locke & Latham, 2002). This resulted in decision making and motivation research that focused on external elements, such as how reinforcement or punishment affected motivation. This line of investigation resulted in content focused literature.

Throughout the 1970s, however, a paradigm shift occurred and a greater focus was placed on the internal and unobservable functioning of the brain. It was during this period that internal processing became an assumed object that influenced behaviour consciousness and became an area to be studied (Haidt, 2001).

In accepting that internal mental functions were the key to understanding human behaviour an emphasis was placed on rational and cognitive mental processing. Within both decision making and motivation literature the emphasis was placed on deliberate thinking that was well considered and well reasoned. Despite a growth in popularity during this period, the notion of deliberate and rational thought processes has a long history. From the Greeks to the Enlightened Philosophers the rational side of the brain has long been heralded as key to understanding action. Further, the rational or 'cold' side has been proclaimed as controlling the 'hot' or emotional part of the brain (Loewenstein & Lerner, 2003).

The cognitive literature assumes that the brain functions perfectly and optimally. Recent developments however indicate that human mental processing frequently deviates from optimality. Rational/cognitive literature has undergone heavy criticism as offering a flawed normative model which has significant errors and unexplained variance (Sanfey, Loewenstein, McClure, & Cohen, 2006).

Despite such criticisms, this view has generated the majority share of research within psychology, motivation and decision making literature. Despite recent developments

outlined below, rationalism still rules (Dane & Pratt, 2007; Haidt, 2001). The majority of literature exploring why a firm invests in CCI falls within this camp.

2.7.3.2 Affective Revolution and dual processing

In attempts to address the significant limitations facing the cognitive model, contemporary literature holds affective processing as a second pivotal variable in understanding mental processing. Recent findings in primatology, evolutionary psychology and neuro-imaging have provided a wealth of information about neuro-anatomy and the interlinking of cognitive and emotive processing (Greene & Haidt, 2002).

Throughout the so-called cognitive revolution cognitive and affective processes were seen as separate and distinguishable. However, contemporary theory states that both processes occur simultaneously and in parallel (Dane & Pratt, 2007; Kalidindi, Bowman, & Wyble, 2005). Westen et al. (2007) contended that the brain functions through a network of associations and whilst academics once thought that only cognition was encoded in that network, they now realise that feelings and emotions are too. Further, the affective side was previously held as irrational and diminished to the inferior of the rational and cognitive model of thinking. However, Khatri and Alvin (2000) argued that subconscious thinking has evolved over a long period of experience and learning. While historically the affective side of the brain was viewed as insignificant these developments have since placed a spotlight on affective mental processes (Dane & Pratt, 2007).

2.7.3.3 The relationship between decision making and motivation

Traditionally decision making and motivation have been separated by the belief that both processes operate from fundamentally different areas of the brain. Due to different origins it was argued that they should be treated as separable concepts (Kalidindi et al., 2005; Westen et al., 2007). Decision making was thought to be centred in the cognitive area of the brain whereas motivation was generally combined with affect and believed to be at a deeper and inaccessible level of consciousness (the hot

system) (Svenson, 2005). Consequently the link between each construct has been relatively ignored (Svenson, 2005).

Some models developed throughout the cognitive revolution have attempted to inter-relate the two constructs but these mostly try to place each construct in the mental process in relation to the other, while still maintaining decision making and motivation as separate and disjointed constructs. For example it was thought that a rational choice was made first (goal setting), and then this choice would evoke motivation (goal striving) (Dholakia & Bagozzi, 2002). The focus from this perspective has been how decision making can lead to greater motivation (Locke & Latham, 2002; 2004). Considerable evidence indicates that it is the making of a decision and the setting of a goal which together create greater motivation (Locke, 1996; Locke & Latham, 1990). Further, empirical evidence indicates that it is not only setting a goal, but how the goal is set that moderates how strongly an individual is motivated toward an action (Dholakia & Bagozzi, 2002).

Similarly Vancouver and Putka (cited in Westen et al., 2007) outline a theory of action which incorporates the two constructs. This model stipulates that there are four stages of mental processing when moving towards an action. Firstly there is the pre-decisional phase; second is the formation of a goal (which is noted to be the first motivational attribute); thirdly is the post decisional and pre-action phase (the second attribute where motivation plays a role); and lastly this cumulates into an action.

Recent developments, however, have discounted the traditionally held belief that the rational and affective sides of the brain are disjointed. Evidence indicates that when a person acts, mental processes occur simultaneously in both regions of the brain. The recent marrying of the rational and affective sides of the brain has, in essence, brought these two concepts into relation. This recently developed notion has spurred theory which integrates both constructs. Westen et al. (2007) articulate that perception is influenced by motivation and emotions and consequently when decisions are based on perceptions of reality, motivations inherently influence the decision. Often motivation biases the intake of information and consequently also influences the final decision. This notion, termed motivated reasoning is quite well developed both empirically and theoretically (Westen et al., 2007). Similarly Kanfer and Ackerman (1996)

conceptualise two forms of motivation in relation to whether the motivation comes before or after decision making. *Distal* motivation controls the initiation and execution of an action after a decision has been made whereas *proximal* motivation is when motivation moderates or indirectly influences a choice of goal or decision.

The majority of CCI research is investigated from a traditional (cognitive) perspective viewing the decision to adopt CCI as being a rational cognitive decision. Despite considerable theoretical developments incorporating the emotional domain, the rational model still prevails (Haidt, 2001; Hendry, 2000; Loewenstein & Lerner, 2003), especially in CCI literature. Consequently analysis has been neglected at an individual level that reflects current developments in decision making and motivation theory by incorporating personal emotions and subconscious processing.

2.8 Corporate decisions to engage in CCI

The following section reviews the rational and cognitive frameworks and models of decision making and motivation to gain an understanding of the position that most CCI research takes. Contemporary research is also reviewed to offer a critique of existing CCI literature and propose new areas for research.

2.8.1 Cognitive model and expectancy theory

As noted above the most widely held models of decision-making action are based on bounded rationality (Hendry, 2000; Loewenstein & Lerner, 2003). Traditional theories of motivation and decision making build from the premise that humans are perfectly rational economic agents who consciously choose the best option through a process of mental steps (Waldman & Siegel, 2008).

Most bounded rational models begin with the Expected Utility or Expected Value model (Westen et al., 2007). This model holds that to make a decision or choose a goal to pursue, three facets will be considered in an attempt to increase utility (Sanfey et al., 2006). This model comprises the following steps:

1. Value; expected valence or satisfaction from achieving an outcome.
2. Instrumentality; the belief that a certain action will actually receive a reward

3. Expectancy; the likelihood that an individual can achieve an action (Locke & Latham, 2002).

Alternatively Sanfey et al. (2006) have highlighted two essential dimensions:

1. Value; akin to the definition above.
2. Probability. In this model probability incorporates the belief that an action will be rewarded and the likelihood that the action can be achieved.

2.8.1.1 Expectancy theory: Value and managers motivation

Traditionally the notion of value or valence has been based primarily on reward systems (the value of a reward received). Medical research supports the notion that rewards matter as neuro-imaging actually indicates that the size of rewards (and its assumed value) is associated with the amount of brain activity (Sanfey et al., 2006).

In the organisational behaviour literature, pay, financial compensation, or bonuses are regularly held to be rewards with significant value to individuals that motivates behaviour or is a primary referent in decision making. Similarly within CCI literature the financial outcomes are equally held as a primary motivator.

2.8.1.1.1 Extrinsic motivation

The notion that external reinforcement can influence behaviour is captured in the Extrinsic/Intrinsic model of motivation (recently developed further as the Self Determination theory) (Ryan & Deci, 2000). This theory stipulated that extrinsic motivations arise when an individual is motivated by an external outcome and the individual assumes a causal link between an activity and an associated consequence (also captured in Expectancy theory in the 'Instrumental' component). This is juxtaposed against intrinsic motivations which exist when an individual undertakes an activity in the absence of external reinforcement simply because they find that activity enjoyable (Gagne & Deci, 2005).

Within CCI literature financial outcomes or business benefits are positioned as an extrinsic motivator. However, an individual may also be motivated by the implications

associated with those extrinsic outcomes. Termed introjected regulation by Ryan and Deci (2000) this motivation remains reliant on an external outcome (and is therefore categorised as an extrinsic motivation) but the behaviour is motivated by the implication of achieving the external outcome rather than the outcome itself. Applied to the CCI literature this implies that if managers or manager-owners are motivated by financial performance then through achieving financial success the individual may experience other sensations, such as an ego boost or higher self esteem. For example Stewart and Roth (2007) theorised that in achieving financial success, business owners with high levels of need for achievement will experience a sense of accomplishment associated with high self esteem. Similarly Pierce and Rodgers (2004) hypothesized that good financial performance will contribute to a positive image of self as reinforced by others within the organisation. These authors contested that through undertaking successful organisational strategies, the value of the individual is communicated within the organisation and consequently reinforced through social interaction. This is related to the concept of social currency discussed in section 2.5.2 where the manager may be motivated by the ego boost or may conduct CCI due to the positive feeling it gives.

2.8.1.1.2 Separation of Ownership and Control

Within separation of control and ownership theory focused on publicly listed companies, the non-executive board is frequently responsible for developing control systems to motivate and monitor managerial behaviour. This notion is related to control theory, reinforcement theory and agency theory. Fong and Tosi (2007) outline two methods of developing contracts between the agent and principal to control management and minimise shirking. The first and most efficient method is in a context where the principals (owners) have complete information and are fully aware of the agents' behaviour and can award them accordingly. This represents an idealistic contract situation where full information symmetry allows the principal to bear no risk and monitor shirking by the agent. Secondly, and more feasibly, the principle can create reinforcement and reward systems contingent on the outcomes of the management performance or behaviour. This represents a situation where the principal can use external rewards to attempt to influence the behaviour of managers. Norris & O'Dwyer (2004) indicated that three components were used to control

management: communicating objectives, monitoring performance through feedback and appraisal, and rewards.

Without agency controls (rewards and incentives) it is assumed that an agent will minimise their effort exerted in an attempt to protect psychological and physical assets (Bartkus et al., 2002). A significant amount of literature explores how reinforcements can control or reinforce managerial actions to improve a firm's financial performance. However a small amount of literature also contends that other performance outcomes (such as social) may also be rewarded. Baron (2008) theorised that such a control system could be utilised for managers in situations where the board wants to influence behaviour towards *social* and *financial* outcomes. This model incorporated methods for rewarding and creating incentives for effective allocation of organisational resources by management that resulted in positive social performances. It should be noted that this model was developed generically to report corporate social responsibility, not specifically CCI or philanthropy (Baron, 2008). Karp (2003) also noted cases where management is rewarded for social performance. For example Adidas reviewed management's performance against both financial success and the company's human rights policy. However, these were cases of positive social performance and not philanthropy or CCI. Norris and O'Dwyer (2004) found, however, that very few firms are motioning social performance or rewarding CSR. These authors stated that social performance as an organisational goal was hard to construct due typically to the inability of the accounting system to compute social performance.

Whilst agency theory has traditionally been held as a core governance theory and predominately has been applied within contexts of publically listed companies the "agency paradigm generalizes to any situation where the principal depends on an agent to fulfil some action" (Fong & Tosi, 2007, p. 163). Therefore, the application of reward systems and expectancy theory can be extended to any organisation where a manager (not owner) is the deciding CCI agent, including small and medium privately owned businesses (Steijvers, Voordeckers, & Vandemaele, 2008). Consequently, the above discussion can be extended to argue that owners of privately held firms create monitoring systems to motivate management. The application of the expected utility and agency theories are perhaps better suited to smaller companies or privately held

businesses due to the concentration of ownership and the implications this has on the owner's ability to monitor management (including setting rewards systems and making appraisals of performance)(Fama & Jensen, 1983; Steijvers et al., 2008). Similarly, governance literature on publically listed companies also highlights concentration of ownership as a key variable in understanding owner control. Whilst governance literature frequently investigates Berle and Means' 1932 model of dispersion of ownership empirical investigation has indicated that this model of business is not common and frequently singular large block holders dominate control (Faccio & Langb, 2002; Marchica & Mura, 2005). Both literatures that are focused on publically listed companies and privately held firms indicate that a concentration of ownership allows for greater incentive to monitor management and increased power to do so (Fama & Jensen, 1983; Steijvers, 2008).

2.8.1.1.3 Joint ownership and control

Similarly, expectancy theory also has relevance in contexts where ownership and control are united (Campbell, 1995). Combined ownership and control are both considered to be motivated by profit maximisation despite being theorised as at the other end of the spectrum from separate ownership and control (and consequently theorised as a zero agency cost-based case) (Campbell, 1995; Reijonen, 2008). It is usually held that an owner-manager will create an enterprise to increase personal wealth. Income expectations of the owner-manager were found to be a key motivator in an analysis of 257 observations (Berthold & Neumann, 2008). Berthold and Neumann (2008) noted that the motivation of managers in separate owner and control contexts was "not so different from the motivation of self employed owners" (p. 244). Further, as the residual claimant and the manager are the same individual the profitability of the firm will have greater salience as it is this individual who bears the risk (Steijvers et al., 2008). Campbell (1995) proposes that in contexts where the motivation for owning a business is economic these firms can be characterised "by a kind of decision model underpinned by a theory of utility maximisation" (p. 102), such as the expected utility theory. Similarly in a family owned business, when the business owner manager is aware that the business will be inherited by future generations the owner-manager will be further motivated to grow sustainably financial performance

and stability knowing that the family will depend on long term financial performance (James, 1999).

This line of argument is also supported by the dense literature on entrepreneurship and the characteristic of achievement motivation. Entrepreneurship literature entails multiple definitions (Berthold & Neumann, 2008; Stewart & Roth, 2007). The most limited definition of an entrepreneur is someone who independently manages and owns a small business (Stewart & Roth, 2007), akin to the owner-manager discussed above. Other theorists define the entrepreneur as the founder of an enterprise (Begley & Boyd, 1987; Stewart, Watson, Carland & Carland, 1999).

Further, extant research has noted that entrepreneurs score highly on achievement motivation compared to business managers (Begley & Boyd, 1987; Stewart & Roth, 2007). Born from the pioneering work of McClelland in 1961 (cited in Begley & Boyd, 1987) this concept is defined as the desire to achieve or accomplish. A meta-analysis comparing managers and entrepreneurs found that owner-managers scored moderately higher than managers in achievement motivations and that this variance was more significant when the owner-manager was the founder or the business was directed towards growth (Stewart & Roth, 2007). Further, high achievement motivation is associated with a long-term time orientation, where entrepreneurs may forgo immediate rewards for the long term outcomes (Stewart & Roth, 2007).

Applied to the discussion of CCI, these findings imply that entrepreneurs place a greater value on financial success. In being motivated for achievement manager-owners will direct their behaviour and decisions towards achieving the outcome of financial success (Stewart, et al., 1999). Consequently, CCI would be undertaken to increase the profitability of the firm. This perspective is supported by research on privately held businesses that adopt the enlightened self interest motive and focus on the potential business outcomes of this strategy (Madden et al., 2006; Spence & Rutherford, 2000).

The value that an individual places on a reward will influence whether or not such a reward is sought. This, however, is moderated by whether the individual believes they can implement an action to receive the rewards and whether the reward is associated

with that action (Locke & Latham, 2002). For CCI this implies that assuming the individual is rewarded for good financial performance, that manager will analyse whether CCI is associated with improved financial performance and whether CCI can be attained in their specific organisation and its operating context.

2.8.1.2 Expectancy theory: Probability of business benefit

The notion that deciding to adopt CCI may lead to higher rewards (and consequently reap personal reward) is the most heavily researched area of CCI (Seifert et al., 2003). Of interest in this discussion are two core streams of research: firstly the work pertaining to whether CCI will achieve a positive outcome for the firm (often evaluated in empirical work as verifying this outcome) and secondly the smaller body of literature that investigates the manager's perceptions of whether this activity will lead to this outcome.

Within the CCI literature the relationship between CCI and financial performance has been theorised as either directly improving financial performance or creating outcomes that lead to improved financial performance. These potential outcomes include the influence of CCI on core stakeholders of a business, notably employees, shareholders, consumers, policy makers, suppliers and competitors, as well as wider society (Bartkus et al., 2002). The relevance of the cognition, rationality and the expectancy model as potential motivators for CCI are included in the model depicted below.

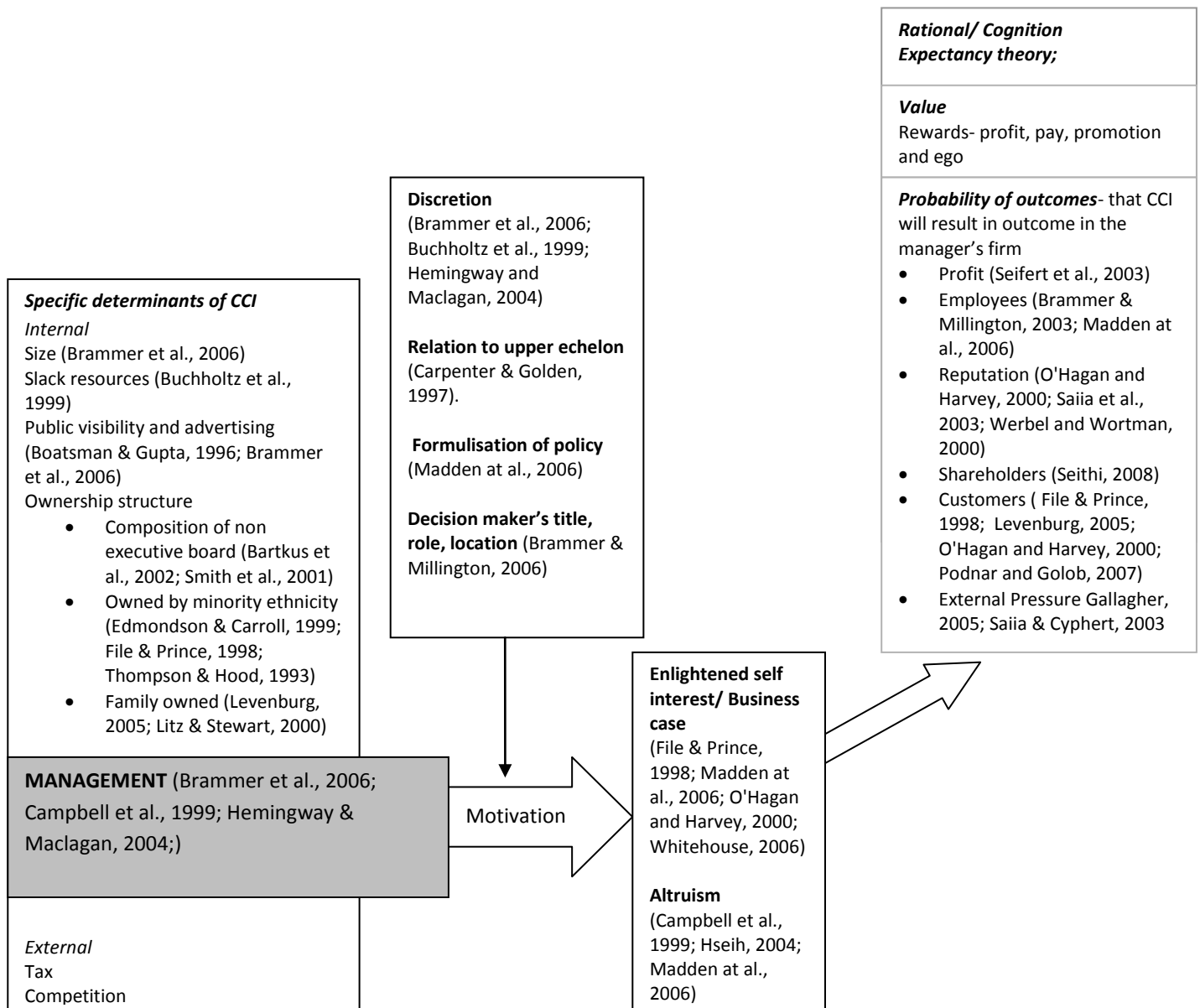


Figure 2-5 Rational decision making and the business case for CCI

2.8.1.2.1 CCI and profit

Extant literature is inconclusive as to whether CCI generates greater profit. In a study of 41 large companies matched to smaller counterparts Seifert et al. (2003) found that there was a small positive correlation on certain measures of financial performance (such as market to book ratio). However across all of the measures investigated the correlation between philanthropy and financial success was insignificant. Similarly more general studies of corporate social performance have yielded mixed results (Bagnoli & Watts, 2003; Paul & Siegel, 2006). Adams (2002) has argued that at best

there is a tenuous relationship between social performance and profit. To further complicate the interpretation of these findings Baron (2008) indicated that academics need to be aware of mutual causation. He stated that greater profits may lead to greater investment in CSR, rather than increased profits resulting from greater investment in CSR. Werbel and Wortman (2000) raised this issue in finding that larger companies with better cash flows were found to invest in more philanthropy. Further, this body of literature has been criticised as mismatching measures and using the wrong variables to measure this relationship (Wood & Jones, 1995). Wood and Jones (1995) state that as CSR is focused on stakeholders, the measure should be qualitative and more closely related to each stakeholder group, rather than to generic quantitative measures of financial performance (such as dividends payments, profit, and revenue).

However, as noted earlier it is not only whether the correlation between profit and CCI is empirically valid, but whether the decision-making managers believe CCI to be correlated profit. Through semi-structured interviews with 29 managers, Whitehouse (2006) found that for CSR to be adopted it needs to enhance economic performance. Similarly managers in Bangladesh were only concerned with stakeholders in their CSR policies who had the ability to influence the financial performance of the firm (Belal & Owen, 2007) and managers in Ireland would only adopt CSR if they thought it would improve financial performance (O'Dwyer, 2002).

Similarly a study specifically focused on CCI and philanthropy found that Australian managers considered the correlation between CCI and profit when deciding to implement a CCI activity (Madden et al., 2006). Saiia et al. (2003) also found that 98 percent of respondents in his study indicated that philanthropic giving was becoming more strategic with a focus on quantified financial performance outcomes.

2.8.1.2.2 CCI and employees

The literature has also investigated whether CCI has a positive effect on employees. Theoretical literature states that CCI can improve employee morale, recruit employees that best fit the organisational culture and improve employee productivity and retention (Morsing, 2006). The incorporation of CCI allows the corporate brand and

identify of the organisation to move from “aesthetic brand promises to moral brand promises” (Morsing, 2006, p. 98). Undertaking CCI can create an appealing, coherent and moral corporate brand that is more likely to create a strong and positive employee relationship with the organisation. Morsing (2006) contended, however, that creating a corporate brand with strong moral value can lead employees to feel pressure to conform and align their personal morals to those of the organisation. Similarly this benefit has been recognised by managers as an influencing factor when adopting CCI. Madden et al. (2006) found that a desire to show concern for staff and create a personal connection with staff was a leading factor when managers decided to adopt CCI. Further, in investigations of CSR reporting both Idowu and Papasolomou (2007) and Adams (2002) found that employee alignment and retention were deciding factors. Brammer and Millington (2003) found that there was an increase in employing giving schemes in comparison to research conducted five years prior and interpreted this to be an indication of a greater consideration of employees. Whitehouse’s (2006) empirical study in the UK also supported this notion, with respondents indicating that a consideration for employees affected the decision to adopt CCI. She found that often the employees did not actually know what CSR meant or that their company had a CSR policy. This reflects the Expectancy Utility theory’s underlying premise that it is the perception of the expected outcome, not the verifiable truth that actions are associated with outcomes that is key.

2.8.1.2.3 CCI and reputation

Philanthropy and CCI have been noted to improve the public’s view of a corporation. This has earned theoretical attention due to changing societal expectations for businesses (Whitehouse, 2006). Three out of every four American members of public indicated they took the philanthropy of a company into account (Saiia et al., 2003). Further, in a poll of 25,000 people across 23 countries in the 1999 Millennium Poll 60 percent indicated that they judged a company on the basis of its CSR (Cogman & Oppenheim, 2002). In an analysis of archival data over a four year period the spending on philanthropy increased marginally following negative media exposure. From this finding Werbel and Wortman (2000) concluded that corporate philanthropy is used as a strategy to indirectly repair or develop an organisation’s public identify and

reputation. This notion is further supported by the finding that philanthropy is associated more heavily with advertising-intensive businesses (Navarro cited in Brammer et al., 2006)

This was also regarded as a key potential outcome that influenced managers in adopting CCI. Forty three percent of publically listed companies (n=60) surveyed by O'Hagan and Harvey, (2000) indicated that they sponsored arts to improve corporate image. Consistent with these findings Werbel and Wortman (2000) showed that philanthropy increased in small ways following negative exposure. This implies that when exposed to illegitimate actions managers use philanthropy to improve the public's perception of the company. Similarly Whitehouse (2006) found that UK managers thought CSR would improve the company's reputation.

2.8.1.2.4 CCI and shareholders

The advent of shareholders who consider both social and financial performance when selecting an investment portfolio has been a relatively recent phenomenon (termed Socially Responsible Investment or SRI). Cogman and Oppenheim (2002) argued that the current levels of SRI in comparison to mainstream investment dictates that this is a small scale phenomenon. However this statement was based on statistics from 1997 when only nine percent of respondents selected investments based on both the financial and social performance of a firm. In the two years prior to 1999, this figure rose by a further 4 percent (Cogman & Oppenheim, 2002). In more recent literature, Sethi (2008) proposed that SRI has already entered mainstream investment. New Zealand shareholders indicated that the level of business engagement in the community was a consideration. This empirical study, however, found that it was one of the least important considerations (Chiu, 2006).

No empirical studies could be found where managers use CCI to attract socially responsible investors. There is evidence, however, that managers may consider socially minded investors when adopting CSR policies (Whitehouse, 2006). This lack of evidence specifically related to CCI may be due to investors supporting forms of CSR, over CCI as these can be integrated in business without necessarily imposing an external cost (Sethi, 2008).

2.8.1.2.5 CCI and customers

Various empirical studies indicate that consumers' brand preference and purchase intentions may be impacted by an organisation's CCI activities. Podnar and Golob (2007) found that young consumers tended to be significantly influenced by a firm's ethical and discretionary investment. Consequently they highlight CCI as appropriate to appeal to certain target markets. The study conducted by Podnar and Golob (2007) was, however, based on hypothetical purchase situations not existing purchase behaviour. Bagnoli and Watts (2003) developed an equation model where a firm's philanthropy may lead a consumer to purchase a product over that of a competitor. The model depicted that a CCI strategy could be of benefit to a company only if the warm glow that the CCI activity gives to consumers enables the firm to charge higher prices or become more competitive. However, empirical work conducted by Becker-Olsen, Cudmore, and Hill (2006) explored this association and found that the positive relationship between CCI activities and a consumer's perception of a company was mediated by how related the CCI activity was to the firm. This finding has been replicated in studies investigating the impact of cause related marketing products on consumer perceptions (Varadarajan & Menon, 1988). If the cause is highly related to the brand then it is theorised to produce a more positive effect on consumer's judgments, feelings and brand recall (Bloom, Hoeffler, Keller, & Meza, 2006). When the motives for CCI appeared questionable consumers elaborated on the meaning of the strategy. This hypothesis is built from the attribution theory and cognition elaboration theory whereas consumers make causal inferences about the behaviour of others when the motives for the behaviour are unclear (Trimble & Rifon, 2006). Some authors contest that consumers felt positively about a company only when there were high levels of relatedness; when the activity and core purpose of the firm were not related such activities could actually become a liability (Becker Olsen et al., 2006). There has been some indication of the opposite effect, however, with the fit between the firm and the non-profit organisations providing little influence on the purchasing decision (Bloom et al., 2006). Some consumers may perceive a high fit between the cause and the firm as an indication of opportunistic behaviour where the firm is seeking commercial gain (Bloom et al., 2006). Again, however, the methodology of the

study conducted by Becker Olsen et al. (2006) was based on perceptual measures, not existing purchasing behaviour.

The beneficial effect that CCI can have on consumers is well recognised by managers and decision makers. In an investigation of arts sponsorship, 22 percent of respondents indicated that they anticipated philanthropy would assist in creating and managing a brand (O'Hagan & Harvey, 2000). Similarly, Bangladesh managers' articulated that managing consumer's perceptions was a leading motivator for CSR (Belal & Owen, 2007). In small and medium sized privately held companies image and branding were considered to be critical motivators (File & Prince, 1998) and in family owned business reputation in the community was also seen to be a motivating factor for giving to the local community (Levenburg, 2005). CSR reporting was also noted to provide a marketing benefit and to alter consumer perceptions (Idowu & Papasolomou, 2007). Similarly Brammer and Millington (2003) found that CCI is frequently directed towards causes that are high on the public agenda. For example they found that 74 percent of their sample targeted education issues when the public voted education as a key political issue.

2.8.1.2.6 CCI and managing external pressure

CCI has also been theorised as being a method to influence public policy makers and reduce the risk of anticipated legal regulation (Gallagher, 2005; Saiia & Cyphert, 2003). Saiia and Cyphert (2003) theorised that businesses who engage in CCI can take a position as a good corporate citizen which allows such businesses to create an active dialogue with society, including policy makers. "Any petitioner may come before a community to advocate a self-interested position, but we find only those who demonstrate (1) respect for fellow citizens, (2) commitment to the community, and (3) exposure in the discussion are given a legitimate ... role" in influencing public discourse (Saiia & Cyphert, 2003, p. 48). Similarly Gallagher (2005) articulated that CSR or CCI is an attempt to meet social norms before such social norms become legally enforced in the future (Gallagher, 2005). Government's stance on business and the community has been theorised to impact on whether firms give. Following the lead of European countries both Australia and New Zealand have made an effort to encourage CCI (Lucas, 2004).

No empirical studies could be located where CCI decision makers were motivated by the opportunity to influence public policy or the government's stance. However, some studies recognised this outcome as motivating managers who engage in CSR (O'Dwyer, 2002) and CSR reporting (Adams, 2002; Idowu & Papasolomou, 2007). Other external pressures that are discussed in the literature include managers who are influenced by non-profit lobbying (O'Dwyer, 2002). The liveliness of the social sector has been found to be correlated to levels of philanthropy (Brammer & Millington, 2003). Madden et al. (2006) found that Australian small and medium sized businesses also felt the pressure to engage in CCI due to regular requests for support from the third sector.

Other factors include adopting CSR reports to mitigate the advantage of competitors who have already adopted CSR reporting policies (Idowu & Papasolomou, 2007) or to satisfy the expectations of and maintain relationships with powerful suppliers (notably, financial suppliers) (Belal & Owen, 2007).

2.8.2 Critique of CCI literature based on expectancy model

2.8.2.1 Critique related to separate control and ownership contexts

The key critiques of the application expectancy model in separate ownership and control contexts are tabled below.

Table 2-2 Critique of expectancy model in separate ownership and control

Critique	Reference
Non executive boards may not reward CCI.	Chui, 2006; Ingley 2008
Non-executive boards may punish engagement in CCI, rather than reward it.	(Bartku et al., 2002)
Extrinsic rewards do not effectively control management's behaviour and produce stress, anxiety and lower performance.	(Deci, Ryan and Kasser, 2004)

In separate ownership and control the expectancy model in CCI literature is applied to suggest that managers may adopt CCI to reap an extrinsic reward either directly (i.e. rewards tied to social performance) or indirectly (rewards tied to financial performance which CCI may improve). Yet there are various cases which run contrary to the notion that CCI is used to reap an external reward.

Empirical studies show contention over whether a non-executive board rewards or punishes management for investing in CCI. As noted in section 2.7.1.2 social outcomes of a firm were a consideration for New Zealand investors; however, it was also one of the least important considerations (Chiu, 2006). Conversely, Ingley (2008) investigated the perception of board members in New Zealand and found that social responsibility ranked low overall among board tasks. Ingley (2008) stated that within the New Zealand context CSR has yet to move from the sideline to the centre stage.

These studies imply that the Friedman perspective still holds relevancy today (Bartkus et al., 2002; Ingley, 2008). Further the article "Governance and corporate philanthropy: Restraining Robin Hood?" by Bartkus et al. (2002) reflects that boards may want to limit this behaviour. This article highlights the possibility that rather than encouraging social performance, control theory can be used to explain how firms might limit a manager's ability to implement philanthropic activities. These authors argue that board members do not encourage CCI and consequently this may be one reason why only 13 percent of Fortune 100 companies publically disclose their amount of philanthropic giving.

Motivation and governance literature also questions the effectiveness of both the board and control strategies. Ingley (2007) found that New Zealand board members showed a weak competence in representing shareholder interests. Regardless of whether shareholders wish to support or object to CCI New Zealand boards may struggle to represent this view. Further the effectiveness of extrinsic reward systems and incentive alignment when influencing managerial behaviour has been questioned (Fong & Tosi, 2007). Empirical investigation of the impact of incentive alignment is inconclusive (Deci, Ryan and Kasser, 2004). In an empirical investigation Fosi and Tong (2007) found that incentive alignment and monitoring are not straightforward tactics and that other factors may contribute toward the effectiveness of such tactics, such as an individual's conscientiousness. Fosi and Tong (2007) further critique these controls mechanisms as being able only to reward the outcome of effort, rather than rewarding the effort itself. Similarly the effectiveness of monitoring mechanisms such as policies or governance codes to control or monitor management decisions have been disputed (Bezemer et al., 2007).

A case study of a firm with high social performance indicated that the formal controls adopted by the firm were less influential than the informal control systems. Whilst the formal controls systems rewarded financial performance, the company culture and social systems were directed towards social performance. Norris & O'Dwyer (2004) found that individuals frequently went against personal rewards to pursue the firm's social performance. "Many managers were so motivated by social and self controls that they tended to defy the formal control system by taking decisions that, while detrimental to their personal performance appraisal based on the formal system, were primarily concerned with social impacts" (Norris & O'Dwyer, 2004, p.190). In investigating managers' conception of CSR O'Dwyer (2002) found that twelve of the twenty nine managers interviewed defied profit maximization in decisions where the business case was not consistent with their personal motivations. Empirical work indicates that when rewards are set externally a person may not align themselves towards such rewards. Further, there is a continual debate regarding whether extrinsic rewards decrease an individual's intrinsic motivation for an activity (Cameron & Pierce, 1994). Sheldon, Deci, Ryan and Kasser (2004) also found that extrinsic motivation is associated with higher stress, greater anxiety, and lower well being.

In addition, agency theory and its dominance in governance literature is also critiqued. Clarke (2005) stated that agency theory has failed in practice. An analysis of the case study of Enron shows that it was the defining factors of agency theory that led to the declaration of the United States' (then) largest bankruptcy. In aligning the board and management through stock options for management and directors and focusing solely on the financial performance of the firm, managers were motivated towards short term performance, rather than long term and sustainable financial performance. Enron, Worldcom and Tyco International illustrated how "each element of the corporate governance system in these cases appeared to have failed" (Clarke, 2005, p. 601). Clarke (2005) stated that despite the obvious shortcomings of agency theory there is an 'empirical dogmatism' (p. 605) that supports the theory's continued dominance. Various authors have also argued that a multi-theoretical perspective is needed to understand corporate governance that extends the role of the board (Bezemer et al., 2007; Huse, 2005) and incorporates the need for board members to acknowledge different stakeholder groups (Clarke, 2005).

2.8.2.2 Critique related to combined control and ownership contexts

As noted in section 2.6.1.1.2 the motives of combined ownership and control contexts are theorised to parallel that of larger business owners in that both are motivated by maximising profit and the decision to adopt strategy is a rational process, such as that outlined in Expected Utility theory. However, various research contradicts this finding (Reijonen, 2008; Spence & Rutherford, 2001). Reijonen (2008) argues that it is “widely recognised that small businesses are not just miniatures of large organisations” (p 617). Profit motives were ranked lowly in an investigation of entrepreneurial business decisions conducted by Reijonen (2008). Business owner managers were more motivated by creating a reasonable living, integrating family and finding a better work and life balance. Similarly a study of small privately held businesses and social performance found that most of the sample was motivated by a desire to reach a satisfying level of profit rather than maximise earnings (Spence & Rutherford, 2001). “A misconception which needs to be addressed, however, is that owner-managers are overwhelmingly pursuing profit” (Spence & Rutherford, 2001, p. 137). Similarly, in an investigation of the motives of entrepreneurs, Stewart et al. (1999) differentiate an entrepreneur as being directed towards growth and profitability whereas the more common small business owner is motivated more by personal goals. Further, small and medium sized firms frequently do not have marketing, public relations or human resource departments and therefore the probability that CCI decisions in these organisations are based on rational expected benefits has been questioned (Spence & Rutherford, 2001).

Further supporting this notion is the literature on social entrepreneurship. This literature holds that organisations may be both socially and economically motivated (Mort, Weerawardena, & Carnegie, 2003; Thompson, Alvy, & Lees, 2000). This body of knowledge is fragmented and diffused where the concept has taken a variety of meanings. While traditionally this literature has focused on social enterprises located in the non-profit sector (Mort, Weerawardena, & Carnegie, 2003), more recent literature recognises that social entrepreneurship exists in the for profit sector also, where businesses can be dually motivated by social and financial outcomes (Mair & Martí, 2006; Roper & Cheney, 2005). Research investigating the social entrepreneur

have been found to have strong ethical fibre (Drayton, cited in Mair & Martí, 2006). Consequently these individuals may be more inclined to make decisions based on morals and values, rather than expected business outcomes.

Family business literature also supports the notion that privately held firms may be motivated by factors other than profit. James (1999) theorised that a family firm's innate sense of collectivism and understanding of how their interpersonal actions impact on other members of the family creates organisational goals that are directed towards societal connection and improved social performance. As a case in point, James (1999) noted that family farms were more likely to adopt sustainable farming practices than non-family owned farms.

2.8.2.3 Difficult to establish the probability of outcomes

The key critiques of the use of expectancy theory within the CCI context are tabled below. **Table 2-3 Critique of use of expectancy theory in CCI**

Critique	Reference
Decision to adopt CCI based on assumptions, not facts.	Whitehouse, 2006
Little or no proof that outcomes of CCI can be achieved.	Waldman and Siegel, 2008
Some firms do not advertise or promote their corporate giving, implying the business cannot benefit and the manager not be rewarded.	Valor, 2006

While the above sections outline potential outcomes for CCI, statements from participants of empirical studies hint that decision makers may struggle to establish the potential outcomes specific to CCI. United Kingdom managers conceded that often they built an argument for CCI based on assumptions about potential business benefits. Statements from UK respondents in a study conducted by Whitehouse (2006) indicated that it was difficult for the respondents to find supporting evidence of the outcomes of CSR and that decisions were made with little or no proof of whether CSR strategies would be successful in attaining the potential benefits of CSR (Whitehouse, 2006). For example, Whitehouse (2006) found that respondents were motivated by improving employee morale when undertaking CSR, yet a survey conducted by the international recruitment company, Monster, indicated that 84 percent of employees were unaware of their company's specific CSR activities or the definition of CSR

(Monster inc., cited in Whitehouse, 2006). Whilst various stakeholder pressures are theorised to motivate CCI (Brammer & Millington, 2003), only 2.7 percent of the private and publically African-American-owned businesses identified stakeholder pressure when engaging in CCI (Edmondson & Carroll, 1999). Similarly Waldman and Siegel (2008) discussed the lack of concrete information within the context of managerial myopia. These authors stated that often managers need to make a decision when they are unsure that they can extract all of the supposed benefits from CCI. This notion is further supported by the finding that donations increased steadily over time in the absence of increased financial performance. This implies that the outcomes of CCI may not be delivered on or monitored by management. Yet CCI is increasingly invested in (Campbell et al., 2002). As a representative of the company, Aviva, articulated:

“Alchemy is not dead; everyone is looking for the Philosopher’s Stone, which is if we say these things about benefit streams then the next question is can you quantify it? Can you say how much of this relates to the bottom line? It won’t be possible, it isn’t possible at the moment” (Whitehouse, 2006, p 292).

Further, some corporate giving is neither advertised nor marketed (Valor, 2006) and often there are no plans or measured analysis of the success of this ‘strategy’ particularly in privately held firms and smaller and medium sized enterprises.

2.8.2.4 Expectancy theory: a flawed normative model

The key critiques of the expectancy theory as a dominate normative model are indicated below.

Table 2-4 Critique of the expectancy theory as a flawed normative model

Critique	Reference
Significant empirical work disproves Expectancy theory. The axioms on which the theory is based have been discredited.	Loewenstein and Lerner, 2003
Decision making in situations with high uncertainty, little or no facts, no precedent or too many options.	Alvin, 2000
Model represents the process as linear and uncomplicated. This model is not suited to strategic business decisions.	Hendry, 2000

As noted in section 2.3.2 the Expectancy Utility model has faced significant criticism. Psychological research on judgment, decision making and motivation demonstrates

that models based on bounded rationality do not adequately explain the mental processes leading to action. There is now extensive empirical work which outlines various ways in which human decision making and motivation violate the Expectancy Utility theory (Sanfey et al., 2006). However, despite criticisms of this model, such as these, which have been circulating for over 30 years and in the face of ample evidence of its limitations, this model remains in widespread use (Westen et al., 2007).

A pivotal shortcoming of the model is that it is based on axioms which have been disproved in risky or uncertain situations, such as the decision to adopt CCI. The model is based on choice axioms. However, significant contradictions to this rule become apparent when considering risk or uncertainty (Loewenstein & Lerner, 2003). The question becomes one of how an action or reward can be rated when an individual is unaware of the range of available actions or the probability that these actions will lead to rewards. It is impossible to establish how are decisions made or an individual is moved to act if that individual is unable to identify the quantitative equation or establish the parameters of the decision or the motivation (Khatri & Alvin, 2000). Khatri and Alvin (2000) outlined four situations where this model fails to explain adequately the decision or motivation for action in situations with high uncertainty, with little or no facts, with no precedent to follow, or with too many options.

A further criticism is that this model treats the mental process as a linear and uncomplicated process. Hendry (2000) argued that strategic decision making within an organisation is, however, very rarely simple or straightforward. Rather, organisational decisions are often gradual, incremental and complex.

2.8.2.5 Why CCI has continued to use a flawed model

Hendry states that “the research approach both reifies the ‘decision’ and introduces the biases in favour of these processes that are best captured by the traditional perspective” (2000, p. 961). In directly going to managers or decision makers and asking them to identify retrospectively why they chose to engage in CCI Hendry (2000) argued this method effectively ensures that the answers given are framed as rational and cognitive justifications.

Similarly Haidt (2001) recognised that there are difficulties in accessing subconscious mental processes. He stated that research participants may struggle to accurately recall mental processes or may be unaware of 'hot' or subconscious processing. Similarly discounting theory states that in situations where individuals experience both intrinsic and extrinsic motivations, "the actor's intrinsic motivation is discounted or questioned" (Gelfand & Hartmann cited in Valor, 2006). Applied to the CCI context this theory implies that if a manager adopts CCI due to both strategic and personal motivations the manager may discount the personal motivations and only voice the extrinsic motivations. This may lead to over-reporting of extrinsic motivation and the consequent dominance of expectancy theory in this field (Valor, 2006). This is compounded by the finding of Whitehouse (2006) that respondents were weary of discussing their personal influence for fear that this would appear as a misuse of corporate resources. Respondents voiced a concern for representing their CCI activities as a "chairmen's pet project" based on the personal influence and interests of a highly placed executive (Barnard, 1997).

The methodological approach within extant CCI research creates limitations. The use of surveys or analysis of historical secondary data (from publically listed companies) does not allow academics to investigate subconscious mental processes or the relationship between motivations (such as altruistic and strategic).

2.8.3 Dual processing model

Decisions nevertheless are frequently made in the absence of data, certainty, or precedence (Khatri & Alvin, 2000). It was from this notion that the alternative 'Dual Processing' model was born. This model stipulates that mental functioning leading to an action cannot be reduced to the cognitive side of the brain but is heavily influenced by affective and subconscious processing (such as intuition). Rather than being a single process this model suggests that the mental preparation for an action reflects an interaction of two specialised subsystems. The first system is evolutionarily older and includes innate leaning that has occurred over a long period. The second system is a more recent evolutionary development and represents the ability for cognition and rational thinking (the system most commonly cited, such as in Expected Utility theory)

(Kalidindi et al., 2005). Contemporary literature states that most of the time these systems work synergistically to determine behaviour (Sanfey et al., 2006).

Literature pertaining to the use of dual mental processing in CCI is incorporated into the diagram below and explored throughout the remainder of this chapter.

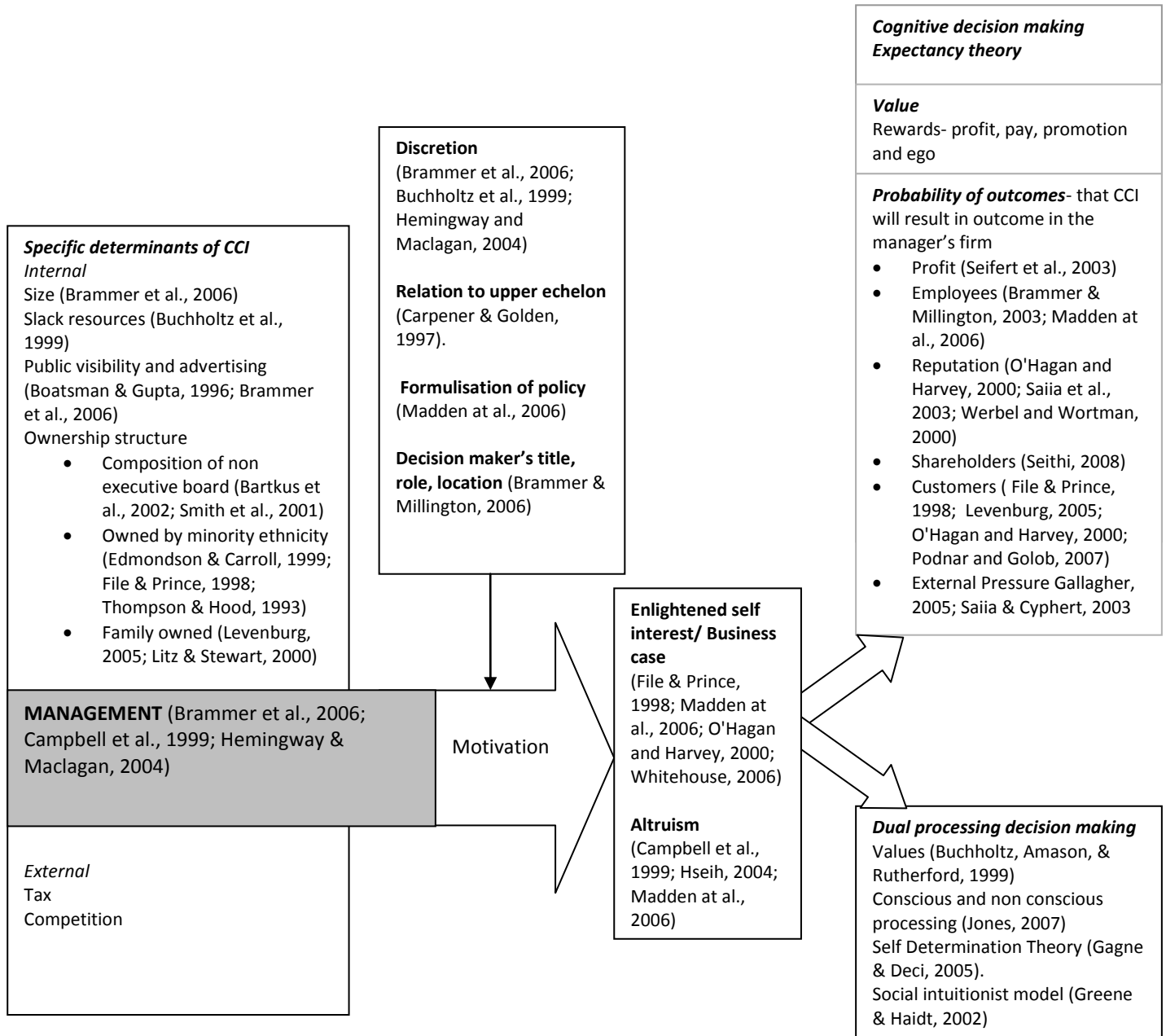


Figure 2-6 Dual mental processing in CCI

The development of these models is supported by considerable evidence across neuroscience, medicine, and psychology. Studies using fMRI and neuro-imaging have shown that when an individual makes a decision or is moved towards an action the limbic system is heavily engaged. This system is commonly held as being the emotive

area of the brain (Sanfey et al., 2006). Further, patients who had lesions in the ventromedial prefrontal cortex in the brain (emotional deficits) but with high cognitive abilities (as recorded in IQ tests) made poor decisions and faced difficulty in decision making (Greene & Haidt, 2002; Kalidindi et al., 2005).

2.8.4 Dual processing at an individual level

The inclusion of 'hot' mental process places a focus on to whom this level of processing can be attributed: a firm or individual level. File and Prince distinguish between general CSR related behaviour which could be credited to the firm, and philanthropy and CCI which is the behaviour of individuals (File & Prince, 1998). However, due to the dominance of survey and questionnaires frequently CCI literature that includes 'hot' mental processing does not distinguish whether this is attributed to the firm or the individual. For example, whilst Hsieh (2004) cites Maddox in recognising that altruism is an extension of an individual (not the firm) the survey instrument used in that study does not differentiate between strategic firm outcomes and personal outcomes.

The notion that hot mental processing can be attributed to the firm has been disputed by Hemingway and MacLagan (2004) who stated that a firm is an *amoral* agency, with no ability for affectance or moral judgment. Indeed these authors posit that the lack of morality in business creates schizophrenia between the rules of the market and the traditional morality of life. A criticism of contemporary organisations is that they offer a dehumanized workplace. These authors posited that any sense of emotion, morality or values can be credited to the individual, not the organisation. This view holds that the conscience of an organisation is a collection of the managers within it. It is "not sufficient to draw a sharp line between an individual's private ideas and efforts and a corporation's institutional efforts, but that the latter can and should be built upon the former" (Goodpaster & Matthews, 1982, p. 138). This perspective provides a distinction from Friedman's view that a firm is not moral and therefore has no social obligation. Rather the morality of the firm is theorised to be caused by a 'bundle of moral persons' (Masaka, 2008, p. 17). Similarly according to natural systems theory it is the individuals who hold emotions and values, not the organisation (Jones, 2007).

Likewise, an investigation of managers' conceptions of CSR showed that when discussing the business motives for a firm to engage in CCI the third person (we) tense was mostly used. However, when discussing the social obligations of a business, respondents reverted from the third person and a firm perspective (we) into the first person and a personal perspective (I or me) (O'Dwyer, 2002). The transition of pronouns reflects how the managers articulated ownership of social obligation as personal and not organisational.

An inclusion of the 'hot' part of the brain therefore demands that a focus is placed on the individual level. The individual level of analysis has however received surprisingly little attention in CCI literature, with the greater focus being placed at the firm level or on external factors, pressures and outcomes for the firm that are correlated to CCI (Rossi et al., 2000). While significant research indicates that managers play a role, studies investigating how the individual, their personal values, ideology or beliefs impact on the decision to adopt CCI are deficient. In a debate with Siegel (2008) Waldman argued that there is insufficient evidence explaining why managers support this activity. Further this author stated that most studies, especially empirical investigations, have ignored the role of the leader in formulating and implementing CSR. Buchholtz et al. (1999) called for a greater focus on analysis at the individual level, stating that more research is needed to understand the ways in which individual influences combine to create engagement in CCI activities.

2.8.5 Discretion to implement and express dual processing

Further, an empirical study by Buchholtz et al. (1999) found that managers had greater leeway in allowing their individual beliefs and values to influence organisational decisions when they had greater discretion in publically listed companies. Hemingway and MacLagan (2004) used secondary research to argue that an individual can exercise their discretion to influence the CCI decision making process. Similarly, Key (2002) found that perceived discretion is likely to increase when the appropriate response to a decision is not prescribed (Carpenter & Golden, 1997). As argued above, the CCI context represents a decision with little precedent and one frequently characterised by vague policies and direction.

Hemingway and MacLagan (2004) theorised that there are three ways that CCI can be implemented, which vary according to the locus of control for an individual and the level of discretion. Firstly they stated that an individual can have full authority to engage in CCI (termed formal authority), secondly that the situation can be ambiguous or have conflicting goals which can lead to the individual implementing CCI (termed unintended) and lastly that a manager or leader can go against extrinsic controls to implement CCI (termed entrepreneurial). Key (2002) and Carpenter and Golden (1997) contended, however, that the concepts of locus of control and discretion are not mutually exclusive but, rather, are interconnected. Locus of control has been shown to impact on whether the individual perceives themselves to have discretion. Locus of control is conceptualised to be an enduring trait which dictates the extent people attribute the outcomes of events to themselves or within their sense of mastery (Carpenter & Golden, 1997). Both of these authors empirically tested this claim in a survey of 221 respondents (Key, 2002) and a simulated experience (Carpenter & Golden, 1997) and found that if individuals have an internal locus of control this is associated with greater perceived discretion. The extant research on owner-managers found that these individuals are frequently characterised by an internal locus of control, and therefore may perceive greater discretion in allowing their values and beliefs to impact on CCI decisions.

Discretion is also theorised to vary across organisational contexts. Due to less formalization of policy and lesser role specialization, privately owned firms and small and medium sized enterprises are theorised to have greater discretion (Madden et al., 2006; Stewart & Roth, 2007). Further, locus of control has been theorised to be a main driver for entrepreneurs, where they actively seek out situations with greater discretion (Brockhaus & Nord cited in Begley & Boyd, 1987). Similarly, Roper and Cheney articulated that within social entrepreneurship it was the autonomy of the company which allowed a leader to pursue personal social values. These authors highlighted that the success of these leaders was due to “their ability to ‘imprint’ a privately held company with guiding values” (2005, p. 99).

The reference to dual processing may be more salient for owner-managers, than for managers in a separate ownership and control context. Pierce and Rodgers (2004)

hypothesized that owner-managers may view the business as an extension of themselves and experience a sense of attitudinal and psychological ownership. This implies that for manager-owners the close proximity of ownership to their own sense of identity may imply that these individuals more readily make reference to their identity, values and emotions when making business decisions. Therefore dual processing may have a greater applicability in CCI decision made in these organisations.

2.8.6 Models of dual processing: Motivation and decision making

2.8.6.1 Motivation; Self determination theory

The model depicted in Figure 7 was developed by Ryan and Deci (2000) and builds on the earlier model of extrinsic and intrinsic motivation. Central to this theory is the concept of autonomy: volition in choosing an action or the experience of choice. This concept is akin to discretion discussed above. The self determination theory (SDT) model explores the degree to which motivation emanates from within, when not motivated by external rewards (Ryan & Deci, 2000). Based on self-determination, this model is applicable to CCI, since managers may not have external rewards motivating their actions (Bartkus et al., 2002), as established in section 2.5.1.

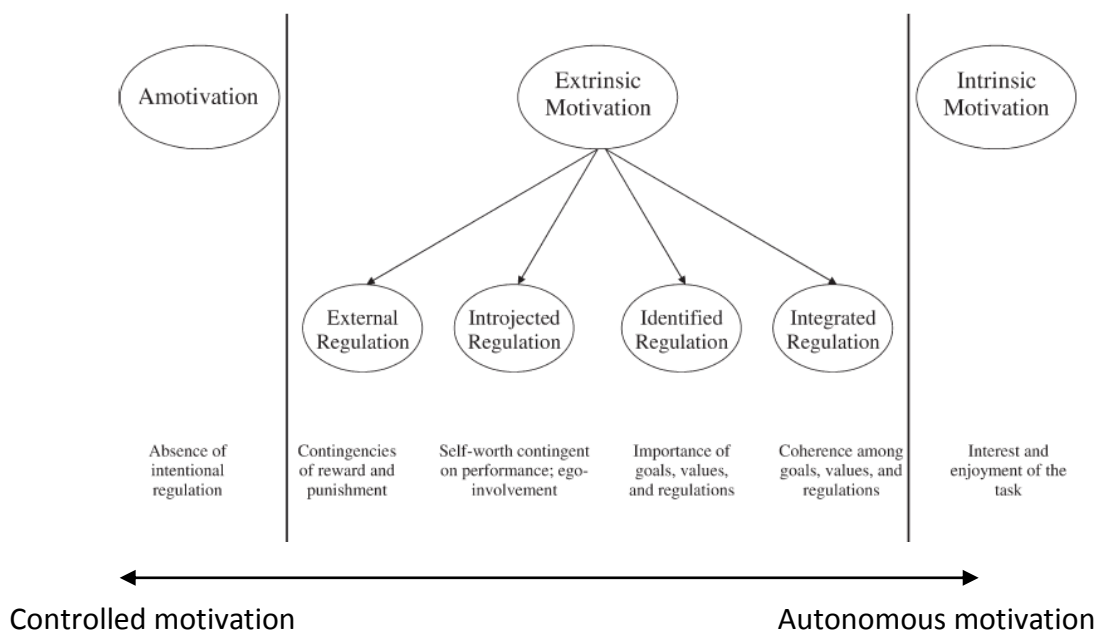


Figure 2-7 The self determination continuum incorporate autonomous behaviour by Gagne and Deci (2005)

When an individual acts outside organisational controls, there are four types of motivation (five including extrinsic motivation). These develop along a continuum of autonomy; from external regulated (extrinsic) to fully internal (intrinsic).

1. *Introjected*; this motivation remains reliant on an external outcomes; however, the behaviour is motivated by the implication of achieving the external outcome rather than the outcome itself. Within CCI this would imply that managers may be motivated by the feeling of worth or ego boost experienced when achieving top financial performance (rather than receiving a bonus).
2. *Identified*; with greater autonomy an individual will be motivated to select an action if it is congruent with their personal identity. An action is undertaken to define their identity. In CCI a manager may adopt a good organisational activity to define themselves as being a good person.
3. *Integrated*; the highest level of autonomy. When a manager is moved to act as it identifies with their values and the behaviour becomes a part of who they are.
4. *Intrinsic*; when an action is undertaken for the enjoyment of the activity itself (Gagne & Deci, 2005).

The motivation types outlined above are derived from innate psychological needs: competence, autonomy, and relatedness. These authors argued that a person is inclined to fulfil these needs in order to improve their well being (Ryan & Deci, 2000). Field and laboratory studies support this theory (Gagne & Deci, 2005). However, Locke and Latham (2002) have argued that there is insufficient empirical support for this model.

2.8.6.2 Decision making: Social intuitionist model

The social intuitionist model holds that decision making occurs primarily at a subconscious level, introducing the notion of intuition (Greene & Haidt, 2002). Intuition is the process outside conscious thought that enables stimuli to be matched to a deeply held schema enabling quick and affectively charged decision making. These schemas are mental structures that are inductively derived from emotionally significant experiences and value systems (Dane & Pratt, 2007). The social intuitionist

model stipulates that when given a decision to make, such as adopting CCI, individuals experience instantaneously an affect-laden intuition and then go through the process of reasoning to support this pre-ordained conclusion (Greene & Haidt, 2002). Significant work has related this theory to the process of moral judgment and moral values. This research has found that the 'cold' system is simply utilised to explain the 'hot' systems decision (Haidt, 2001). This model is parallel to the theory of Motivated Reasoning. The Motivated Reasoning theory holds that values and motivations create biases. Similarly the model indicates that motivations and their effect create constraints in decision making that lead to the final decision (Westen et al., 2007; Carpenter & Golden, 1997). Similarly the work on perceived discretion indicates that individuals are capable of evaluating the level of discretion they have in any given situation. The perception of discretion each individual has may impact on how much effort is applied to post-rationalising the 'hot' system. The skills of evaluating whether an individual has high or low discretion is seen to "be critical to managers' ability to successfully sell issues" (Carpenter & Golden, 1997, p. 191).

This social intuition model is relevant to the manager's decision to adopt or support CCI as it has been deemed by Dane and Pratt (2007) to be most appropriate for unstructured problems (such as corporate strategy formulation). In an empirical study of 281 individuals across 221 firms, intuition was found to be most effective in uncertain and turbulent environments (Khatri & Alvin, 2000).

2.8.6.3 Elements of dual processing highlighted in extant CCI literature

There is an extremely small stream of engagement-based research that incorporates these newest developments in decision making and motivational theory into empirical studies of CCI.

The most comprehensive empirical work was conducted by Pless (2007) and involved an in-depth psychological investigation of the Body Shop founder Anita Roddick. This investigation found that her championing of CSR could be accounted for by:

1. Intra psychic and moral drivers (including attachment, affiliation, exploration, assertion, sensual enjoyment and a desire to serve).

2. Value and social norms (including justice and sense of responsibility) rooted in childhood.
3. A defining moment in life.

This study focused solely on the subconscious drivers and ‘hot’ mental processing. However, the study was based on a single case study and the subconscious process behind CSR, rather than CCI (Pless, 2007). No other studies could be found that extended this exploratory study to a larger sample group or CCI.

The notion of affiliation and attachment is, however, supported by CCI empirical research and the theoretical models of dual processing outlined above. Within the SDT model attachment is theorised to be an inherent need which all humans aim to fulfil (Ryan & Deci, 2000). Sheldon et al. (2004) found that community involvement fulfilled needs of relatedness and the desire to be affiliated with others. O’Hagan and Harvey (2000) found that frequently the decision maker of social sponsorship had some personal involvement in the social event. Twenty six percent of their sample was involved in running, and 39 percent in planning for, the social event which the publically listed company sponsored. Similarly CCI fulfilled the desire to protect and improve the immediate community with whom a sample of African-American-owned private and public companies felt attached (Edmondson & Carroll, 1999). Small and medium sized enterprises and especially family firms are also thought to have a stronger interaction with the community, and therefore develop a stronger attachment (Levenburg, 2005).

2.8.6.3.1 Emotions

Affect and emotions are theorised to play a significant role in CCI and CSR. Donaldson stated that “social responsibility is about emotions, not facts” (2003, p. 365).

Studies focusing on decision making at a firm level often do incorporate an emotive or affective construct, being that of responsibility or duty to society. Both Madden et al. (2006) and Hsieh (2004) included altruism or social responsibility as a variable when investigating motivations for firm adoption of CCI. The affect altruism is the notion of unselfish concern for the welfare of others (Hsieh, 2004). An inclusion of this variable

at firm level suggests that the firm is a moral agent with emotions, which is counter to the argument presented in section 2.7.4.

The Social intuitionist model also focuses on moral affectance. These are emotions that are highly associated with values and moral ideology and include social emotions that are deeply embedded, such as empathy, guilt and distress (Haidt, 2001). These emotions have been found to be relevant to CCI decision-making in the Pless (2007) research on Dame Anita Roddick. Campbell et al. (1999) also found that when the decision maker's "personal sense of social consciousness was relatively high the firm was more likely to contribute" (p.382). Similarly, Valor (2006) contrasted the empirical studies of corporate giving with literature on individual pro-social behaviour and hypothesized that the feelings of duty, indebtedness and responsibility can be used to explain corporate giving.

Loewenstein and Lerner (2003) argued that emotions can influence the decision making process either directly or indirectly. A direct influence is akin to the Social Intuitionist model, where the question 'how do I feel about this' directly informs the decision (Haidt, 2001; Loewenstein & Lerner, 2003). Emotion has also been theorised to affect decisions indirectly by influencing the decision process. For example if a manager has had an experience of empathy or guilt before the moment of decision then this may influence the decision (Loewenstein & Lerner, 2003). Emotional judgment has also received significant empirical attention, notably in the form of quick judgment (Westen et al., 2007). Westen et al. (2007) found that a prescriptive model of emotional judgment could predict an individual's judgment of political parties based on that respondent's values and emotions.

2.8.6.3.2 Identity and Values

Other studies that incorporate the 'hot' area often focus on one component of this system, such as values. Values are defined as:

"a) concept or beliefs, b) about desirable end states of behaviour, c) that transcend specific situations, d) guide selection or evaluation of behaviour and e) are ordered by relative importance" (Hemingway & MacLagan, 2004, p. 36).

However, as values differ considerably the impact of values on behaviour is difficult to establish.

Within theoretical literature values have been highlighted as playing a role in the implementation of CCI. Waldman and Siegel (2008) stated that “leaders can be intuitive and work from their own values and morality in pursuing socially responsible endeavours” (p. 129). Whilst dual processing has been relatively ignored in CCI empirical studies, leadership literature is more forthcoming in recognising the use of hot mental processing in the workplace (Waldman & Siegel, 2008). Various leadership theories promote the use of structure of consciousness, values, identity and affect in an organisation (Avolio & Gardner, 2000). Charismatic (Waldman, Siegel, & Javidan, 2006), transformational (Reeves-Ellington, 1998; Reave, 2005; Thomas, Schermerhorn, Dienhart, & Bartles, 2004), authentic (Avolio & Gardner, 2005), and spiritual as well as servant (Russell, 2001; Sendjaya & Sarros, 2002) leadership all make reference to the use of values in organisational decision making and leading. Yet, very little has been published on the theoretical foundations of leadership values (Fry, 2003).

Value-based leadership has been shown to have significant impact on an organisation’s performance (Malone & Fry, 2003, cited in Fry, 2003). Top level executives who place a lot of emphasis on rational profit maximisation (as dictated by the use of expectancy theory and in reference to the business case in CCI) often demonstrate a poor dyadic relationship between the leader and staff (Waldman & Siegel, 2008). Conversely, Bennis and O’Toole indicated that ““real leaders’ demonstrate integrity, provide meaning, generate trust, [and] communicate values” (cited in Reave, 2005, p.172).

Extant literature also posited that such leaders have the capacity to influence organisational culture to instil their sense of values and structure of consciousness. Through developing an organisational culture that consolidates shared beliefs and values, this culture then guides decision making (Reave, 2005). This reasoning implies that when senior management displays value-based leadership traits, the organisation may be more accepting of hot mental processing or expressing the personal frame of reference in decision making.

Research indicates that values greatly impact on decision making. Hemingway (2005) hypothesised that philanthropy is associated with the decision maker's values and attitudes towards giving and that humans are driven to reinforce their sense of identity and consequently make decisions to validate and confirm their personal values. Loe, Ferrell and Mansfield et al. (2000) hypothesised that without external control systems (such as rewards or a strong organisational culture) to direct behaviour individuals will refer to personal identity and values. Further, identified and integrated motivation of the SDT model reflects Hemingway's (2005), hypothesis that managers may be moved to select strategies that reinforce their identity and value system. Identified and integrated motivation have also been correlated to more disciplined and explicit efforts on complex tasks such as facing organisational resistance to adopt a CCI strategy (Gagne & Deci, 2005). Further, various studies have found that identified and integrated motivation (where individuals are motivated to reinforce identity and values) were associated with volunteering and pro-social behaviour.

The social intuitionist model also implies that managers may use values and life experience to decide intuitively to adopt CCI and then post-rationalise this decision by theorising the business benefits for the organisation. Further, it has been theorised that managers may post-rationalize their decision to engage in corporate giving. "As the legitimacy of corporate contributions rests upon its economic consequences, managers may *"rationalise"* their decisions as being profit-oriented [so as] not to upset their shareholders" (Valor, 2006, p. 19).

The divide between the organisation and personal values and ideology is captured in the Value Congruence Model. This model represents the alignment of the organisational culture with an individual's personal values. Empirical evidence indicates that if there is some ambiguity in what an organisation expects (as dictated by organisational culture) then the referent for organisational decisions will become personal values (Posner & Schmidt, 1993). Further still, "any actions that are inconsistent with these values will result in feelings of guilt, shame or self depreciation... Thus individuals will exhibit value related behaviour in private in order to avoid negative internal feelings" (Hemingway, 2005, p. 240). Norris and O'Dwyer (2004) noted that the case study organisation attempted value congruence through

the process of socialisation and alignment of personal values and organisation culture. However when the organisational values were adapted (away from social concern to economic focus) these authors found that employees experienced incongruence and continued to make decisions based on their personal values, rather than the new organisational focus. Hemingway (2005) coined the term 'socially responsible entrepreneur', to describe a leader who selects initiatives based on their own personal morality and values, in the absence of organisational values to champion the issue of CCI in their organisation (Hemingway, 2005; Hemingway & MacLagan, 2004).

Religious values have also been highlighted as potentially influencing firms' decisions to engage in CCI. Anderson (cited in Norris & O'Dwyer, 2004, p.179) noted that "people do not separate their work and materialistic lives from religious and moral lives". In small privately held minority firms in the US the approach towards the community was rooted in religious faith (Edmondson & Carroll, 1999; Thompson & Hood, 1993). Whilst religious-based CCI decision making is discussed less within the publically listed context there is anecdotal evidence of companies being guided by religious values, for example the Strauss Levi family (Edmondson & Carroll, 1999).

This argument holds the individual as an important component in CCI motivations and moral decision making. "However, no study has been found where these personal factors have been taken into account" (Valor, 2006, p. 25). Because there is insufficient attention given to personal values (Buchholtz et al., 1999; Hemingway, 2005) and very few attempts to model aspects of personal influence on corporate giving (Cantrell, 2005), more empirical study is needed.

Jones (2007) created a model of corporate giving to reflect the incorporation of values into a strategic decision making process (Figure 5). Values influence the decision making process by influencing the intake of information and the final choice of which strategy to choose.

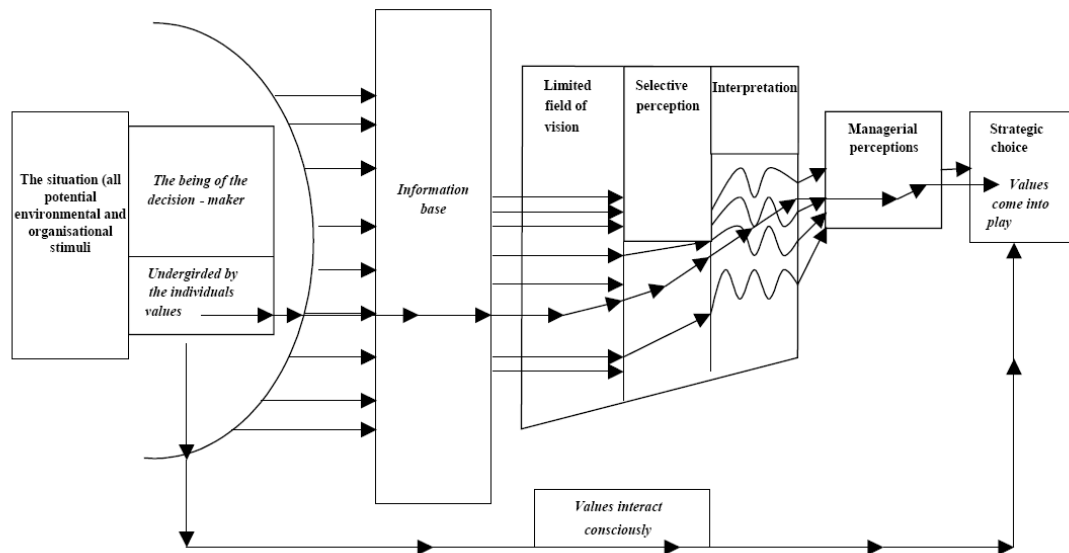


Figure 2-8 Strategic decision-making with conscious and subconscious interaction of an executive's personal values by Jones (2007)

However, the model created by Jones (2007) faces several limitations. Firstly, although this model is positioned within a broader discussion on personal values and philanthropy it relates only to how values influence a generic strategic decision making process, and is not specific to the CCI context. Secondly, this model incorporates values into a rational decision process, as created by Hambrick and Mason. Although the model includes both conscious and subconscious processing, proponents of dual processing theory would argue that the incorporation of value (and not elements such as identity or emotions) undervalues the role of the 'hot' or affective system. Finally, no empirical studies could be found that tested or elaborated on this theoretical model. The author does state that it is currently being tested; however given the recency of publication of this model the author may have not completed empirical testing.

According to Jones, "the influence of the personal characteristics of senior executives on these decisions has not been studied in depth, other than [by] Buchholtz, et al." (Jones, 2007, p. 436). A survey of 43 mid-sized public firms found that values influenced the level of philanthropic giving and a model was created to reflect the influence that values have (depicted below, in Figure 6). However, this empirical study faced methodological limitations. Firstly only CEOs were included in the sample based on the assumption that this individual was the decision maker. Secondly the respondents'

personal values were measured using a forced choice scale which asked them to rate six organisational goals (long-term profitability, firm growth, new product development, innovation, stock price, service to the community). These variables are not inherently personal values (Cantrell, 2005).

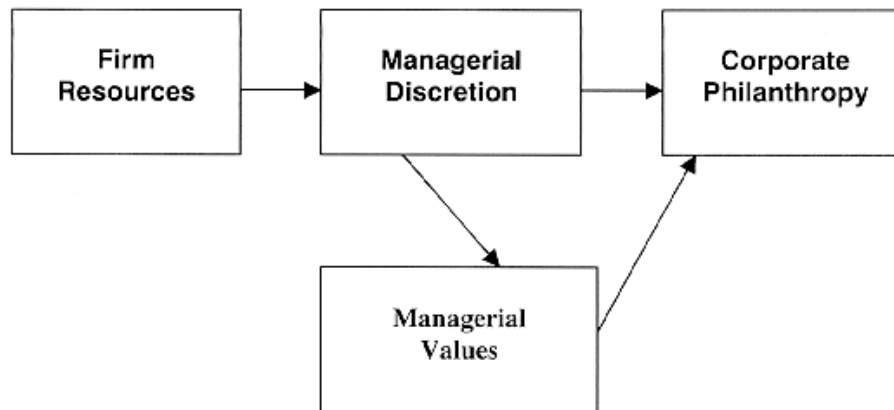


Figure 2-9 The partially mediating effect of managerial values on the relationship between managerial discretion and corporate philanthropy by Buchholtz et al. (1999)

Fritzsche (1995) also investigated values within ethical decision making. A sample of 376 managers were given ethical and unethical vignettes and asked to make a judgment on which course of action each participant would choose. Values were incorporated as a separate measure. Through comparison of the ethical and unethical decision makers Fritzsche (1995) found that each group supported significantly different sets of values; however, these changed according to each case given in the vignette. Within CSR research, nineteen of the twenty nine managers interviewed indicated that their organisation acted in a socially responsible manner due to an application of their personal motivations (O'Dwyer, 2002). Ethical decision making literature strongly links corporate decisions to identity, values and ideology (Loe, Ferrell, & Mansfield, 2000).

2.8.7 Critique of psychology and Introduction of a new epistemology

This literature review draws from the disciplines of organisational behaviour and psychology to explore the motivations for investing in CCI. However, as a discipline psychology has undergone a recent crisis. Jennings (1986) stated that many of the fundamental aspects of this discipline, such as the methods, concepts and its subject as a science have been questioned and doubted.

The body of psychology has been criticised as employing concepts that only partially explain the phenomenon of consciousness (Jennings, 1986). In an effort to explain behaviour psychology defines consciousness as an integration of various fragmented activities (such as feelings/ cognitions) (Kendler, 2005). This perspective is built on the assumption that human behaviour is within the realm of natural science (Scanlon, 2001).

Naturalism makes a core assumption about the 'being' of consciousness; that a person's consciousness is accounted for by a natural object. From this perspective consciousness is accounted for by material conditions in a real, physical and objective world. For example motivation is seen as being conditional on brain tissue, neural activity or on external stimuli (Jennings, 1986). This view is steeped in the ontological and epistemological supposition that an objective and external reality exists. The implication for this body of knowledge is that theory attempts to create an "extrinsic hypothetical unity for psychic life" (Scanlon, 2001, p. 3).

The preference for measurable and observable external 'realities' has led to the study of input (such as information/senses/ life experiences) and output (behaviour) of mental activity without investigating the process in-between (Jennings, 1986). Psychology steeped in natural science cuts off input/output from the assumed inner experience. Whilst disciplines like cognitive sciences do investigate the 'inner' workings of the brain this is from a functionality perspective: the functions the brain performs (such as information processing). The definition of mental processes as being purely functional allows for this to be investigated from the same ontological position as other biological functions and firmly roots this work as a 'natural science' (Roy, Petitot, Pachoud, & Varela, 2000). This approach has, however, created difficulties for psychology when attempting to explain phenomena that are entirely internal and serve little known functions, such as mental imagery, voices and illusions (Giorgi, 1998).

In holding the inner experience as a natural science, psychology creates "theory of the mind without being a theory of consciousness" (Roy et al., 2000, p. 7). This view has

undermined the study of consciousness as a valid variable. Most mainstream thinking does not recognise that 'consciousness' is a variable that affects considerably how external objects are perceived (Giorgi, 1998).

Phenomenology is both a methodology and a philosophy that has been positioned against psychology based on different epistemological stances (Scanlon, 2001). The principle of intentionality is the fundamental building block of phenomenology (Doniela, 2001). The concept of intentionality is a core principle of this philosophy. Intentionality is the notion that when a person experiences consciousness, this consciousness is directed towards an object. The object may be external or may be consciousness itself (being aware that one is conscious).

Whilst psychology is rooted as a natural science and objective object, phenomenology holds that there is no objective reality as this has been subjectively tainted by each person's consciousness. "Natural science investigates phenomena from the outside with the aim of identifying their causes, whereas human sciences study human phenomena from the inside with the goal of revealing subjective meaning" (Kendler, 2005, p. 319). Phenomenology allows for an understanding of reality as it presents itself through the inner experience (Scanlon, 2001). The result is to change the "focus of attention from the world...to your knowing of the world (phenomenology)" (Taylor cited in Lundberg, 2007, p. 7).

Various authors warn that the underlying philosophy, epistemology, needs to be defined and recognised by scholars otherwise they risk allowing epistemology to adversely affect theories (Jennings, 1986; Scanlon, 2001). This research will adopt the methodology of phenomenology to recognise that each interviewee's view of why and how they adopted CCI will be influenced by their subjective perception, as discussed in chapter four.

2.9 The New Zealand context

2.9.1 Variance across culture and values

The variable 'culture' is referenced frequently in motivation and decision making literature. Hofstede's model of cultural differences is often used to explain variance in decision making across countries and cultures. It is theorised that cultures with higher uncertainty avoidance will seek a more rational and informed decision process than cultures with low uncertainty avoidance. More feminine cultures have also been associated with a greater use of emotions in decision making (Dane & Pratt, 2007).

'Values' are also seen to be culturally specific (Hemingway & MacLagan, 2004). As part of the 'Social Intuition Model' Haidt (2001) theorises that values are not learnt, but rather hardwired within one's genes and then 'encultured' through living in a culture. Consequently whilst intuitions are engrained, social and cultural processes "modify, enhance, or suppress the emergence of moral intuitions to create a specific morality" (Haidt, 2001, p. 827). This position is similar to Ryan and Deci's (2000) Self Determination Theory, in which there are three universal and innate needs (competence, autonomy and connectedness) and cultures that will affect how these needs are expressed.

2.9.1.1 Differences in the perception of CSR

An empirical review of Carroll's pyramid of CSR as viewed by subsidiaries from multinational chemical companies with international headquarters outside of the United States showed that the order of responsibilities (economical, legal, ethical, and discretionary) varied according to their country. Although managers in all countries placed 'discretionary' spending as the last layer, countries such as Germany and Sweden placed 'legal' before an 'economic' obligation (Pinkston & Carroll, 1996). Slovene consumers also expected legal and social performance above economical (Podnar, & Golob, 2007). This indicates that the context, country and culture may influence how a company perceives their responsibilities in wider society. Even within the same country local cultures were seen to impact a firms approach to CCI (Thompson & Hood, 1993). Similarly Mohan (2006) stated that CSR practice will differ according to the underlying norms and values that are instilled throughout that

culture. In a review of transnational companies' CSR policies, Mohan (2006) found that some CSR policies were globally enforced, whereas others 'isomorphed' to the local context. Some of the companies studied had CSR when it was not demanded and allowed the local company to develop their own policies without drawing from the knowledge and experience of the head quarters. Cultural values are also seen to impact stakeholder expectations, which in turn have been theorised to shape CCI activities (Kampf cited in Podnar and Golob, 2007).

The potential variation across countries and culture demands that this phenomenon should be studied within different contexts (Seifert et al., 2003). However, CCI research is centred predominantly in the United States (Whitehouse, 2006). CCI studies have also been conducted in Australia (Cantrell, 2005; Madden, Scaife, & Crissman, 2006), United Kingdom (Brammer et al., 2006; Idowu & Papasolomou, 2007) Nigeria (Nwankwo, Phillips, & Tracey, 2007) and Taiwan (Hsieh, 2004). Studies of managers and CSR activities could also be found in Bangladesh (Belal & Owen, 2007) and Ireland (O'Dwyer, 2002). No empirical studies could be found that focused on the New Zealand context.

2.9.2 New Zealand's non-profit sector

In the study of transnational companies' CSR, Mohan found that the degree to which a company engaged in CSR also varied according to how active and present the non-profit or third sector was (Mohan, 2006). Within New Zealand the non-profit sector is robust, representing a significant economic force and employing 9.6 percent of the economically active population (Tennant, O'Brien, & Sanders, 2008).

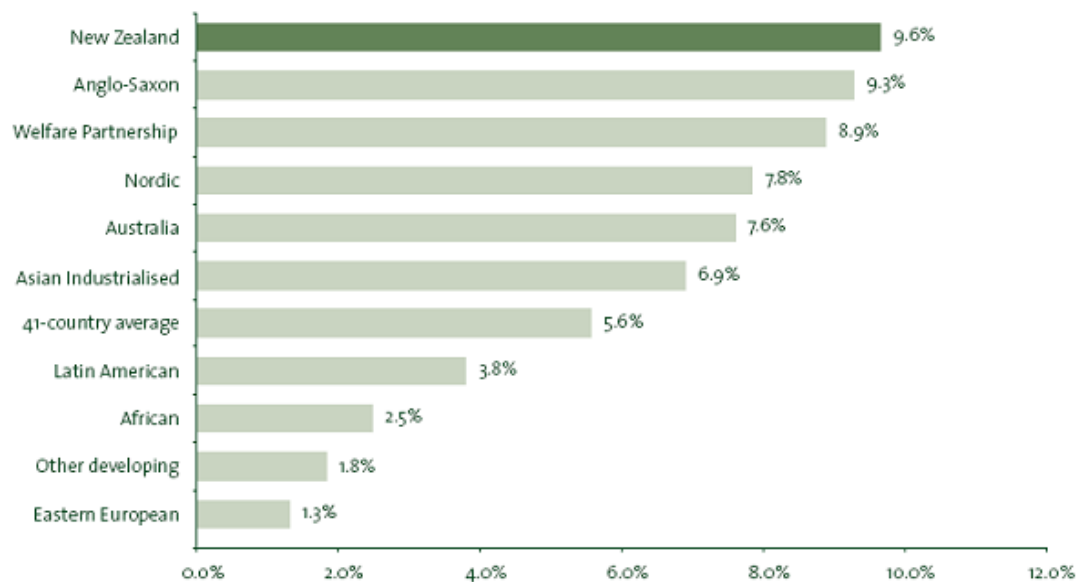


Figure 2-10 A country comparison of non-profit organisational workforce as a percent of economically active population by Tennant, O'Brien and Sanders (2008)

The non-profit sector is referred to in a variety of ways with no single term being used within local literature and with the meanings of the various terms often overlapping. Voluntary, community, non-governmental, third sector and civil society are all terms used frequently and often interchangeably in the New Zealand literature on the non-profit sector. The non-profit sector is defined as encompassing organisations that are organised; private, non-compulsory and self-governing and that do not distribute profit amongst 'owners'. However, non-profit organisations often do not define themselves according to this legal status, but rather by their area of expertise, such as social, cultural, education, or health. Most New Zealand literature has focused on non-profit organisations that address social and human causes (Tennant, Sanders, O'Brien, & Castle, 2006).

The non-profit sector in New Zealand represents a significant economic force. With 9.8 billion in expenditure (including the equivalent dollar value of volunteers) this sector accounts for 4.9% of Gross Domestic Product (GDP). The percentage of the workforce in this sector in New Zealand is placed seventh highest in the world. By international comparison the New Zealand non-profit sector has been deemed to 'punch above its weight' (Tennant et al., 2008).

The New Zealand context reflects a unique industry shaped by history (Tennant et al., 2006; Wells, 2004). The role of the indigenous Maori and their influence on the sector is distinctive in comparison to other countries. The notion of extended family, reflected in *iwi* and *hapu*, and a strong sense of collectivism and connectedness does not fit neatly into the framework of 'volunteering'. For example assisting the local *iwi* would by western standards be deemed 'volunteering', whereas in this indigenous cultural context such an action may merely be regarded as a familial duty. The sector has also been shaped by Great Britain (Wells, 2004). The settlers arrived in New Zealand with an experience and understanding of complex forms of non-profit organisations. This is reflected in the installation of the legal status for non-profit organisations which was developed on the precedent set by Great Britain (Tennant et al., 2006).

The New Zealand non-profit sector experienced two periods of significant growth, which have eventuated in an active civil society. Firstly from 1880s until the end of World War Two developments in transportation and the growth of social issues changed the focus, scale and complexity of the sector. This period was marked by the birth of national non-profit organisations with minimal involvement from the State (Tennant et al., 2008).

From 1984 until today, there has been a period of revival and redefinition in the sector. After 1945 the non-profit sector began to develop a closer relationship with the State. A period of stable welfare government created closer ties between non-profit organisations and government that were informal and intimate. During this period the non-profit sector became increasingly reliant on the State for core funding of its organisations' activities. From 1984, however, the State adapted its funding processes. Driven by a 'market ethos' contracts and purchasing of services became the preferred way to support this sector. For the non-profit sector this implied a new level of professionalism based on greater accountability, increased compliance costs, and the threat that these organisations would need to align their mission and purpose to secure government bids (Tennant et al., 2008; Tennant et al., 2006). Tennant et al. (2008) noted that this has created an imbalance in power between the non-profit organisations and the State and a loss of autonomy for the sector.

2.9.3 Non-profit funding

Funding is a significant and complex concern for this sector (Robinson & Hanley, 2002). For many non-profit organisations funding is insufficient, partial, or short-term. The vigorous sector competes within itself for limited funds. Further, non-profit organisations now realize the danger and vulnerability of a single revenue stream and funding “remains a great source of anxiety” (Tennant et al., 2008, p. 31). Table 2-5 shows the proportion of funding from various sources for organisations in the non-profit sector.

Source		NZ\$ million	%
Government (25%)	Government grants	759	10%
	Government contracts	1,241	15%
Fees (55%)	Sales and other income	3,596	45%
	Investment income	478	6%
	Membership and subscription	330	4%
	From insurance claims	23	0%
	From households	820	11%
Philanthropy (20%)	From businesses	216	3%
	From other non-profit institutions	543	7%
Total		8,036	100%

Table 2-5 The New Zealand non-profit sector revenue structure in 2004 by Tennant et al. (2008)

As seen in table 2.5, the government remains the major financier of the sector (Tennant et al., 2008). Tennant et al. (2008) do concede, however, that difficulties in data collection may under-represent significantly the funding stream from government. State funding is either directly, through contracts or payments for services, or indirectly through legislation requiring other organisations to give to community causes (such as lotteries).

New Zealanders are also seen to be relatively generous with 2.7million New Zealanders of a total population of 4 million supporting the community through volunteering, donations (ad hoc or committed donation schemes) or through

purchasing non-profit organisations' products in the last twelve months. However, giving in New Zealand was mostly in the form of volunteering time and services, rather than financial support. 'Donor Fatigue' and a decline in the largest market of givers (the Baby Boomers) have been recognised as an increasingly significant threat to the sector (Wells, 2004).

The role of companies in supporting the non-profit sector

The tradition of corporate giving in New Zealand is less well established (Tennant et al., 2006). The low level of corporate support has been addressed in the government's recent budget (Budget 2007), which gives greater tax concessions to companies who give to this sector. The 5 percent income rebate threshold has been removed. The Minister for Revenue, Peter Dunn, noted in 2007 that it was hoped this would make it easier for companies to give to the community. Further developments have also been seen in payroll giving and individual tax concessions (Dunn, 2007).

Slack and Lueng-Wai, (2007) point out that businesses are able to give either directly, from the company, or indirectly through a company trust. However, no research could be found that studied specifically both direct and indirect funding for the non-profit sector.

In a study conducted by Tennant et al. (2008) 3 percent of direct funding for the non-profit sector was reported to have come from the corporate sector. According to research discussed by Tennant et al. (2006) this figure was the same in 2002, implying little growth in support from corporations. Conversely, Robinson and Hanley (2002) investigated the giving from trust funds. With only two of the 72 trusts studied being a company trust fund, however, these results were inconclusive. This figure is low in comparison to international standards. In Australia 12 percent of non-profit funding was from businesses (Cantrell, 2005).

Direct and indirect philanthropy from companies, however, has been studied. In a study conducted by Slack and Leung-Wai's (2007) philanthropy was defined as the "act of giving financial resources to a cause that is intended to improve the general human well being, and where that giver expects no direct reciprocation or financial gain in return" (Slack and Leung-Wai's, 2007, p. 10). Due to the definition of philanthropy

used in this study, activities such as in-kind donations, sponsorship, cause related marketing and partnerships were outside of the scope of the research. However, it is worth noting from Slack and Leung-Wai's (2007) research that 7 percent of total philanthropy in New Zealand was contributed directly by companies. Direct funding was reported in their study as totalling between NZ\$63-115 million (with a 95% confidence margin). However, the sample was comprised of mostly high revenue companies so these results may not be representative of small and medium sized enterprises. Further, data may be inflated as it was collected in 2005 following the 2004 Christmas tsunami. Despite being considered outside the scope of the definition of philanthropy, Slack and Leung-Wai also noted that sponsorship comprised 64.9 percent of corporate funding to the non-profit sector. Philanthropy from voluntary trusts, including personal trusts, indirect private philanthropy and university trust funds accounts for 8.8 percent of total giving in New Zealand (Slack & Lueng-Wai, 2007).

Despite representing a small stream of financing in New Zealand, corporate giving provides an opportunity for non-profit organisations to diversify and secure their revenue stream. Cantrell (2005) suggests that whilst the total income from businesses is small, without corporate support many social programmes may not come to fruition. Further, the small scale phenomenon of funding from the business sector also places a greater focus on the motivations of the companies that do give, given that relatively few New Zealand companies engage in CCI.

2.10 Summary of the literature review

The literature review firstly introduced the concept of Corporate Community Involvement (CCI) as positioned within the larger construct of CSR and investigated the potential motivations for engaging in CCI. CCI is a relatively controversial phenomenon divided between a debated duty to address multiple stakeholders and social issues and the views promoted by Friedman and a shareholder interest. Within this discussion the role of managers and their influence on adopting, maintaining and developing CCI has been vociferously debated.

Empirical evidence, indicates that management plays a key role in understanding which corporations give and how. The mainstream model has used a rational and cognitive model of decision-maker paired with the Expectancy or reward/reinforcement theory in motivation to argue that management rationally considers the firm and then selects the best strategic option. However the psychology theory that supports this discussion been frequently critiqued and discredited. This literature review argues that these models are insufficient in explain the CCI phenomenon.

Accordingly, the literature review turns to contemporary psychology to propose an alternative theory for understanding why managers choose to champion CCI in their organisation. Four models are presented which incorporate affective and 'hot' mental processing. These models are applied to this context to gain a greater understanding of the mental processes that management undergoes when enabling CCI in their organisation.

An investigation of the New Zealand context indicates that businesses currently play a limited role in supporting the community or non-profit sector. Yet, a more diversified revenue stream would allow the non-profit sector greater autonomy from the State enabling them to address social issues without political influence. This places a greater significance on understanding why and how corporations engage in CCI and the role that management takes.

Chapter Three presents the purpose of this study and research problem. This chapter continues to highlight key assumptions as developed from throughout the literature review chapter.

3 Theoretical framework

3.1 Purpose of the research and research objectives

This exploratory study aims to describe the experiences of individuals who have 'championed' Corporate Community Involvement (CCI) in their organisation. The first purpose of this study was to access and interpret individuals' frames of reference and identify their role in the adoption or progression of a CCI strategy in their firm as they have experienced it. Through adopting a phenomenological methodology this research aims to investigate the experience of champions of CCI within their organisations and to endeavour to find common essences and underlying structures within and across each participant's structure of consciousness or frame of reference.

The purpose of the second stage of the study was to explore the variation and antecedents to management's personal frame of reference that impacts on CCI decisions. While the first stage established the essences of each participant's structure of consciousness, the second stage aimed to investigate the antecedents of whether this structure of consciousness was expressed through behaviour and impacted on CCI outcomes. The grounded theory methodology adopted in this stage of the study allowed the conditions of hot and cold mental processing, expressions, consequences and variations of these qualifiers to be explored directly.

The core objective for this study was to develop a greater understanding of decision processes used for CCI and thereby to add to the body of knowledge regarding both managerial decision-making and strategy development for corporate community engagement initiatives.

3.2 Research problem

Research problem: why and how individuals impact on corporate community involvement in their organisations.

The research problem indicates a gap between the current state of knowledge and the desired or ideal state of knowledge of situations where further clarity is needed for better theory building (Creswell, 1998).

As noted in Chapter Two, mainstream literature fails to use developments in related disciplines to further develop the CCI body of knowledge. Mainstream CCI literature borrows the rational models of mental processing and decision making from psychology literature to explain how a firm decides to adopt or develop a CCI strategy. Nevertheless, as seen in the critique in Chapter 2.6.2 this model has long been discredited and considered to be redundant (Dane and Pratt, 2007). Further, literature is dominated by the quantitative investigation of large publically listed companies (File & Prince, 1998; Litz & Stewart, 2000; Madden et al., 2006; Thompson & Hood, 1993), with limited investigation of other organisational ownership contexts (Buchholtz, Amason et al., 1999; File & Prince, 1998; Madden et al., 2006; Thompson & Hood, 1993; Whitehouse, 2006).

However, as established in Chapter Two various other forms of business have been found to engage in CCI, such as privately owned firms, family owned businesses and sole proprietorships (Madden et al., 2006; Martin, 1985) This research aims to expand the current body of knowledge through investigating other ownership structures and organisational contexts.

It is hoped that this research will provide some clarity within CCI literature and the role of managers through using the lens of contemporary psychology literature and conducting a phenomenological and grounded research two-stage study which enables the experience of participants to generate new understanding that is unbiased by extant theory. Further, the investigation of other organisational contexts will extend the understanding of the phenomenon.

The study:

- Describes the experience of management when championing CCI.
- Encourages participants to reflect on why they have championed CCI and in doing so uncover their frame of reference.

- Investigates the level of influence participants' frame of reference has on the CCI decisions.
- Investigates the antecedents to exercising hot mental processing, cold mental processing or exercising one's personal frame of reference in CCI decision making.
- Establishes which antecedents mitigate or allow for hot or cold mental processing when making CCI decisions.
- Investigates the phenomenon within a wide variety of organisational contexts.

3.3 Theoretical basis and assumptions

Chapter Two indicated that upper management has a significant influence on the decision to adopt CCI. Various empirical studies highlight management or owner-managers as a key contributing variable to the understanding of corporate giving (Brammer et al., 2006; Hemingway & MacLagan, 2004). Yet despite this fact no studies could be located that investigate why individuals 'champion' CCI (Cantrell, 2005; Valor, 2006). As most of the academic literature in this area is focused at the firm level of corporate giving within publically listed companies, the individual level is frequently neglected, particularly in other organisational forms. This research offers an exploratory inductive study into the meaning that CCI holds for the individual managers who enable its adoption, continuation or progression within their organisation.

Due to its exploratory nature, this chapter does not intend to provide theoretical hypotheses which are then tested through empirical investigation. Rather this chapter aims to offer further justification for the study of management's role in CCI, refine the research problem and assist in the development and structure of broad topic areas to cover when collecting data. Due to the two-pronged structure of this study assumptions one to eight assisted in the structuring and focusing of stage one of this study. Conversely, assumption nine to 14 related to the second stage of the study (see Chapter One).

The recognition of potential assumptions or propositions is also imposed by the methodology. The methodology as outlined in Chapter Four requires all expectations and assumptions to be acknowledged and set aside so that the views of management can be represented without bias. It is imperative that these assumptions are not extended into theoretical hypotheses as according to this tenet of the methodology to do so would serve only to imbed or fix preconceived assumptions that would create further difficulty when attempting to 'bracket' or put aside the researcher's position on the topic (Moustakas, 1994; Sanders, 1982). The process and importance of bracketing is discussed further in Chapter Four.

This chapter serves to highlight the current assumptions for this research as developed through reviewing extant literature.

This study focuses on the individuals who support and enable corporate giving. This area of focus is built primarily on the empirical work of Brammer et al. (2006), Whitehouse (2006), and Madden et al. (2006) who recognized that managers are a key factor when attempting to understand why businesses engage in their communities. Further, management and the individual level is the focus of this study in response to O'Hagan and Harvey's (2000) recommendations from their study. These authors hypothesised that the role of management (a variable not included as a direct measure in the study) may explain the significant unexplained variance in their study of a company's adoption of social arts sponsorship. Various theoretical discussions also identify the significance of management within this phenomenon (Hemingway, 2005; Jones, 2007; Waldman & Siegel, 2008).

3.3.1 Assumption 1

The first assumption for this study is that the role of management and the individuals in a firm are key factors in the adoption, continuation or progression of corporate giving.

As argued in Chapter Two, the use of expectancy theory and rational decision making models do not adequately explain how individuals decide to 'champion' CCI. The

expectancy model has been critiqued both as a normative model (Dane & Pratt, 2007) and for its use within this context (Waldman & Siegel, 2008). The expectancy model has been discredited by significant empirical work, notably in decision making contexts that are characterised with high uncertainty and a lack of existing precedents, such as the 'grey' area of corporate community involvement (Khatri & Alvin, 2000; Loewenstein & Lerner, 2003). Further, the model has been criticised as reflecting a linear and simple process that is not accurate in strategic decision making and complex strategic business decisions (Hendry, 2000). Further, empirical work in this context indicated that decisions surrounding CCI are often characterised with high uncertainty and consequently are frequently based on assumptions, rather than the rational processing of facts (Whitehouse, 2006).

Given this critique, the expectancy model is not therefore considered best suited to the exploration of why and how managers make CCI decisions. It would appear that the extensive use of this model has biased current literature and has not adequately captured this phenomenon.

Psychology literature upholds the dual processing model as a framework that addresses the limitation faced by rational decision making models. This model stipulates that both rational (cold) and affective (hot) processing constitutes all mental processes (Kalidindi et al., 2005; Sanfey et al., 2006). This study incorporates the dual processing model as offering a more holistic view of how and why managers choose to 'champion' CCI.

As the dual processing model is relatively rudimentary there are fewer guidelines for operationalising this theory than for the rational decision making models. However, the core notion of this theory contends that the 'hot' mental processing is utilised in decision making. This position leads to the second assumption for the study.

3.3.2 Assumption 2

For this study it is assumed that respondents will utilise affective processing when deciding to champion CCI.

Within the dual processing literature various sub-category models (social intuitionist model, self determination theory) attempt to isolate and identify important factors of affective processing. Although proponents of phenomenology would critique such psychology literature as artificially fragmenting the human 'inner experience' (Jennings, 1986; Scanlon, 2001), these sub-category models do serve to highlight, identify and categorise aspects of decision making and motivation that may be present in managers' 'consciousness' of CCI.

Values have been upheld as a significant component of affective processing. Various authors have conceptualised managers as referring to values in ethical decision making (Loe, Ferrell, & Mansfield, 2000) or as referring to decisions specific to corporate giving (Jones, 2007). Values were empirically proven to impact on decision making in relation to ethical conduct (Fritzsche, 1995). In the empirical investigation of Anita Roddick and the psychological factors that influenced her championing CSR at the Body Shop, Pless (2007) found that values played a significant role. Similarly a survey of 43 mid-sized public firms by Buchholtz et al. (1999) found that values directly influenced the level of corporate philanthropic giving.

3.3.3 Assumption 3

The third assumption for the study is that values will be a referent for management's decision to champion CCI.

Moral drivers have also been noted as a key causal variable within pro-social personal behaviour (Valor, 2006). Similarly studies that focus on the firm's strategic or commercial motivators for corporate giving frequently incorporate the measure 'social responsibility' or 'sense of duty' (Hsieh, 2004; Madden et al., 2006). Pless (2007) also argued that some of the core psychological factors that motivated Anita Roddick were the need to feel affiliated and attached to wider society, which led to a greater feeling of indebtedness and responsibility to the community. Relatedness has also been highlighted in the self determination model as being an innate psychological need which all humans strive to fulfil (Ryan & Deci, 2000). Individual involvement in the

community has been recognised as one way in which humans attempt to satisfy this engrained need (Sheldon, Ryan, Deci, & Kasser, 2004). The next assumption follows from this direction of thought.

3.3.4 Assumption 4

The fourth assumption for this study is that champions may seek CCI as a method to fulfil an obligation or duty to society. Related to this is the next assumption.

3.3.5 Assumption 5

The study also assumes that managers may seek CCI as a method to feel related or connected to others.

Various authors have theorised that management may refer to moral drivers or personal values in an attempt to make decisions in accordance with their personal identity (Hemingway, 2005; Waldman & Siegel, 2008). Championing CCI may serve to reinforce the manager's identity or create an identity in which managers feel secure.

3.3.6 Assumption 6

Accordingly, for this study it is assumed that management may use the role in championing CCI to create or reinforce their identity.

The social intuitionist model also highlights various ways in which the rational and affective processes interrelate that may be reflected in the manager's consciousness of this phenomenon. This model stipulates that every decision is laden with effect (as supported by the dual processing model and highlighted in assumption 2) (Dane & Pratt, 2007). This model also states that whilst historically the rational model has dominated, in fact the affective side of the brain may serve as the first referent and process undertaken in most mental processing (Greene & Haidt, 2002). This model stipulates that when faced with a decision managers may report an overwhelming sense of intuition or a gut feeling and then proceed through the process of

rationalisation. This intuition is informed by deep mental structures (including values, identity and moral drivers) that are developed through life experience (Khatri & Alvin, 2000).

Management is required to mediate the expectations shareholders to fulfil the business model and profit requirement. Consequently the business case for CCI may be referenced if management post-rationalise the decision to adopt, progress or develop CCI (Valor, 2006). As noted in Chapter Two the avenues for rationalising CCI include consideration of profit, employees, reputation, customers and external pressures (such as government). The next assumption thus follows from this line of reasoning.

3.3.7 Assumption 7

For this study it is assumed that managers may make decisions based on intuition and then post-rationalise this decision by arguing the business case for CCI.

The dual processing model and CCI literature also progresses the understanding of how and when the affective side will hold greatest influence. Posner and Schmidt (1993) state that when there is some ambiguity in the expectations of the firm, management and employees are more likely to revert to their personal values and sense of identity to make decisions.

Similarly, discretion has been shown empirically to impact CCI decision making. As discussed in Chapter Two, discretion is a perceptual measure of the range of responses a manager or manager-owner believes is available to them (Carpenter & Golden, 1997; Key, 2002). Buchholtz et al.'s (1999) study of 43 firms showed that greater discretion allowed for a higher influence of values (theoretically incorporated into hot mental processing). This notion is also captured in the self determination theory which postulates that with greater autonomy a person's motivations become more intrinsic and aligned to their identity and personal values rather than externally moderated or rationalised (Ryan & Deci, 2000).

3.3.8 Assumption 8

Affective processing may impact more on decision-making for managers with high autonomy and discretion. However, discretion has been theorised to vary according to task characteristics, internal factors and management characteristics (Carpenter & Golden, 1997).

In particular, the closer the decision maker to the upper echelon, the greater is the perceived discretion (Carpenter & Golden, 1997). Organisational factors will dictate the proximity of the decision maker to the upper echelon. Due to the size and structure of smaller or privately held organisations the CCI decision maker may be close to the upper echelon, and therefore exercise greater discretion (Thompson and Hood, 1993). Similarly for owner- managers of privately held firms these individuals hold substantial discretion in holding roles both as the decision maker and residual claimant. "In the owner-managed small firm, control remains in the hands of one of the owners, potentially enabling him or her to make personal choices about the allocation of resources" (Spence & Rutherford, 2001, p. 127).

3.3.9 Assumption 9

The relationship with the upper echelon may impact on perceived discretion and therefore CCI decisions may reflect higher levels of hot mental processing.

3.3.10 Assumption 10

The relationship with the upper echelon and perception of discretion may vary according to organisational size and ownership context.

Brammer and Millington (2003) found that the decision maker's title and role has also been found to impact on the motivation for CCI. Motivations have been theorised to vary according to who is making the decision (Madden et al., 2006). When the decision maker is located within a specific CSR or CCI department it has been shown that the decision is more strategic (Saiia et al., 2003), whereas centralised decision making has been found to be more diverse and potentially less rationalised. Further, as business

owners or managers of small privately owned firms frequently reflect less standardised or specialised roles this may imply fewer resources (both time and financial) available to focus on CCI. Within such firms this may result in a less-defined, formularised or strategic approach to CCI decision making (Stewart & Roth, 2007). The location of decision making within a specific department may be reflective of a greater proximity to the upper echelon, as discussed above.

3.3.11 Assumption 11

The role and title of the individual may impact on the relationship with the upper echelon, the perceived levels of discretion and the impact of hot mental processing.

Alternatively, dedicating greater resources (such as a department and role-specific staff) may reflect a greater importance of the task and imply that more focus has been placed on the process of planning of how CCI should be managed. This may limit the opportunity for management to refer to their personal values, identity or moral drivers. In such a case the process of championing CCI may be more rational and aligned to the business case for CCI (Bartkus, Morris, & Seifert, 2002).

The approach to CCI has also been found to vary according to the organisational context. Large publically listed companies have been found to utilise formal planning in CCI decision making, (Brammer et al., 2006). Conversely smaller privately owned businesses were found to have little or no governing policy for CCI (Madden et al., 2006; Thompson & Hood, 1993).

Small privately owned firms have been found to be less restrained by bureaucracy and formalization of policies or planning (Stewart & Roth, 2007). The existence or lack of formal planning may allow the manager a greater ability to make decisions utilising hot mental processing, rather than cold or cognitive mental processing (Thompson, cited in Buchholtz et al., 1999; Madden et al., 2006; Waldman & Siegel, 2008). Further, O'Hagan and Harvey (2000) hypothesised that a lack of a formal process within a firm allows the managers to utilise their discretion in deciding how to approach CCI.

3.3.12 Assumption 12

The level of formal planning may be negatively related to the use of hot mental processing in CCI decision making.

3.3.13 Assumption 13

The level of formal planning and dedicated CCI processes may vary across organisational contexts.

Similarly the decision making group, or lack of such a group, has been found to influence the motivations and decision making process. A study of small and medium sized business found that when the decision was made by an individual the decision reflected high levels of affect or hot mental processing. Conversely when the decision was made by business partners (two individuals) the impact of hot mental processing was actively mitigated (Madden et al., 2006). Similarly, O'Hagan and Harvey (2000) found that the motivations for sponsorship of the arts varied between decisions made in groups and individually.

3.3.14 Assumption 14

The greater the number of individuals involved in decision making process the lesser impact of hot mental processing.

The next chapter sets out the research and methodological approach of this study.

4 Method and methodology

4.1 Conceptual framework of the methodology

The first aim of this study was to provide an exploratory description of the consciousness and frame of reference of those who implement or manage CCI in their organisation. Secondly this study aimed to develop a theory of how the individual's frame of reference is translated into action to impact CCI decision making in their organisation. This study incorporated two stages, each with a different methodology and intended outcome. The first objective of this study was to uncover and describe the essence or invariant elements relating to why managers adopt CCI. Invariant elements are the "brief description that typifies the experience of all participants in the study. All individuals experience it; hence it is invariant, and it is a reduction to the "essentials of the experience" (Creswell, 1998, p. 235). To achieve this first outcome this study utilises a qualitative methodology termed Phenomenology.

The second intended outcome of this study was to further develop an explanation of each participant's journey with CCI. The second stage of this study progressed from a description to offering a theoretical explanation of the phenomenon. This theory investigates the conditions and consequences of an individual's frame of reference and its impact on CCI in their organisation. In the second stage of this research a Grounded Theory method was used.

The suitability of a qualitative research design, a mixed method approach and the two research methodologies are discussed below.

4.2 Qualitative research

This research was based upon qualitative research methods. Qualitative research is best used when aiming to discover new information and theories (Strauss & Corbin, 1998). Traditionally, organisational behaviour and management literature has been biased towards quantitative study. Yet certain phenomena elude scientific quantification (Sanders, 1982). This bias has resulted in theories that fail to capture the whole of an experience. In contemporary research the quantitative/qualitative debate

appears to be waning, with more qualitative studies in leading academic journals and a decreasing critique of qualitative methods (Goulding, 2005). Further, a strong case has been made for greater qualitative studies in organisations (Scanlon, 2001).

Qualitative research is suitable when the researcher believes that current theory and extant literature may be biased (Lundberg, 2007). Qualitative research provides a fresh or new reflection of a phenomenon, not tainted by previous theory. As the proceeding review of literature exemplifies, the majority of CCI literature is based on a cognitive or rational perspective. A qualitative research approach allows this study to capture the mental processing with each participant's 'structure of consciousness' providing a novel perspective of the phenomenon and allowing the exploration of when an individual's mental processing impacts on the organisation's CCI activities.

Further, qualitative study is suited to subjective, messy and intangible human experience (Banaga, 2000; Moustakas, 1994; Strauss & Corbin, 1998). Whilst quantitative study aims to measure a phenomenon, qualitative study enables a greater depth of description. A qualitative research approach "makes sense or interprets phenomena in the terms of meaning people bring to them" (Denzin & Lincoln, 1994). Such a research approach is appropriate to this study in order to capture the meaning and process of supporting CCI from the decision maker's 'frame of reference'.

Moustakas (1994) stated that there are seven characteristics of qualitative study that deem when it is appropriate to use this research approach;

1. When the human experience is not approachable through quantitative study. The experience of inner decision making and motivations has been recognised as transcendental data that is inaccessible to quantified measurement.
2. When the research aims to capture the wholeness of experience, and not just parts. As noted in the literature review, the majority of CCI literature captures only a portion of the process. This study aims to provide a more holistic view.
3. When capturing the meaning and essence are the core goals of the study. This research aims to reflect the experience and personal meaning of championing CCI for managers.

4. When the research uses description of a first-person account. Through informal, semi-structured interviews with research participants this study allows each participant to disclose the role they played and the mental processing that occurred when CCI was supported in their organisation.
5. When the experience of the behaviour is imperative to understanding the human behaviour. As discussed below, the lived experience is critical to both this study and the methodology.
6. When the involvement of the researcher is acknowledged. The researcher recognises that in this study they are not a passive informant. In working with participants to uncover their inner experience of this phenomenon and creating a theory the researcher takes a role in interpreting and representing those views.
7. When the research aims to represent the experience or behaviour as an integrated whole.

4.2.1 Types of qualitative research

Goulding (2005) outlined three core methodologies that fall within the qualitative paradigm. Each of these three methodologies is discussed below and their appropriateness for this research is evaluated. Phenomenology and Grounded Research are the research methodologies used in this study. These two methodologies are outlined below and their appropriateness for this study is explored and justified.

4.2.1.1 Ethnography

Derived from cultural anthropology, ethnography is the study of individuals in their natural setting (Bryman & Bell, 2007). This methodology relies on fieldwork to observe participants in a particular cultural setting that is the norm for that respondent group (Goulding, 2005).

This methodology is not suited to the study of consciousness, as the inner experience is not externally observable.

4.3 Methodology; phenomenology

The specific qualitative methodology employed in the first stage of this study is phenomenology. Phenomenology allows psychological subject matter to be investigated with a different epistemological and philosophical style (Giorgi, 1998). Phenomenology aims “to clearly apprehend and delineate the basic essential acts of consciousness” (Jennings, 1986, p. 1235).

Phenomenology has a long, controversial and confusing history as it has applications in both philosophy and research methodology (Goulding, 2005). Each major contributor varying from Husserl and Heidegger to Merleau Ponty offers a different interpretation of the philosophy and its application to human science (Giorgi, 1998; Wilson, 2002). A fundamental discrepancy in phenomenological research approaches has been the role of the researcher and the ability to enter the field with a blank state of knowledge (Wimpenny & Gass, 2000). No single orthodox procedure exists for phenomenological research (Sanders, 1982), although methods have been adapted and proposed by Van Kaam, Colazzi and Giorgi (Baker, Wuest & Stern, 1992). In saying this, however, there are some key concepts derived from Edmund Husserl which hold influence across the phenomenological approaches. These include intentionality, description, reduction and essences (Baker et al., 1992). This section explores the fundamental principles of phenomenology and how it is applied in this study.

The word ‘phenomenon’ is derived from the Greek verb *phaenesthai*, which means to ‘appear’. This classic term was used to denote the appearance of objects to each person’s consciousness (Banaga, 2000). Phenomenology seeks to integrate what is present and what *seems* to be present in consciousness. This notion is captured in the concept of intentionality (Moustakas, 1994). Intentionality states that when a person perceives an object there are two contributors to that experience (Jennings, 1986). The first is the appearance of the object, termed the *noema*. The second is *noesis*, the experience of consciousness towards that object. *Noesis* is the intentional consciousness and the structure of that consciousness (with emotions/cognition, etc), and the *noema* is the intentional object (Sanders, 1982). “An object, fact or event is not experienced as a self, but as standing for another object” (Schutz cited in Bien,

1978). Loiskandl (2001, p. 153) explained this concept in his discussion of a perception of a cube as a 3-dimensional six-sided object:

“Strictly speaking, we might only see the front of the object. This expectation is based on past experiences of normal objects of this kind. Immediate perception is thus paired with the appresented”.

Consequently each person’s perception of an ‘objective’ object, fact or event will be made subjective by how this object is interpreted by their structure of consciousness. Within each person’s *noesis* are hidden and embedded meanings (Loiskandl, 2001; Moustakas, 1994). With regard to this research, this implies that if all managers in an organisation attended the same meeting, it would be the structure of consciousness that varies with how the experience of that meeting was individually perceived. Consequently understanding and reflecting each participant’s frame of reference becomes critical to understanding why and how managers approach the phenomenon.

Subjective meaning becomes a significant variable to study in phenomenology. Phenomenological research aims to explain the meaning of a lived experience by a group of people (Loiskandl, 2001; Roy et al., 2000). This research methodology aims to explore an experience within the respondents’ “frame of reference” (Doniela, 2001, p. 32).

The focus on subjectivity has led psychologists and natural scientists to criticise this philosophy as emphasising individual differences to the point that theory for universal structures is incompatible. Within psychology literature the term ‘phenomenology’ is frequently used interchangeably with the term ‘subjectivity’, without any of the philosophical groundings (Jennings, 1986). Proponents would argue that phenomenology is a systematic and rigorous methodology that in discovering subjectivity eliminates a dependence on contingent or dependent variables (Moustakas, 1994). This allows theories generated by phenomenological methodology to move beyond the ‘science of actualities’ to begin the exploration of ‘essences’. Transcendental phenomenology, a branch of phenomenology, was developed by

Hurserl to not only capture the intentionality of objects but to assist the human sciences in finding the underlying structures within each experience (Banaga, 2000).

4.3.1 Appropriateness of phenomenology

Phenomenology has been deemed appropriate for this study in agreement with Sanders (1982) who argued that phenomenology allows the consciousness of the respondent to be studied directly. As reflected in the literature review an understanding of the personal input into the decision to support or adopt CCI is critical. This methodology allows for the subjective meaning of CCI to be reflected and provides a snapshot of the respondents' experience to be described as they have experienced it (Giorgi, 1998). Phenomenology has the potential to deepen and enlarge the understanding of the respondent's immediate experience.

Further, phenomenology is only suited to situations where the experience of consciousness has already occurred. A significant portion of CCI theory assumes that managers know what they are trying to achieve in their behaviour or what they are motivated towards before the course of action is chosen. As seen in the literature review, however, the outcomes of a decision to adopt CCI are frequently beyond a forecasted rationale. Similarly, some motivation literature recognises that motivations do not exist in abstraction but rather respondents become aware of motivations through experiencing them (Lundkvist & Yakhlef, 2004). Applied phenomenology is built on the premise that we discover a course of action and our perception of events, once they have already occurred. Phenomenology, consequently, demands research situations where the concept is contingent on a real life experience (Harmon, 1990). Phenomenology allows the experience of adopting CCI to be described as a 'lived' experience.

Phenomenology is also ideal for situations where the existing theory is biased (Moustakas, 1994; Sanders, 1982). As seen in the literature review most CCI literature is biased towards cognitive psychology. Phenomenological methodology outlines various research strategies that allow the perception of respondents to lead data analysis. This is appropriate for this study so that new theory can be generated which is not led by existing theory.

4.4 Methodology; Grounded theory

The practice of Grounded Theory was developed by Glaser and Strauss in 1967 with their seminal book “The Discovery of Grounded Theory” (Corbin & Strauss, 1990; Denscombe, 2007). Grounded theory represents a methodological approach yet has philosophical associations derived from the authors’ background in sociology (Goulding, 2002). In an effort to address the dichotomy of sociology (where behaviour was seen as being programmed by social interaction) and psychology (where behaviour was an output of genetic or physical mental processing) these authors focused on the theory of symbolic interactionism. Symbolic interactionism holds that human action is a reflexive response to environmental cues yet the resulting behaviour will be dependent on the meaning these environmental cues hold (Goulding, 2002). “Human interaction with the world is mediated through our process of meaning making and interpretation” (Locke, 2000, p. 21). The meaning that each individual holds is developed through social interaction and communicated through symbols (Baker et al., 1992). Consequently this theory is both a theory of self and society and considers the relationship between “individual perception, collective action and society” (Goulding, 2002, p. 39).

These authors aimed to develop a pragmatic research approach that allowed the investigation of the actions and meaning for the individuals under study (Locke, 2000). To address the dogmatism towards logico-hypothetic-deductive research, these authors created a methodology that attempted to ground theory in the words and actions of participants (Wimpenny & Gass, 2000). This approach aims to closely align the resulting theory to the data. “In this method, data collection, analysis and eventual theory stand in close relationship to each other” (Strauss & Corbin 1998, p. 12). An iterative approach between data collection and analysis allows for initial data analysis to guide further data collection and for initial ideas to be compared and tested against data until a theory is developed which closely reflects the data collected (Corbin & Strauss, 1990; Denscombe, 2007; Strauss & Corbin, 1998). Whilst the theory was initially developed for sociology researchers, it “need not to subscribe to these philosophical orientations” (Corbin & Strauss, 1990). The application of this research

approach, consequently, has extended into business, nursing, education and psychology (Corbin & Strauss, 1990).

This methodology aims to establish a well-integrated theory of the concepts uncovered in data (Denscombe, 2007). According to Wimpenny and Gass (2000), a theory is a statement regarding a series of relationships between concepts or categories. The theory generated can either be formal or substantive. Whilst formal theory addresses a general phenomenon across multiple contexts, substantive theory addresses a phenomenon specific to a particular area or practice (Denscombe, 2007).

The current stance of grounded theory represents two different versions due to the division of the two original authors Glaser and Strauss (Goulding, 2002; Denscombe, 2007). According to Goulding (2002), Glaser offers a more interpretive and contextual representation of the method, whilst Strauss (partnering with Corbin) offers a complex and formulaic coding system that has been critiqued as de-sensitising the researcher to emergent theory (Locke, 2000). It should be noted, however, that Corbin and Strauss (1990, p. 12) do remark that the “procedures were designed not to be followed dogmatically but rather to be used creatively and flexibly”. Despite these differences certain elements of the methodological approach remain the same: the need to develop categories born from the data, a constant comparison between incoming data and the categories developed, and abstraction of theory from the data as well as a theoretical sampling method (Goulding, 2002).

Denscombe (2007), however, interprets the different versions of grounded theory as representing fundamentally different ontological approaches. He states that Glaser is positivistic in nature, whilst Strauss is more interpretive and pragmatic (Moghaddam, 2006). The original grounded theory with phrases such as ‘grounded in reality’ and ‘discovery of theory’ is held as modernistic in reflecting the existence of an objective social reality (Locke, 2000). Yet “the paradigm lines are not always clearly drawn” (Locke, 2000, p. 13). Further considering the association with symbolic interactionism, which focuses on the constructed and subjective meaning of individuals, it is clear that this research approach can lend itself to a constructivist and relativist ontology (Annells, 2006; Baker et al., 1992).

Grounded theory presents various benefits for the study of why managers are motivated to adopt CCI.

4.4.1 Appropriateness of grounded theory

Grounded theory methodology is appropriate to the study of this phenomenon as it allows for a theory to be developed that is closely aligned to the words and actions of the respondents. Due to its philosophical ties to symbolic interactionism this methodology is suited to situations where the meaning that individuals give experiences and how this meaning is created is the phenomenon under investigation (Goulding, 2002). Locke (2000) stated that this research methodology is appropriate to investigate issues that are relevant to social situations, whilst Baker et al. (1992, p. 1357) asserted that grounded theory is appropriate to situations where meaning is contextual to shared understanding. The meaning associated with addressing social issues in conjunction with corporate funding is likely to be socially derived or contextualised (for example, derived from social or organisational values, norms or culture).

Further, the pragmatic research approach of the grounded theory method focuses on ensuring that the theory created is reflective of the meaning for the individuals under study (Locke, 2000) without being biased by existing theory or extant literature (Moghaddam, 2006). As noted above, this is appropriate to this phenomenon as the existing theory is significantly biased towards cognitive mental processing and analysis at a firm level. This research strategy allows a fresh stance on the phenomenon by approaching data with an open mind (Denscombe, 2007; Goulding, 2002).

The grounded theory method enables the development of theory which investigates factors that influence behaviour and analyses current actions in terms of the meaning the individual holds and the conditions which enable that meaning to be created and then translated into action (Goulding, 2002). The grounded theory approach enables the structural conditions and consequences to be investigated (Annells, 2006). This is appropriate to the study of managers' motivations for engaging in CCI, as whilst an individual holds a particular frame of reference for the phenomenon, the context,

consequences and conditions of that frame of reference may impact on whether that frame of reference is translated into action.

4.5 Research methods

This research utilises a mixed method approach within a two-stage research project. The first stage utilises a phenomenological methodology and the second stage utilises a grounded theory approach. Below is a discussion on the development of this research method and an analysis of the ontological and epistemological paradigms that enable these two research methodologies to be utilised in the same study.

4.5.1 Developments of research

Initially this research was undertaken as a dissertation. This study only incorporated one stage; a phenomenological analysis of the meaning of CCI to respondents. During July to November, 2008, data collection and analysis for this first stage was completed. This phenomenological study explored the way in which respondents were conscious of their experience of CCI and the meaning that this phenomenon held for them.

However, upon reflection, inherent limitations in stage one became apparent. In particular the research methodology, whilst providing a rich description of the respondents' frame of reference, did not allow for an exploration or explanation of the variance found across the initial sample group's frame of reference. Phenomenology allows for the study of "human phenomenon without considering questions of their causes" (Wilson, 2002, p.1). Nor did this methodology allow for an explanation of whether the respondents' frame of reference was translated into action. This research methodology did not allow for the consequences or conditions of each respondent's frame of reference pertaining to CCI to be investigated. As phenomenology aims to bracket the researcher's personal theorising and limit data analysis till after data collection is completed (to limit potential bias impacting of the data collection stage) such deficiencies were not fully realized till after data analysis was completed.

Consequently in December, 2008 it was proposed and accepted that this study be extended to incorporate a second stage of research and progress from a dissertation to a thesis. A separate stage was added (using a different methodology) to allow for

areas of interest and significance emerging from stage one to be investigated in greater depth. This incorporation of a second stage, using a grounded theory approach, allowed for a deeper and more valid understanding of the phenomenon to be developed.

The second stage of analysis allowed the research to move beyond description to not only “uncover the relevant conditions, but also determine how the actors responded to changing conditions and to the consequences of their actions” (Corbin & Strauss, 1990, p. 5). Whilst phenomenology allowed the researcher to describe the experiences of the respondents the “grounded theory method automatically puts [the researcher] on a conceptual level, which goes beyond description” (Moghaddam, 2006, p. 4).

4.5.2 Mixed method approach; phenomenology and grounded theory

Methodological muddling has traditionally been perceived as a violation of the principles underlying each methodology (Beattie, 2002; Goulding, 2002; Wimpenny & Gass, 2000). Within phenomenology various researchers have been criticised for not following strictly the epistemological views and its associated strategies (Giorgi, 1998). As qualitative researchers strive to establish rigor (Coyne, 1997), an increasing focus has been placed on seeking congruency between the philosophical underpinnings and research approach (Annells, 2006). Qualitative data should stay within the paradigm of the research assumptions (Baker et al., 1992). Therefore it was paramount that the two methodologies utilised in this study were congruent in their philosophical and ontological groundings.

“Phenomenology has philosophical and methodological affinity with... grounded theory” (Banaga, 2000, p. 92). Both research methodologies focus on the richness of human experience and share a similar constructivist ontological approach and interpretive epistemology, despite stemming from different intellectual roots (Annells, 2006; Baker et al., 1992). Grounded theory’s “concern with subjective experience is... consistent with the phenomenological school of philosophy” (Locke, 2000, p. 21). Similarly, Annells (2006, p. 267) stated that both methodologies share a “commitment to qualitative, naturalistic, contextual, historical, inter-subjective methodology to understand human responses and experiences”. Whilst phenomenology aims to

discover the essence of consciousness pertaining to a certain phenomenon, grounded theory (with origins in symbolic interactionism) recognises the impact of social interaction on one's creation of meaning and is therefore more process-driven (Baker et al., 1992). Consequently, the two research approaches can be utilised when both the meaning of the lived experience and an exploration of the interaction between the individual level and creation of social action provides an understanding of the phenomenon (Annells, 2006). Both research methodologies aim to reflect the meaning held by respondents and provide a fresh slant on existing knowledge (Goulding, 2002). It should be noted, however, that other researchers have challenged the assertion that all grounded theory is ontologically constructivist in nature (Heath and Cowley, 2004). Despite this controversy, Goulding (1998, p. 53) states that according to grounded theory "knowledge is seen as actively and socially constructed".

Further, there are some fundamental differences in how these two philosophical approaches are translated into research methodologies. Of particular significance is the role of previous knowledge and extant literature. Phenomenology holds that the researcher should attempt to enter data collection with a blank state of knowledge, where previous beliefs or assumptions are set aside. Conversely, grounded theory gives value to prior knowledge to shape and refine theory (Baker et al., 1992). Additionally Annells (2006) states that the two research approaches should foster different methods for data collection, interview styles and types of analysis. The different foci of each approach should also result in different outcomes. Phenomenology will result in thick descriptions of the respondents' frames of reference, whereas grounded theory will result in a process-oriented theory (Annells, 2006; Goulding, 2002; Wimpenny & Gass, 2000).

Wilson and Hutchinson (1996) advocate the use of the two approaches, but warn of the need to create distinct phases of the research to address the fundamental differences recognised above and avoid method slurring (Annells, 2006). Taking heed of this advice, this study incorporates two distinct stages, each with distinct methods congruent with each of the philosophical paradigms and resulting in separate data sets and findings.

The two-stage research approach allowed for a description of the respondents' frames of reference and then for a substantive theory to be developed. This substantive theory enabled the investigation of the conditions of the frame of reference and an analysis of the interaction between the frame of reference and the respondents' behaviour. The aim was to "build a theoretical explanation by specifying phenomena in terms of conditions that give rise to them, how they are expressed through action/interaction, the consequences that result from them and the variation of these qualifiers" (Corbin & Strauss, 1990, p. 9). Consequently this research strategy allowed for both the description of the phenomenon and an explanation of it.

4.6 Stage One

This section outlines the three core stages of phenomenological methodology as outlined by Idhe (1977); these are: Epoche, Textual Description and Seeking Structural Invariants. The step by step process of how this research was approached is outlined.

4.6.1 Epoche

In accordance with the concepts of *noesis* and *noema*, phenomenology demands that the researcher's '*noesis*' is set aside so that the respondents' structure of consciousness can be grasped. This process is termed 'epoche' or 'bracketing'. Bracketing involves temporarily setting aside or suspending personal beliefs, assumptions or expectations. In temporarily setting aside the researcher's internal reflection or judgment the researcher can attempt to understand the frame of reference for the respondent (Dukes, 1984). This is extremely important in the case of motivational experiences as motivations are transcendental (Langdridge, 2007). Bracketing entails the researcher's suspending their belief that the phenomenon exists. In this study the researcher needed to bracket the belief that the individual level (the individual decision makers) will affect the adoption of CCI, in attempting to establish if this phenomenon was true for the respondents.

The researcher recognises that the research is not being entered into without some structure of consciousness relating to CCI. The researcher has both professional and personal experience with companies and individuals who adopt CCI. Further, the

Theoretical Development section of this document was considered prior to data collection.

Merleau Ponty claims that complete bracketing is impossible. Similarly Husserl admits that the total suspension of the researcher's personal perspective cannot be achieved (Banaga, 2000). However, it is important to attempt bracketing, particularly in the data collection stage so that the data has not been led or biased by the researcher's anticipated findings or expectation (Moustakas, 1994). The relationship between the researcher/participants and objectivity/subjectivity is significant in this research methodology. On one hand, this research demands that the researcher has a particular set of personal characteristics, knowledge and expertise, yet whilst this aids the progression of the research it should not drive the collection or interpretation of data (Banaga, 2000).

The bracketing of the researcher's personal perspective of this phenomenon was aided by:

- An interview with a fellow phenomenologist which addressed issues such as expected outcomes, expected answers to questions and propositions of the research. This research also addresses the previous work experience the researcher has in brokering the relationships between businesses and the community and how this may affect the expectations of the researcher.
- A daily reflectionary journal.
- The literature review process and writing of the Theoretical Proposition section. This enabled the researcher to articulate and become aware of the latent expected outcomes of this research as created through reviewing extant literature.
- Analysing the data at the completion of data collection. This ensured that analysis did not guide or bias the data collection.

4.6.2 Sampling method

This research utilised a purposive sampling strategy. Within phenomenology the participant's view is recognised as a fact and a valued object to study (Dukes, 1984).

The suspension of the belief in the existence of a phenomenon implies that all “data has equal rights to be investigated” (Loiskandl, 2001, p. 143).

Consequently, respondents were not recruited or selected according to the value or presumed richness of their experiences. Rather all respondents and their experience of the phenomenon were considered of equal value (Goulding, 2005). If respondents had simply lived the experience of influencing CCI strategy they were deemed suitable for investigation (Baker et al., 1992).

A purposive sample “is one that is selected randomly but for some particular reason” (McBurney cited in Banaga, p. 113). According to Draucker, Martsolf, Ross, & Rusk (2007) purposive sampling criteria should be developed prior to data collection. The following criteria were developed early in the research process and guided the selection of the participants:

1. Had experienced the phenomenon:
 - Each respondent was situated in an organisation that had adopted CCI.
 - Each respondent’s organisation showed a professed commitment to CCI as reflected by personal communication or participation in CCI awards.
 - Each respondent had some influence on their organisation’s CCI policies.
 - The organisation had adopted the CCI activity relatively recently or alternatively the respondent had been in the company at the time of adoption or a significant development in their CCI policies;
2. Were willing to participate;
3. Showed an interest in reflecting upon their experience of adopting CCI.

To ensure that participants met this sampling criterion the 2008 nominees of the Prime Minister’s Social Hero’s Award were contacted and invited to participate. This award, endorsed by the Prime Minister, recognises exemplary performance of nominees in CCI according to the scope of impact on the community and a strategically sound business model. The nominees were selected with the assistance of the Robin Hood

Foundation, a non-profit broker between companies and the community. The strategy of enlisting the assistance of Robin Hood and referring to participants who had been awarded, however, created an inherent bias in the sampling criteria. The recipients of the Prime Minister's Social Hero's award were mostly large companies that fostered separate ownership and control. Whilst this was not intended this bias may have impacted on the result in numerous ways. An empirical study in New Zealand indicated that the different ownership structures substantially impacted on the reasons for engaging in CCI (Wilson & McKinlay Douglas Limited, 2006). Secondly this bias may add to the significant bias towards publically listed companies recognised in the literature review. Thirdly, all of the nominees reflect best CCI practice. Consequently the essences may be specific to a group that shows professed dedication and performance in this area.

A total of six participants were interviewed in the first stage of this study. Due to the emphasis on the validity of each respondent's 'structure of consciousness', more respondents do not necessarily yield better results (Sanders, 1982). Rather than aiming for representativeness in a sample for the population, phenomenology places an importance on understanding the in-depth and textual perception of each respondent. Duke recommended three to ten participants, whilst Drogen argued that ten or less is appropriate for a phenomenological study (cited in Banaga, 2000).

4.6.3 Demographic characteristics of Sample One

The table below lists the demographic data collected for Sample One. Given the small sample size, the demographic variables are presented as descriptive data only – accordingly, due to the sample size and the little comparative data (available in the public domain) on the population of the individuals managing CCI, no interpretation of the demographics is made. Further, in accordance with maintaining two separate and distinct stages of this study no comparative analysis of the demographics of Sample One and Sample Two are undertaken

Subject	Number	Percent
SEX AND AGE		
Male	1	17%
Female	5	83%
25-34 years	1	17%
35-44 years	2	34%
45- 54 years	2	34%
55 - 64 years	1	17%
RELIGION		
No practising religion	2	33%
No practising religion yet raised with Christian beliefs	3	50%
Christian	1	17%
ROLE		
Centralised role	3	50%
Decentralised CSR specific role	2	33%
Decentralised CCI specific role	1	17%
TENURE IN ROLE		
Less than a year	2	33%
1 year- less than 2 years	0	0
2 years- less than 3 years	0	0
3 years- less than 4 years	2	33%
4 years- less than five years	0	0
Over five years	2	33%
PRIOR ROLE IN ORGANISATION		
Yes	3	50%
No	3	50%
SECTOR		
Retail	2	33%
Banking and insurance	2	33%
Telecommunication and media	2	33%
TYPE OF CCI		
Philanthropic donations	6	100%
Gift in kind	1	17%

Table 4-1 Demographic variables of Sample One

The sample was predominately female. Of the 6 participants, 5 were female, as graphically presented below. However, while no attempt is made here to draw any generalised inferences from this demographic, it is notable that Idowu and Papasolomou (2007) found in their UK study that managers of CSR and CCI were predominately female. Whether or not this is a general characteristic of CSR and CCI managers (and any implications for decision making style) would need to be established and confirmed from larger samples.

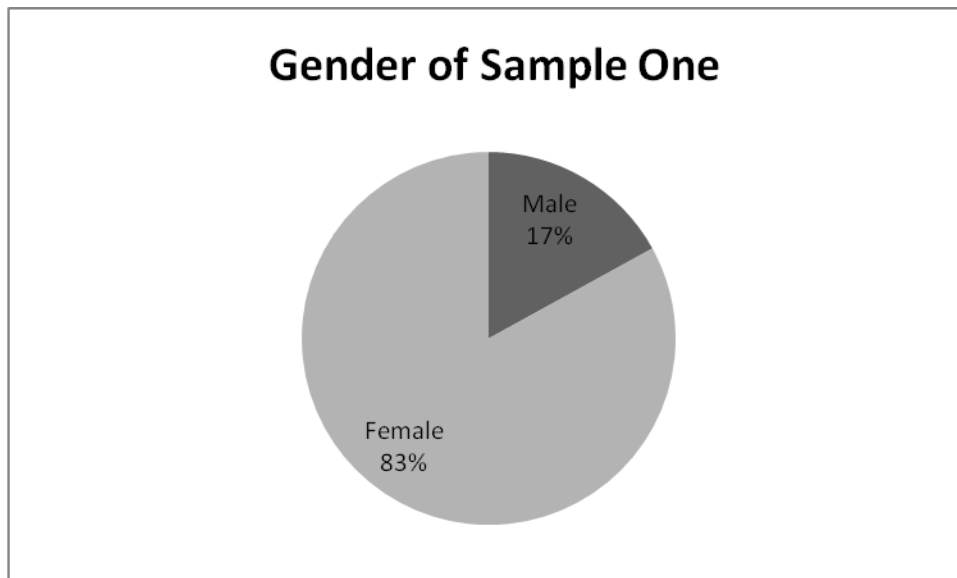


Figure 4-1 Gender of Sample One

All respondents in this sample were located in separate ownership and control contexts, with no residual claim of the organisation's profits. In saying this, one participant had experience in the organisation of ownership, before selling the organisation.

Three participants were in decentralised and specialised CSR roles, and three were centrally located (Chief operating manager and regional director). One of the respondents was located in a foundation funded by an associated corporate, aiming solely to target social issues, as illustrated below. The distribution of titles is considerably different to the findings of Brammer, Millington and Pavelin (2006). These authors found that in a study 245 cases 29 percent were managed from a centralised role (such as country manager, CEO), 29.5 percent were managed by external relationship managers (e.g. public relations manager, marketing manager) and only 23 percent were managed within a CSR-specific department.

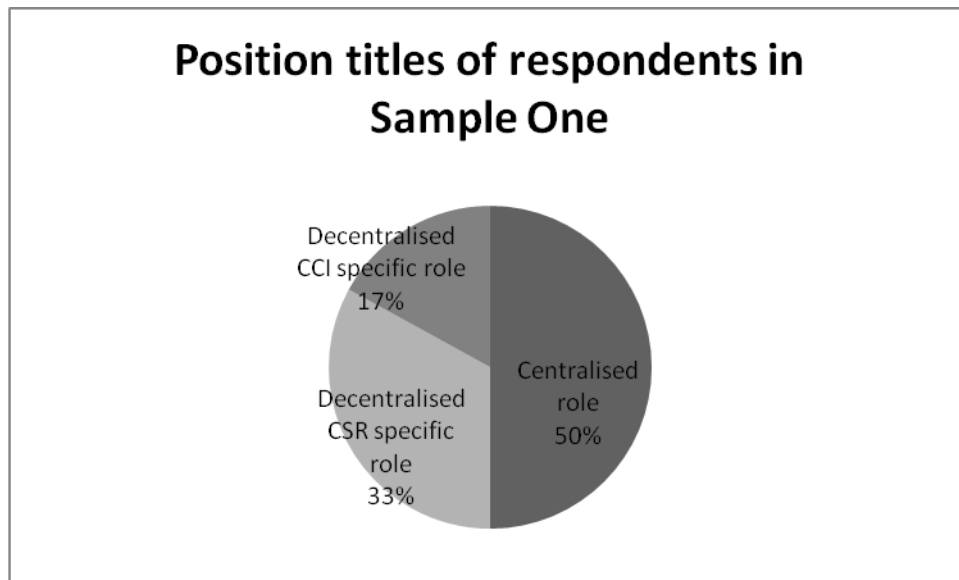


Figure 4-2 Position title of respondents in Sample One

The respondents ranged from two to six years in the role, however most had considerably more time in the organisation, with the lengthiest tenure in the organisation being 25 years. Three of the respondents had prior roles in the organisation before moving to a role in which they managed CCI. Two of the respondent had experience in managing social change through stakeholder engagement roles and roles within the non-profit sector.

The cross sectional sample consisted of a diverse set of sectors. Two respondents were located in the retail sector, two in banking and insurance and two in telecommunication and media sector.

Five of the six organisations gave philanthropic donations to partnering non-profit organisations. One participant gave gift in kind.

4.6.4 Sources of data

Phenomenology holds that there is only one accurate “source of data and that is the views and experiences of the participants themselves” (Goulding, 2005, p. 302). The single source of data for this research was the perception and reflection of the decision makers who adopted CCI.

Semi structured interviews were utilised to source the data and were conducted by the researcher. Various authors have stated that the interview is the most typical form of data collection within phenomenological studies (Creswell, 1998; Moustakas, 1994). Further, interviews and introspection have also become more widely accepted for specific studies in psychology (Locke & Latham, 2004). Recognising that the conversation between the interviewer and interviewee is co-created (Wimpenny & Gass, 2000), the interviewer (the researcher) aimed to allow the semi-structured interview to be respondent-led (Bryman & Bell, 2007). This ensured that the interviewer did not impose their views, perception or beliefs on the respondents (Moustakas, 1994). The interviewer aimed to create an environment that was open, comfortable and safe for each respondent. Respondents were encouraged to ramble and tell stories (Thompson, William, & Howard, 1989). The researcher aimed to create a conversation with a structure and a purpose, as discussed below.

Various steps were undertaken to ensure an appropriate interview technique was utilised:

A pilot interview was conducted with a decision-maker who adopted CCI, but was not included in the sample group.

The interviewer consciously engaged in 'bracketing' throughout the interview process. The interviewer frequently sought not to judge or impose theoretical frameworks upon what the respondent was saying and to cast aside expectations. Rather, the interviewer frequently reflected on the importance of understanding the respondent's perspective and their *noesis* of events.

The interviewer did not take notes throughout the interview process to encourage respondents to relax and participate in conversation. Instead, each interview was digitally recorded.

As the subjectivity of reality is communicated and altered by language particular care was taken by the interviewer to reflect the language that was being used by the respondents (Harmon, 1990). For example, when referring to CCI the respondents

were first asked about their activities and then that language was utilised to define CCI as the reference point throughout the interview.

As this research aimed to reflect the reality as perceived by each decision maker, it was imperative that the respondents felt well-informed and involved in the research (Langdridge, 2007). Consequently each participant was informed both in writing and verbally of the aim, purpose and process of the research (Appendix 9.2). Each respondent signed a consent form (Appendix 9.4). Further, the transcription and final analysis was sent to each respondent. Similarly participants in stage one of this study were informed and consented to the extension of this study to include stage two.

4.6.4.1 Interview questions

The interview questions were broad and aimed to elicit naïve description of the respondent's frame of reference. The questions were predominately asking respondents to describe their experience. The interviewer attempted to heed the recommendation of Jasper (1994) that phenomenological interviewing is characterised by "use of reflection, clarification, request for examples and description and the conveyance of interest through listening techniques" (quoted in Wimpenny & Gass, 2000, p. 311).

A list of topic areas and potential questions was also devised prior to interviewing. The interview questions were tested during a pilot interview. However, the interview questions were amended significantly after the pilot interview. This ensured that the researcher avoided reliance on preconceptions or blind acceptance of the extant literature (Lundberg, 2007).

Frequently, however the interview guide was not directly referred to. In an attempt to create an informal dialogue with each participant, the interview guide was frequently not utilised, although it was checked at the end of the interview to ensure that broad concepts were covered. The interview guide (appendix 9.1) intended to evoke description and search for meanings, rather than confirm hypotheses. The need for "a frame of reference and naivety [has been] identified as essential by many phenomenological researchers" (Wimpenny & Gass, 2000, p. 1489).

Each interview began with an explanation of the purpose, potential outcomes of the study, and nature of the research.

‘Why’ questions were avoided because they tend to move towards an abstract or theoretical discussion. Similarly the interviewer attempted to direct respondents away from personal theorising (Wimpenny & Gass, 2000). “The aim is to elicit naïve descriptions of the actuality of experience as it is lived rather than to collect embellished and narratised accounts that are based on what the participant believes is expected by the researcher” (Osborn, cited in Banaga, 2000).

On the whole the participants spoke freely and offered sufficient description. In one instance a respondent had been given details of the theoretical propositions by someone outside the study. The conversation with this respondent was consequently more theoretical and abstract, rather than a stream of consciousness experienced by the other respondents. In this situation the interviewer specifically asked very broad questions that guided the interviewee away from attempting to justify or post-rationalise their actions. This data remained in the sample, as although the respondent had a tendency to discuss the content in an abstract manner this was, none the less, representative of this structure of consciousness and professional experience as a consultant.

Similarly two of the respondents were recalling events that occurred over ten years ago. In this case these respondents may have experienced memory recall bias (Bryman & Bell, 2007). Where possible these respondents were encouraged to discuss more recent experience to limit the potential of memory recall bias.

4.6.5 Data analysis

Each interview was transcribed. Ideally the researcher would have transcribed all interviews to gain a greater familiarity with the content. Due to time constraints two thirds of the interviews were transcribed by a third party. The third party was required to sign a confidentiality agreement (Appendix 9.4). The researcher did experience technical difficulties with one of the transcripts not playing correctly. Consequently the

researcher worked closely with the respondent to ensure that the profile accurately reflected her perspective and experiences.

This research utilised the data analysis process outlined by Moustakas (1994). This process is a modification of that proposed by Van Kaam (Cited in Moustakas, 1994).

Moustakas' (1994) method of data analysis is set out in Table X as follows:

- | |
|---|
| <ol style="list-style-type: none">1. Listing and preliminary grouping of meaningful statements.2. Reduction and elimination to determine invariant constituents.3. Clustering of invariant constituents.4. Final identification of the invariant constituents by application — validation.5. Individual textural description.6. Individual structural description.7. Textural-structural description. |
|---|

Table 4-2 Phenomenological data analysis method by Moustakas (1994)

This data analysis strategy was selected as it provides a step by step process that allows the analysis of data to progress from description to universal essences.

1. Initially each transcript was read through two to three times (in addition to verifying the transcript against the interview soundtrack). Initially every sentence was considered as a unit with value (Langdridge, 2007). Then significant statements were noted and 'meaning units' identified. Sometimes these meaning units were a sentence or a paragraph. Each transcript was reviewed with a slash indicating a new unit (Banaga, 2000).
2. Each transcript was then grouped according to meaning units and the meaning unit groups were then reviewed. This involved two processes:
 - a. Each unit must contain a moment of the experience that was needed to understand the phenomenon.
 - b. Each unit must be able to be abstracted and labelled.

All of the meaning units were then cut and pasted into a new document. Meaning units that overlapped significantly or were outside the scope of study were deleted.

3. The meaning units were then clustered together if they referred to a similar process, theme or content. Themes were highlighted if they were of significance or centrality to the discussion (not the frequency) (Sanders, 1982).
4. A profile (individual textual and structural description) of each interview was then created that outlined the core points made by each respondent. Liberal use of quotes ensured that the respondent's language and perspective was reflected as shown in section 5.1.
5. This profile was then sent to individuals to ensure they felt it accurately reflected their perspective.
6. Each transcript (the key ideas) and the invariant themes were analysed to review the variation and similarities across all respondents. A synthesis description was constructed that described the experience of all participants in the group. This stage is critical in bringing together the experiences of participants to provide a full representation of the experience's essential elements (Sanders, 1982).

Memoranda and notes were taken immediately after each interview which assisted in stage 1 and 2 of the data analysis (Bryman & Bell, 2007) (refer to appendix 9.5).

The researcher waited for the completion of data collection before beginning the analysis. This ensured that the later interviews were not swayed by the development of theory from earlier interviews. However, due to scheduling difficulties, data from a further participant (the sixth) was collected near the end of the project deadline and after data analysis had been completed. Upon reviewing these transcripts it was noted that the questions had been altered significantly and were more directed towards verifying and clarifying concepts noted in data analysis. It was consequently decided that as these interviews had been impacted by the analysis phase for stage one the data would not strictly adhere to the phenomenology research approach. It was consequently decided that these two interviews be utilised in stage two of this research project.

4.7 *Stage two*

4.7.1 Sampling method

Following the tenets of grounded theory, a theoretical sampling method was utilised. A theoretical sampling method takes an iterative approach between data collection and analysis and uses theoretical development to guide further collection of data (Denscombe, 2007; Goulding, 2002). . This sampling method involved a purposive selection during the early stages of data collection where respondents were selected if they had experience with the phenomenon (Coyne, 1997; Draucker et al., 2007).

After initial purposive sampling, in accordance with Corbin and Strauss (1990) the data collection method was then guided by sampling for concepts, dimension and variation. In particular the characteristics of the firms that fostered CCI were contrasted as much as possible in the sampling criteria. Consequently respondents were sought from small to large organisations with varied CCI portfolios. Similarly, sampling was guided by emerging concepts (Goulding, 2002). For example, it became evident throughout initial data collection that the relationship of manager to owner greatly impacted the level of influence each respondent's frame of reference had on CCI decisions. Consequently a greater variety among each organisation's ownership characteristics was pursued for data collection. The recruited participants were sought to reflect different industries and different levels of CCI. It was hoped that through seeking diversity in the sample group the findings might be more relevant to multiple contexts (Stake, 2005).

Once the initial data was collected an iterative approach was undertaken between further collection and analysis. The initial data was reviewed for emerging concepts and once codes were elicited from early data sets these codes guided further sampling (Corbin & Strauss, 1990; Draucker et al., 2007). Consequently the collection of data was not predetermined by, but rather shaped by, emerging concepts (Coyne, 1997). Due to the iterative process between the data collection and analysis each respondent who was added, refined the sampling criteria further as well as the emerging categories (Draucker et al., 2007).

A total of ten participants were interviewed in the second stage of this study. Following a tenet of grounded theory methodology this study sought more respondents until theoretical saturation was achieved (Corbin & Strauss, 1990; Strauss & Corbin, 1998). This research investigated ten participants in depth and found that for the tenth participant similar themes and ideas to those emerging from earlier data analysis became apparent. The sample size consequently was a function of whether theoretical completeness had been achieved (Denscombe, 2007).

4.7.2 Demographic characteristics of sample two

The table below lists the collected demographic data for Sample Two. As noted in section 4.6.3, the demographic variables have not been interpreted or trends developed, due to the small sample size, exploratory nature of the study, and limited readily available comparative data. However, extant literature is referenced below, where relevant.

Subject	Number	Percent
SEX AND AGE		
Male	3	30%
Female	7	70%
25-34 years	2	10%
35-44 years	4	20%
45- 54 years	3	30%
55 - 64 years	0	0
65- 74 years	1	10%
OWNERSHIP IN FIRM		
Respondent was a residual claimant	5	50%
Separate ownership and control	5	50%
OWNERSHIP CONTEXTS OF SEPARATE OWNERSHIP AND CONTROL		
Family owned	2	40%
Privately owned	1	20%
Publically listed	2	40%
ROLE		
Business owner/director	5	50%
Marketing managers	3	30%
Central administration	1	10%
Decentralised CSR specific role	1	10%
TENURE IN ROLE		
Less than one year	1	10%
1-2 years	2	20%
3-4 years	3	30%
5-6 years	2	20%
Over 6 years	2	20%
PRIOR ROLE IN ORGANISATION		

Yes	2	20%
No	7	70%
SECTOR		
Retail	2	33%
Banking and insurance	2	33%
Telecommunication and media	2	33%
TYPE OF CCI		
Philanthropic donations	7	70%
Gift in kind	6	60%
Social initiative	1	10%

Table 4-3 Demographic variables of Sample Two

Seventy percent of the respondents were female, again reflective of other CSR and CCI studies (e.g. Idowu & Papasolomou, 2007). Ninety percent of the respondents were aged 30- 50 years, with an outlier aged 75. Eight of the ten respondents had higher education in the form of a university degree or diploma.

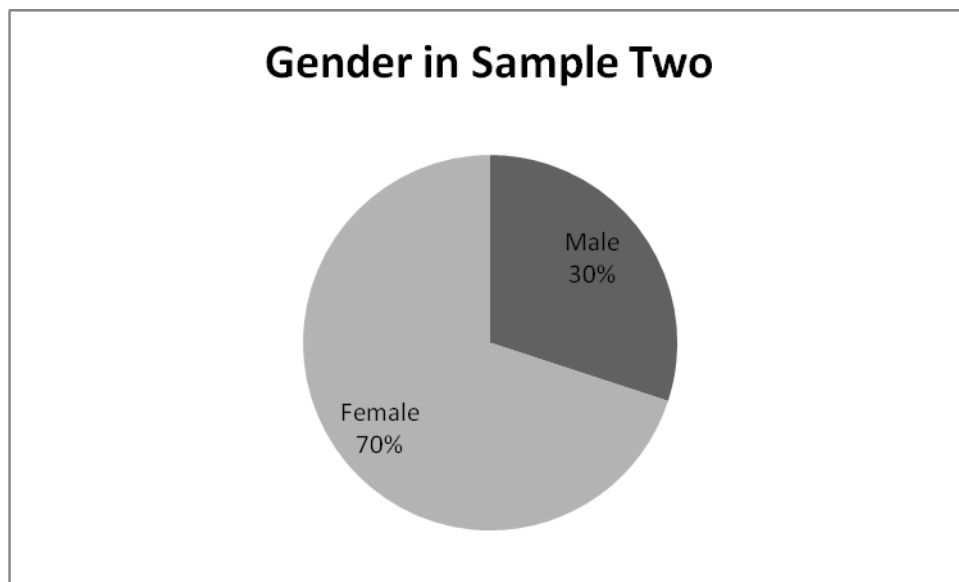


Figure 4-3 Gender of Sample Two

This sample included both separate and joint ownership and control contexts. Fifty percent of the respondents were owner-managers or residual claimants of profit. Of the remaining five, three were marketing managers, one was in a decentralised and specialised CSR and sustainability role and one was located in the firm's central administration. Again, the distribution of titles is considerably different from the findings of Brammer, Millington and Pavelin (2006). Firstly, this sample included business owners, whereas Brammer et al. (2006) investigated only publically listed

companies with dispersion of ownership. In addition, of the five respondents located in companies with separation between ownership and control, Sample Two had a greater portion of marketing managers, which may imply a greater tendency to select causes and adopt CCI based on the business case or potential marketing outcomes. The Brammer et al. (2006) study was, however, conducted in the United Kingdom. No comparative New Zealand data on the population of individuals managing CCI or CSR were available.

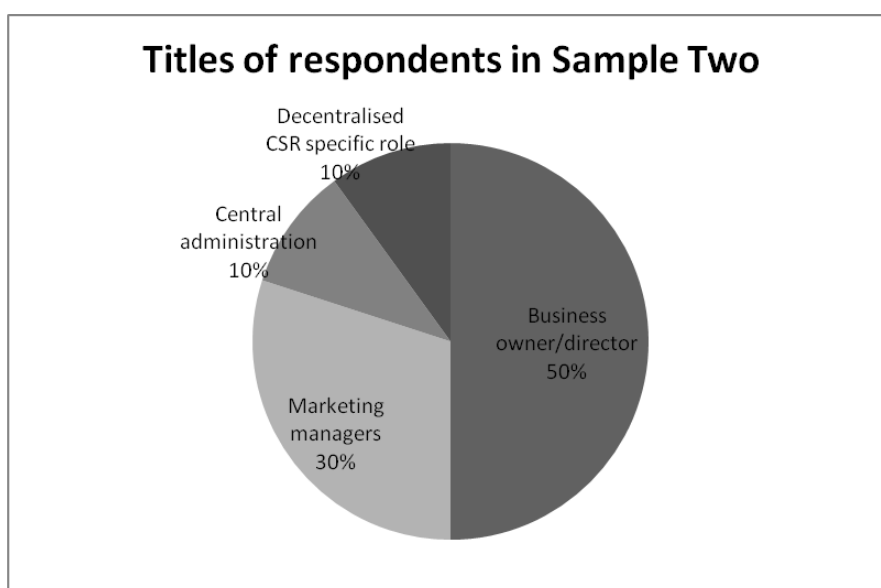


Figure 4-4 Position title of respondents in Sample Two

Eight of the respondents have managed CCI for the tenure of their position. Two respondents had experience in the organisation (four and half years and six years) before adopting their current roles and managing CCI.

Seventy percent of the respondents gave philanthropic donations to partnering non-profit organisations. Sixty percent of the respondents gave gift in kind. Only one participant engaged in a social initiative where the CCI engagement was not managed by partnering with a non-profit organisation, but rather the social issue was directed targeted by the creation of a social program by the organisation. Forty percent engaged in more than one form on CCI.

Spending on CCI ranged from 1 percent to 25 percent. Participants found it extremely difficult to state the percentage of CCI in ratio to profit after tax or revenue. Five

respondents did not have record of the donated amount from CCI in the last tax year. The mode of gifted philanthropic amounts was 1 percent of net profit after tax. The largest amount dedicated to CCI was however gift-in-kind, rather than philanthropic donations derived from profit after tax.

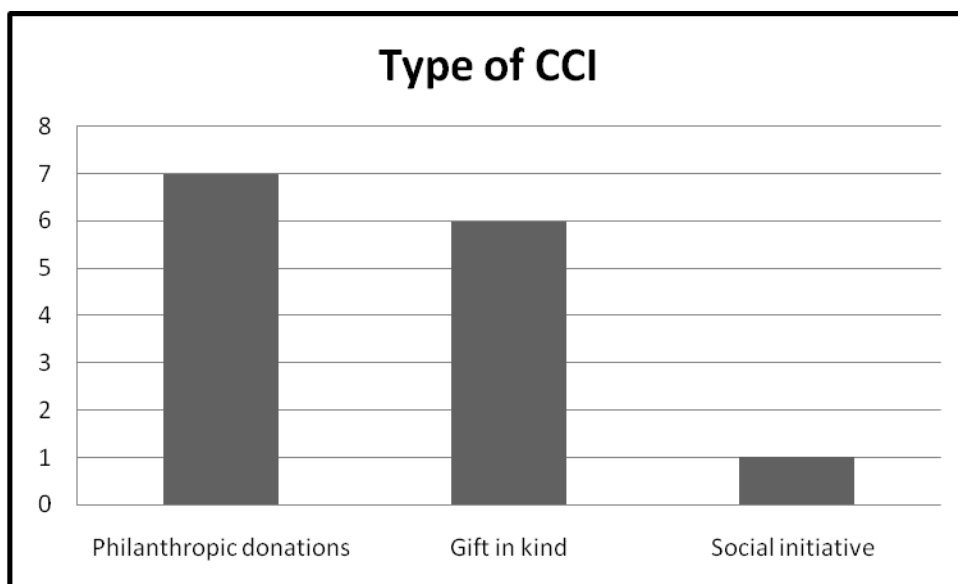


Figure 4-5 Type of CCI

4.7.3 Sources of data

Akin to the first stage of this study, the second stage also utilised an interview technique. Interviewing has been noted to have “a similar construction, irrespective of the methodological grounding” (Wimpenny & Gass, 2000, p. 1488). Correspondingly, the interviews in the second stage were of a similar length to those conducted in stage one. However, the style of interview was adjusted significantly between the first and second stages of this study. In the first stage of this study the interview technique was loosely structured and the respondents were encouraged to ramble and tell stories that represented the meaning associated with their experience in CCI. In this second stage, however, the interviews were more structured and directed. Further, whilst theorising by participants was discouraged in the first stage, in the second stage it was encouraged (Wimpenny & Gass, 2000). Participants were actively encouraged to consider if their actions and the meaning they give to their experience of CCI would change under different circumstances.

Further, participants were also asked to supply documentation that reflects their organisation's social processes related to CCI. Whilst phenomenology holds that there is only one legitimate source of data, grounded theory allows for multiple sources to be utilized (Baker et al., 1992; Goulding, 2002). Consequently data was also sourced from annual reports, companies' vision statements and personal communication provided by the respondents.

Following a tenet of grounded theory extant research was also seen as a potential secondary source of data (Coyne, 1997; Goulding, 1998; Goulding, 2002). Heeding the advice of Goulding (2002), extant literature was used towards the end of data analysis to refine and inform the findings. The reference to literature enabled the researcher to develop professional knowledge in order to be theoretically sensitive to the phenomenon (Moghaddam, 2006; Strauss & Corbin, 1990). As possible explanations and interpretations were explored through data collection and analysis, theory was utilised as a basis for uncovering a deeper understanding of the phenomenon.

4.7.4 Interview questions

The scope of questioning changed dramatically between the first and second stages. Within the first stage a focus was placed on the personal framing of why respondents adopted CCI. A focus was placed on their consciousness pertaining to CCI. In the second stage of the research the interview questions were more targeted at exploring the conditions influencing respondents' personal frame of reference, when their personal consciousness impacted on CCI decisions and the potential outcomes of their input. Data was collected on the size of the organisation, the amount spent on CCI, the type of CCI adopted, the individuals involved in the decision making process and the decision making process itself. These conditions were not initially thought to be significant in stage one, but came into a greater focus throughout data collection in stage two. A greater focus was also placed on the social interaction of the respondent in the organisation and how this may have impacted on their reasons for adopting CCI.

An iterative approach was taken between collection and analysis to refine the interview questions (Wimpenny & Gass, 2000). Initially the interview questions were developed through the consideration of the research questions and the theoretical

framework presented in Chapter Three. Reference to extant scholarly work enabled the researcher to gain an understanding of the topic area which proved fruitful in developing the initial questions. However, as each respondent was interviewed the interview questions were updated to reflect theoretical developments emerging from the data. The tentative categories developed in the first three interviews subsequently impacted the remaining interviews and the respondents were asked questions that provided greater detail for the emergent categories (Moghaddam, 2006). Similarly after the fifth interview the researcher reviewed the theoretical framework to refine and develop propositions, which were then verified and tested against data collected in the last interviews.

4.7.5 Data analysis

A constant comparison method was utilised for this phase of the analysis. This method compares the emerging categories against incoming data and allows a process of both induction and abduction (Corbin & Strauss, 1990; Draucker et al., 2007; Goulding, 2002). The simultaneous data collection and analysis allowed each category to be analysed against incoming data to verify and refine each category (Baker et al., 1992; Coyne, 1997).

Data was analysed in the following way:

1. Each transcript was read through two to three times (in addition to verifying the transcript against the interview soundtrack). An open coding method was utilised where the script was read through and key concepts highlighted (Goulding, 2002; Langdridge, 2007). Coding at this stage was unfocused with over a hundred codes deemed of potential relevance. A sentence or paragraph was coded if it was deemed to belong to, represent, or be an example of the causes, consequences, or the phenomenon itself (Moghaddam, 2006).
2. In the first two interviews each unit was grouped with similar units to develop provisional categories. A focus was placed on capturing “all potentially relevant aspects as soon as they are perceived” (Locke, 2000, p. 6). The potential categories were reviewed against the memos taken after the interview to ensure they captured ideas and concepts that were theoretically relevant. Each basic category

was abstracted and labelled and key quotes were drawn from the transcript to represent the basic category. The categories from the first two interviews were compared against each other and where similar they were assimilated into the same category and differences noted (Corbin & Strauss, 1990; Goulding, 2002).

3. Each script thereafter was colour coded and reviewed to find meaning units which related to initial category development. These meaning units were then reviewed against the initial categories (Baket et al., 1992; Coyne, 1997). A coding document was created for each respondent which highlighted key quotes to represent category coding (Refer to appendix 9.7). In cases where units did not fit into new categories the open category was reviewed and most often split into sub-categories with the key difference in each sub-category noted. Alternatively a new category was developed. The author deemed the existing categories to be fitting the data when new scripts fitted into existing categories with only non-significant passages remaining. Frequently, some statements from the respondents did not fit into categories. As Corbin and Strauss (1990) noted, a single incident is not sufficient to discard a potential category. Rather the unit which does not fit into a provisional category was reviewed against the context provided by the respondent and potential explanations noted and incorporated into interview questions for the subsequent interviews (Draucker et al., 2007).
4. After the fifth interview, the researcher reviewed the existing categories and reviewed memos to explore the connection and association between each category. Each category was considered valid if repeatedly observed (Corbin & Strauss, 1990; Locke, 2000; Moghaddam, 2006). The repetition of categories was assisted through tabling the category codes against each new data set (refer to appendix 9.8) Plausible relationships among categories were developed (Draucker, 2007; Locke, 2000). This process resulted in the theoretical framework being redrafted and further literature being reviewed and incorporated into the literature review (Chapter Two). The reference to further extant literature allowed the researcher to leverage personal understanding of the phenomenon and increase theoretical sensitivity (Goulding, 2002). During this stage a focus was also placed on demographic characteristics. As demographic characteristics frequently were noted but not raised explicitly by the respondent, it was difficult initially to

integrate these characteristics into analysis. During this stage demographic questions were incorporated into the interview questions to ask specifically how characteristics may impact on the motivation for adopting CCI. Further assumptions were then developed and incorporated in the theoretical framework chapter.

5. The subsequent interviews were targeted towards the assumptions outlined in the theoretical chapter (Assumptions 8-14). The results of this questioning either strengthened the assumptions which feed into the theoretical understanding of the relationship between each category or alternatively challenged the theoretical assumptions. When the data did align with the theoretical framework and emerging theoretical model the interview focused on variation within this model and the original categories reviewed. Theoretical saturation was assumed to be achieved when the theory held stable in the face of new data (Pandit, 1996).
6. The theoretical assumptions that had been deemed valid were incorporated into the emerging theory and each category evaluated for explanatory power (Corbin & Strauss, 1990). The central concepts were evaluated according how frequently they appeared in the data, their ability to explain variation and provide sufficient explanatory power (Moghaddam, 2006). The resulting theoretical model was then applied to each respondents case to establish fit (refer to appendix 9.9).

Theoretical saturation was considered achieved when the theory had the explanatory power to fit the tenth respondent (Denscombe, 2007).

4.8 Limitations of research methodology and research strategy

This research is exploratory and aims to present the views of a limited sample group. Despite a mixed methodology being deemed most appropriate for this research area and for the research question, this research strategy faces some limitations.

4.8.1 Sampling strategy and generalisability of the findings

4.8.1.1 Stage one: Purposive sampling

The purpose of this research was not to provide empirical findings that are generalisable to all contexts. Rather, using a purposive sampling strategy respondents

were selected on the basis of who could provide an in-depth insight into their experience of the phenomenon.

Consequently, caution should be used in attempting to generalise this research beyond the immediate sample. This is not to say, however, that the study has not yielded valid findings that may be more widely applicable. The common essential structures or essences across all respondents' frames of reference may hold true for other managers of CCI. However, establishing whether these essences and structures hold true in multiple contexts was not the purpose of this study.

The criteria used to select participants further limits the contexts to which these findings can be extended. In selecting respondents who are situated in best practice organisations the experience of these respondents may not reflect the experience of all managers who engage in CCI. Further, the respondents may be inclined to share particular essences due to their firm's interaction with the Robin Hood Foundation. In participating in the Social Hero Awards the respondents had the opportunity to interact with Robin Hood representatives and other nominees. Consequently this experience may have reinforced or challenged certain motivations or meanings.

4.8.1.2 Stage two: Theoretical sampling

Whilst the second sample was selected utilising a theoretical sampling method, there were some difficulties in accessing particularly varied cases. Notably, it was difficult to find several small privately owned firms who were engaged in CCI and disclosing their CCI portfolios in the public domain (for example through advertising or on a website). This may be due to smaller firms being less inclined to give, as hypothesized in the literature (Brammer et al., 2006; Valor, 2006) or alternatively due to varied motivations where advertising and seeking a corporate benefit from CCI is not a high priority. Nonetheless, five privately owned firms were located and participated in the research. The lack of public promotion was a further topic of investigation with these participants.

Again, there are some limits to the transferability of the findings of the second sample. The knowledge elicited was influenced so heavily by the respondents' experience, context and environment (Goulding, 2002) that it may not generalise to other

situations. Theory grounded in the experience of participants is limited to the accumulated experience at that time and among those particular participants (Locke, 2000). Consequently the emergent theory should be seen as temporarily and contextually constrained. As the phenomenon of CCI progresses and develops in practice, so too will the respondents' frames of reference surrounding CCI.

However, generalisability was not the aim of the second stage of this study. Rather, this study aimed to gain validity in the fit of the theory to the data, the relevancy of the theory and whether the theory offers a plausible explanation of the phenomenon (Baker et al., 1992).

4.8.1.3 Respondents

The respondents who participated all showed an interest in the topic area and a desire to reflect on their experiences with the interviewer. The willingness to reflect and participate may represent an inherent bias in which participants chose to be involved in the study. In saying this, however, potential participants who chose not to be involved in the study cited scheduling clashes or being outside New Zealand as the key reasons for non-response, rather than unwillingness.

The respondents were mostly located in Auckland, due to the study's resource limitations. Consequently the experiences of respondents may also be biased by this locality.

4.8.2 Stage one: Difficulties with bracketing

As noted earlier the process of epoche is extremely difficult and it is nearly impossible to suspend the researcher's personal perspective during the course of data collection and analysis (Banaga, 2000). It is possible that the researcher's personal frame of reference impacted on the research and final findings. Notably within the invariant structural analysis stage (the last stage) the researcher felt the need to refer to personal knowledge and expertise to aid the development of the analysis and ensure that the analysis reflected the academic rigour expected within a thesis. Consequently the interpretation of the data in the final stages of analysis may reflect the researcher's personal perspective and bias.

In saying this, however, the researcher is confident that the processes outlined in sections 4.4, including verification by participants and steps designed to aid bracketing, ensured that the findings were generated from the experiences of respondents.

4.8.3 Stage two: Approaching data with an open mind

Whilst the grounded theory method does not stipulate that one must approach data with a blank mind, it does recommend approaching data with an open mind (Denscombe, 2007; Goulding, 2002). Due to the researcher's experience of entering data collection in Stage Two, after completing Stage One, the researcher was aware that the previous phase (Stage One) may impact data collection and analysis in the second stage. To avoid this, and to ensure that the theory developed was grounded in data from the second stage, two separate data sets were collected and analysed individually. Further, a break from working on the thesis was taken in between Stage One and Stage Two allowed the researcher to more easily distinguish between the two stages.

4.8.4 Interview technique

This methodology is dependent on the participant's willingness to self-reflect (Bryman and Bell, 2007). Mostly the participants were open and demonstrated a high level of self-reflection and analysis. However as the only way to access one's structure of consciousness is through self-reported measures the data could not be triangulated or cross-referenced to ensure validity.

4.8.5 The respondents lived experiences

This research method often depended on the recall ability and accuracy of the respondent's recollection of past experiences. As noted above, two of the respondents were discussing experiences that occurred in their distant memory.

4.8.6 The grounded theory

"The nature and status of theories developed by researchers has been an issue of discussion and debate in management" (Locke, 2000, p. 37). The theory developed from utilising this method has, at times, been questioned and challenged for its relevancy, validity and functionality. The researcher has adhered to the tenets of the

grounded theory methodology in an effort to create a defensible theory. It should be noted that the theory developed through this research is substantive and applicable specifically to the CCI phenomenon.

4.8.7 Ethical issues

This research was conducted with the consideration of the ethical principles as established by Auckland University of Technology Ethics Committee (AUTEC). Ethics approval was sought and granted on the 28th of August, 2008 (AUTEC Reference number 08/155).

The participation of respondents was voluntary and consensual. All respondents were provided with an explanation of the aim, process and purpose of the research, both verbally and in writing (see Appendix 9.2). Respondents were required to indicate that their participation was voluntary and consensual through signing a consent form (see Appendix 9.3). Participants were also informed that their interviews could potentially be transcribed by a third party. The third party was also required to sign a confidentiality agreement (see appendix 9.4). Respondents maintained the right to view all stages of data analysis and withdrawal from the study at any time.

The confidentiality of the participants was protected through the use of pseudonyms throughout the data analysis, as well as when storing data, locating consent forms and data in separate locations and in not referring to the respondents by name throughout the interviews.

To the understanding of the researcher no other ethical issues were encountered during the investigation.

4.9 Summary of research strategy

This study used a phenomenological research methodology to explore and describe the experience of respondents in enabling CCI in their organisations.

This chapter has reviewed the appropriateness and outlined the specific research strategy used to obtain a description of the respondents' experience and create a

theory of how this frame of reference impacted CCI decision and the respondents' actions.

This research strategy incorporated a two stage mixed method. The first stage incorporated the following techniques and processes: determining and bracketing the researcher's prior assumptions and personal bias and perception; purposive sampling to select a diverse range of respondents who demonstrate best practice; a theoretical sampling strategy to seek more participants until theoretical saturation was achieved; face-to-face semi-structured interviews that allow for flexibility and conversational dialogue between the researcher/interviewer and respondent; and an analysis of data using Moustakas's data analysis strategy as modified from the earlier model proposed by Van Kaam (Cited in Moustakas, 1994) that creates a composite description of each respondent and uncovers the invariant structures across the respondents.

The second stage was designed to address the limitation inherent in the methodology in the first stage. This stage aimed to investigate the structural conditions and consequences of each participant's consciousness surrounding CCI in order to create a substantive theory. This second stage utilised: an iterative approach between data analysis and collection; theoretical sampling; face to face semi structured interview and collection of other relevant documentation; constant comparison between incoming data and the emerging theory; a three stage coding strategy; and reference to extant literature to sharpen and focus the emerging theory.

The researcher was the interviewer in all cases.

The potential limitations of the research methodology have been noted and strategies to mitigate these limitations have been incorporated into the research method (such as the two-stage research project, the pilot interview, verification of each respondent's profile by the respondent).

This research has been undertaken with consideration of the Ethical key principles and has been conducted under the jurisdiction of AUTC.

The research strategy is summarised below.

4.9.1 Summary: Stage one

1. Selection of Phenomenology as a research method:

- a. Identification of the need for subjective meaning of CCI to be reflected and provision of a snapshot of the respondents' experience to be described as they have experienced it;
- b. Suitability of phenomenology to research this context unbiased by extant theory.

2. Epoche:

- a. Determine and set aside the researcher's personal bias and perspective on the subject:
 - Reflection of the researcher's personal perspective in a daily reflectionary journal
 - Establishment of the researcher's assumptions, expectations and existing knowledge through an interview with a fellow phenomenologist
 - The literature review process and writing of the Theoretical Proposition section.

3. Purposive sampling strategy:

- a. Sampling Criteria:
 - Respondents had experienced the phenomenon
 - Were willing to participate
 - Showed an interest in reflecting upon their experience of adopting CCI
 - Operated within a unitary governance structure.
- b. Potential respondents identified from:
 - Secondary information sought from company websites and mass media
 - 2008 nominees of the Prime Minister's Social Hero's Award
 - Interviews with leading academics and industry players.

4. Source of data; Face to face semi structured interview:

- a. Appropriateness of semi-structured interviews as a data collection method;
- b. Flexibility of technique;
- c. Ability of interviews to gather respondents' structure of consciousness.

Interview process included:

- Bracketing throughout the interview process
- A pilot interview with a decision maker who adopted CCI, but was not included in the sample group
- Well informed and involved participants in the research
- Informal dialogue with each participant; the interview guide was frequently not directly referred to
- An explanation of the purpose, potential outcomes of the study, and nature of the research was given to each participant.

5. *Data Analysis:*

Initially each transcript was read:

- Each transcript was then grouped according to meaning units and the meaning unit groups were then reviewed
- The meaning units were then clustered together if they referred to a similar process
- A profile (individual textual and structural description) of each interview was then created that outlined the core points made by each respondent
- This profile was then sent to individuals to ensure they felt it accurately reflected their perspective
- Each transcript (the key ideas) and the invariant themes were analysed to review the variation and similarities across all respondents.

4.9.2 Summary: Stage two

6. *Selection grounded theory as a research method:*

- a. Identification of the need to explain the conditions and causes of respondents frame of reference and the impact this has on CCI decision making;
- b. Suitability of grounded theory to research this context unbiased by extant theory.

7. *Theoretical sampling strategy:*

- a. An iterative approach between data analysis and collection. Using theoretical development to guide further data collection;
- b. Data collection was guided by sampling for concepts, dimension and variation;
- c. Sampling until theoretical saturation achieved. Ten participants interviewed in depth and similar themes and ideas from earlier data analysis became apparent in latter interviews;
- d. Potential respondents indentified from:
 - Secondary information sought from company websites and mass media
 - Interviews with leading academics and industry players.

8. *Source of data:*

- a. Face to face semi-structured interviews:
 - Targeted questioning exploring the conditions influencing respondents' personal frames of reference, when their personal consciousness impacted on CCI decisions and the potential outcomes of their input
 - An iterative approach was taken between collection and analysis to refine the interview questions
 - Theorising by participants was encouraged
- b. Interview process included:
 - Well informed and involved participants in the research
 - An explanation of the purpose, potential outcomes of the study, and nature of the research given to each participant;
- c. Secondary data provided by respondents to support their frame of reference;
- d. Extant research was also seen as a potential secondary source of data and utilized to increase theoretical sensitivity.

9. *Data Analysis:*

- A constant comparison method was utilised
- Each transcript was read through two to three times
- An open coding method was utilised where the script was analysed

- In the first two interviews each unit was grouped with similar units to develop provisional categories
- Each script thereafter was colour-coded and cut into meaning units. These meaning units were then reviewed against the initial categories
- After the fifth interview, the researcher reviewed the existing categories and reviewed memos to explore the connection and association between each category
- Each category was considered valid if repeatedly observed
- A theoretical framework was developed based on connections between categories. The theoretical framework chapter was redrafted and further literature reviewed and incorporated into the literature review
- The subsequent interviews were targeted towards the theoretical propositions. The results of this questioning either strengthened the hypothesis which fed into the theoretical understanding of the relationship between each category or alternatively challenged the theoretical propositions
- The propositions that had been deemed valid were incorporated into the theory and each category evaluated for exploratory power.

Chapter 5 presents the findings from the research.

5 Findings

5.1 Stage one

This enquiry was designed to explore and describe the experiences of the respondents when championing CCI in their organisation and to establish whether their personal structure of consciousness impacted their company's CCI activities. This section presents and reviews the data sourced from a total of six respondents who participated in this initial stage of the study.

This chapter outlines the core findings of this part of the investigation. Only the invariant analysis is presented in the body of this thesis. The textual or composite description can be found in appendix 9.6. These profiles are a composite description of each participant's experience within their frame of reference.

The analysis presented here identifies the essences and invariant themes across all six participants. References to the participants' personal and company names have been removed to maintain anonymity and protect confidentiality.

5.1.1 The influence of individual frame of reference on decision making

All participants recognised a certain level of influence on their organisation's CCI decision making. Participants were able to influence CCI decision making primarily in two ways. Firstly, respondents championed the issue in their organisation and facilitated the adoption of a CCI portfolio. Alternatively respondents had impact on selecting the specific non-profit or charity causes that were the target of the CCI spending. CCI in this stage of the study consisted of philanthropic donations or donations of gifts in kind.

This finding supports the work of Brammer et al. (2006), Saiia et al. (2003) and Hemingway and Maclagan (2004), in identifying management as being significant for this phenomenon. Further, this finding supports Assumption 1 in the theoretical

framework. In saying this, however, the sampling strategy may have inherently created a predisposition towards such a finding. As the sample only contained organisations that engaged in best practice CCI and particularly focused on the CCI leaders in these organisations it was likely that these managers would have some influence on the CCI strategy.

All of the participants indicated that this was a particularly emotive area and recognised that their own frame of reference potentially could have impacted heavily on CCI decisions. The personal frame of reference included the individual's sense of identity, emotions, values and social drivers that were explored in section 5.1.3. This finding concurs with Donaldson's (2003, p.364) statement that social responsibility is "about emotions, not facts".

All respondents indicated that there were specific examples of when they could make CCI decisions according to their own personal frame of reference and personal preference. What was notable within this sample group, however, was the interaction of the hot mental processing with cognitive rationality and the impact mental dialogue had on whether personal frame of reference impacted on the individual's behaviour and CCI in the organisation.

Cold mental processing was referenced to either mediate the impact of the personal frame of reference and lessen its impact on CCI decision making or post-rationalise the decision based on the personal frame of reference. Despite all respondents recognising and articulating their personal frame of reference or sense of consciousness surrounding this phenomenon the behaviour of the respondents varied considerably. Of significance was how the particular frame of reference was translated into behaviour and the personal internal dialogue that resulted in the personal frame of reference impacting on CCI decision making or not. Figure 5.1 shows the continuum from high impact to low impact of hot mental processing on CCI decision making.

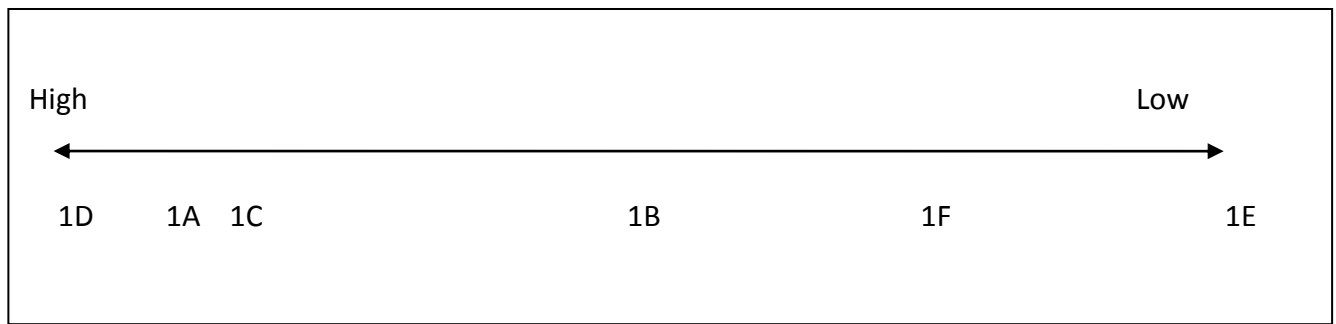


Figure 5-1 Continuum of impact of hot mental processing on CCI outcomes

5.1.2 The impact of hot mental processing and personal frame of reference on CCI

As shown in Figure 5.1 respondents were placed along a continuum indicating the level of impact that their personal frame of reference and hot mental processing had on their behaviour and CCI decision making. This varied from considerable impact, where decisions were based entirely on the personal frame of reference, to decision making with low impact of hot mental processing and the individual's frame of reference. It should be noted that respondents who reflected a low impact of mental processing did not reflect low levels of hot mental processing but, rather, this was not translated into the decision making process or the respondent's visible behaviour. The following section explores the variation in the impact of hot mental processing on CCI.

Those respondents at the upper end of the continuum in Figure 5.1 allowed their hot mental processing and personal frame of reference to impact heavily on CCI decisions. However, the high impact of the hot mental processing was not always communicated as such within the organisation. This is explored further in section 5.1.4. Respondents were placed at the high end of the continuum if there was evidence that their personal frame of reference, including their personal values, ideology and preferences, impacted on CCI in their organisations. The continuum was developed through considering the overall impact the personal frame of reference had on CCI decisions, and accumulating the different and occasionally contrasting examples given by respondents. Further, the contextual factors were considered, although not directly investigated, in this stage of the study. That is, a respondent may utilise considerable hot mental processing and their personal frame of reference to make decisions;

however, due to their role the ability to influence CCI decisions was limited. For example, a respondent noted that:

"I guess it's very much more personal. I mean it does tend to happen I suppose that you look at something and you think... I know that's a situation that exists or I know there's a need that exists out there and maybe no one else in the organisation or no one else in the team knows about that but I do and I can see it and here's a chance to make a difference. There is an element of strong subjectivity in there, in terms of what's important to me may not be important to the next person. So, I guess you do to some degree overlay a little bit of your own values and vision. "(1B)

Yet this respondent was not deemed to be 'high' on the continuum as the ability to allow her personal frame of reference impact on CCI was limited by historical commitment to causes:

"A lot of your sponsorship dollar's locked-in kind of years in advance so you only probably get each year an opportunity to maybe take a percentage of your budget and change it or to add on a percentage." (1B)

At times the impact of the personal preference and frame of reference of the respondent was difficult to establish. Frequently the organisation's chosen CCI causes were the same as the causes the individuals would personally support. Yet it was, at times, unclear whether the respondent's personal preference was causally related to the organisation adopting a cause or whether the respondent's preferences had been shaped by their experience within the organisation. Mostly, however, respondents were forthcoming in recognising the level of impact their personal frame of reference had on the organisation's CCI.

In reflecting on the demographic variables of the respondents who were positioned at the upper end of this spectrum, it is notable that none had a CSR or CCI position title. Rather, these respondents held positions of Chief Executive Officer, Regional Director and Brand Manager. Consistent with the variation in titles these respondents also demonstrated considerable power within the organisation. All three respondents deemed themselves high performers in the organisation and stated that they fulfilled their roles effectively. These respondents maintained that this allowed them greater discretion in using their personal frame of reference in decision making:

"I just think that sometimes you transact in business what you know you've got the equity to transact. I had the equity, if you know what I mean...I had the standing to say this is what I personally enjoy doing; please don't take it away from me because I'm actually running 14 countries for you, travelling 50 percent of the time, solving a whole lot of headaches every day and this is the bit that I want to ask you to give me permission to keep doing. So I don't think that's bravery; I think that's just saying...it was a transaction". (1A)

"(The owner) he's very supportive in that way. But he knows that I'm a very good Brand Manager as well." (1D)

Further, all three of these respondents had championed the conception of CCI in their organisation. This gave all three participants the opportunity to define and construct CCI in their organisation allowing for flexibility in how they defined the phenomenon and the appropriate approach to this phenomenon within their organisation. In these three cases the approach to CCI was ill-defined and unstructured. Little formal process was undertaken to evaluate the adoption of the phenomenon CCI or particular causes. Similarly, two of these respondents decentralised the decision of which causes to target, to lower levels or regional offices within the organisation and actively recognised and encouraged the impact of the lower level manager's frame of reference within CCI decision making. These two respondents noted that personal preference had a greater impact on CCI decision making related to selecting specific causes in their organisations:

"So when you get down to this filtering process, that's when you start going hmmm and the call on what we get involved in can be a bit personal. Because we're sitting there looking at 15 things, so what floats our boat more than others and spins our wheels...Yeah, we've had to become more discerning about how many things we get involved with and then what does tend to tip it is where you feel most passion, to be perfectly honest." (1C)

It should be noted, however, that using the personal frame of reference when selecting specific CCI causes was not found consistently across the entire sample group. Rather, the respondents whose job roles centred around selection of causes (and who exerted considerable influence during this selection process) actively avoided selecting CCI causes based on personal preference.

These findings may lend further weight to the theoretical model proposed by Buchholtz et al. (1999) which proposed that greater discretion allows for a greater

impact of personal preference. However, an exploration of the antecedents to such power, discretion or process (or the perception of these antecedents) was not the purpose of this stage of the study.

Further, for two of these respondents the initial development of CCI was done without the direct approval from the ownership (or representatives of the ownership):

"I mean private equity tends to be 'here is the top-line; it's called revenue, here is the bottom line that you have to achieve. We will entrust Management to make all the good wise decisions and then we'll stand a long way back'. Would they know what our stated sort of position is regarding community involvement and how much is enough and what are all the filters that we use before we determine what we're going to get involved in? No". (1C)

For one of these respondents this was initially managed personally outside the role, utilising the business network but not corporate funding. This personal advocacy of CCI was then pitched to the board:

"I was running auctions...so it wasn't actually corporately blessed or acknowledged but it was everyone that we did business with. So it was kind of like an informal, under-the-radar [activity]. No one ever officially approved it ...I was a bit guilty. I was leveraging corporate networks and I was raising lots of money and it wasn't a corporately sanctioned program. Did I feel guilty? Actually, I probably should have". (1A)

"So, I had a personal journey that, through my own personal passion, I learnt and it was exciting and that led me then to recommend that everybody, in every country that we did business, found a similar cause. ...and leveraged business networks". (1A)

Within the sample group, the most extreme case was a respondent who adopted CCI and selected causes based purely on personal interests. This respondent based decisions primarily on his personal past experience and what he referred to as a 'gut instinct'.

"No, it's just a gut feeling."(1D)

"Gut feeling. My gut tells me, yeah." (1D)

This respondent was an outlier with regard to demographic variables in being the only respondent who was male and who had been in a previous position of united

ownership and control within the current business. The respondent recognised that due to his previous experience in owning the business he had adopted a practice of referring primarily to his personal frame of reference when making CCI decisions, despite recognising that he now had less discretion within decision making. This respondent was relatively antagonistic in defending the considerable use of personal frame of reference to make CCI decisions. The most extreme of these cases demonstrated the “chairman’s choice” where he was entirely responsible for selecting the charity according to his personal preference. This respondent indicated that although he had financial limitations set by the board these were discretionary funds which he invested in community causes as dictated by his frame of reference.

“I don’t keep a tally, I don’t keep a record. It’s not about that. You just do it because you want to do it, yeah. I mean, it would be easy to keep a ledger but it’s not the name of the game here.” (1D)

Other respondents placed high on this scale also made frequent references to ‘instinct’ and ‘gut feelings’.

“You’d get something and you’d just have this gut instinct. This just feels like something we want to do and then you’d have to drive it through.” (1B)

At the other end of this continuum, respondents allowed their personal frame of reference to have little or nominal impact on decision making or CCI behaviour. Whilst these respondents recognised opportunities to allow for their hot mental processing to impact on CCI they actively sought to minimise its impact. This was frequently achieved through the domination of cognitive or cold mental processing as discussed in section 5.1.4.

The respondent who sanctioned the lowest impact of hot mental processing was also an outlier in demographic variables. This respondent was the youngest within the sample group with the shortest tenure in the position despite the role having been in existence for the greatest length of time. This respondent articulated a sense of relief and appreciation that group decision making and strict processes limited the potential impact of her personal frame of reference.

"I wouldn't want to be the sole decision maker. And I don't think that would be appropriate and I don't think it would deliver the best outcomes." (1E)

This outlier also varied from the sample group in representing the only corporate foundation. Whilst the other research participants were located within central administration or a specific CSR department, this respondent was located in a separate entity to the corporation. This organisation's CCI structure and processes were considerably more sophisticated than those of the other participants and minimised the subjective influence of the participant through the use of group decision making:

"The thing is it's not my decision...I'm a real believer in group decision making. And a group approach. I think that you get a richer approach. It's not about me and what I think is a great idea." (1E)

"There's real value in being removed from the process to bring another view point because if I look at who is on the board and their expertise, they are in a much more informed position [than I am]. They have the most incredible experience. So we bring in somebody brilliant. Pure gold." (1E)

5.1.3 Frame of reference and structure of consciousness.

5.1.3.1 Identity

In all cases the phenomenon was strongly related to the individual's sense of identity. When discussing CCI there was fluidity in how it was discussed within the organisation and within the respondents' perception of their lives. Unlike the findings of O'Dwyer (2002), when discussing CCI there was not a clear distinction between CCI within the organisation or respondents' personal sense of meaning as denoted by the distinction of pronouns ('we' versus 'I'). This was particularly true for respondents who actively demonstrated a high impact of hot processing on their behaviour.

The respondent either championed the issue in their organisation and consequently defined themselves as a 'champion' or 'instigator' of the phenomenon and referred to this as a key indication of their identity or alternatively sought out roles within CCI that were aligned to their sense of identity.

The interrelationship between identity and CCI, however, is problematic due to the potential for dual causality. It was unclear as to whether the phenomenon was an

outcome of the individual's sense of identity or whether the individual's sense of identity was defined by engaging in CCI. It appeared that respondents reflected an ongoing process of seeking CCI in accordance with their existing sense of identity and thereafter defining their identity according to their involvement with CCI. Due to the temporal limitations of this study and collecting data through a singular interview with participants, it was unclear how stable the participant's sense of identity was and it was also difficult to determine what the respondent's sense of identity was prior to engaging in CCI.

Each respondent reflected a complex set of associations of how engaging in CCI defined them. In one case the respondent utilised the adoption of CCI to create an identity of a rebel or authentic truth seeker both within the organisation and within wider social activity:

"That's something I want to see myself as. I'd always like to think that I say 'the emperor's got no clothes on; this is bullshit.' I'd like to think I'm always honest enough to do that... So I carved out a little bit of a persona of...I'm not conforming, I'm not one of you but I like doing what I do in this industry. So I'd carved out a little bit of a non-conformist role". (1A)

For other respondents the connection with CCI was associated with a sense of self worth or the definition of being a 'good' person or leading a 'good' life.

Two respondents indicated that engagement in CCI allowed them to address dissonance or a mental conflict arising from their perception of what their identity or roles in life should be. In these instances both respondents struggled to address their expected roles as mothers and women. These respondents articulated how, through championing CCI, they were able to address this dissonance and alleviate the guilt of performing a corporate role and the perception that they were underperforming in their expected 'mother' roles. These two cases were individuals whose frame of reference had significant impact on CCI within their organisations:

"I think the gap collided with having raised a child as a perceived single parent, so the work of being a mother was coming to an end for me and that redundancy was looking me in the eye and maybe that was part of [the need to pursue CCI]".(1A)

"We've got probably 70 percent of our managers that are women, right?...So much about our reason for actually being involved in charities is because we don't feel we actually have got the time to go and do the things that we would if we were not working. So to be honest, there's a chunk in it that is actually driven by an absolute sort of sense of guilt; that if we were at home, we would actually probably find that we were participating in a voluntary capacity in our communities, doing something. We don't get to do that, so what we use really are our positions to be able to sort of put some wheels into motion to make it happen.And so that is it. And so we think ok, what we don't have, one thing that we are all short of – It's not money, it's actually time. So if we actually don't have the time to physically be able to do it, what can we, with our own sense of sort of passion and style, get behind and then we use our positions to go give that entity some [gift in kind]. And it lets us off the hook". (1C)

Similarly, a further two respondents (a total of four of the sample group) indicated the perception of a division between their corporate identities and social personas. This was communicated by one respondent as a sense of schizophrenia between the personality at work and at home. Again, the presence of internal mental conflict and discomfort in managing and facilitating these two roles motivated these respondents to seek out the phenomenon. This was either through championing or facilitating the adoption of CCI, or directly seeking out the CCI role. All four respondents indicated that actively pursuing the phenomenon alleviated the discomfort and better aligned the personal and corporate identity for these individuals:

"My personal life or my life outside of work, I suppose, had followed a completely different path so I was very much living, almost, like in two different dimensions...so the family dynamic and how I lived outside of work was completely opposite to the sort of stuff I was doing at work... And so it became more and more difficult to juggle my personal values and personal views and lifestyle and it kind of contradicted what I was doing at work...So, for some time I had been wanting to do something that was more aligned to who I was as a person. Yeah, I think now I've found a job that fits my social persona rather than trying to fit me into [a different role]". (1B)

"It is the shortcoming of corporate life; it is the disease of corporate life, that often people will present what they believe they must present to be acceptable in corporate life, rather than present all of themselves. Whereas in my early corporate years, I felt like I had to be little-Miss-Corporate and not show any humanity...You constantly feel you have to be acceptable to some other's judgement... Who am I? All my life I'd been a professional, driven woman and nobody knew anything about me... "Me" was a completely different person." (1A)

5.1.3.2 Dissatisfaction

Frequently the respondent sought CCI to address an inherent personal dissatisfaction with the corporate model. Four respondents indicated that they championed CCI or sought a CCI role to address frustration with work life and a lack of humanity within the corporate model:

"People in business don't get fulfilled by making money. People in business look for something else that at the end of the day I feel like I did some good, rather than just make my sales numbers for the month".(1A)

"I'd done 15 years of legal stuff and got to a point where I kind of didn't feel particularly satisfied with that." (1B)

Akin to the discussion of Hemingway and MacLagan (2004) in a fundamentally amoral context, CCI was a strategy pursued by respondents to address that lack of morality:

"It's the way that we can put skin in the game." (1C)

All four of these respondents indicated that whilst they were achieving the terms of corporate success, they experienced a lack of meaning in their lives. The pursuit of the phenomenon allowed the respondents to create a greater sense of meaning in their lives:

"Because meaning is my main driver... Meaning; a sense of purpose, a sense of making a difference." (1E)

"There was a gap in my soul, in my corporate existence, of meaning; because corporate existence gives you everything else BUT meaning. And never in my life had I had such a great existence without meaning; it was fun. But you know swimming pools and tennis courts and flying everywhere, but there was no meaning. Let's say whatever the cause I chose was irrelevant; my life was all about meaningless making money, it lacked meaning. By becoming a champion for a particular cause, I gave myself meaning, my own life meaning beyond making money... I needed some meaning other than just being a corporate animal. " (1A)

For two of the respondents, addressing this dissatisfaction demanded a career change and the movement into a CCI role, whilst for the others this dissatisfaction was so severe as to motivate the championing of this issue within their organisation.

5.1.3.3 Social Drivers

The entire sample group represented a comprehensive sense of empathy for others that extended beyond the phenomenon. All respondents demonstrated an emotional connection to a broader community in some way. Whilst this was communicated through the respondents' emotive articulation of social issues it was also demonstrated in all respondents seeking to address social issues beyond their corporate position. Five of the respondents aimed to address social issues beyond their impact within the organisation, for example through personal philanthropic donations or volunteering.

Five of the respondents also communicated a sense of obligation and duty to address social issues, from both a personal perspective and an organisational perspective. The sense of obligation was rooted in past experience and cultural norms such as upbringing, a particular experience with a social issue (such as the Bali bombings), an approach to social issues role-modelled by parents, and norms developed through religion (mostly Christianity) and culture (mostly a sense of collectivism).

Whilst four of the respondents did not identify themselves demographically as religious, they were aware of religious values (stemming from childhood) impacting on their sense of consciousness surrounding this issue:

"I've always had a social conscience and I think that comes from family and upbringing. My mum's very, actually, probably Christian based. Even though I'm not a Catholic, I grew up with those Christian values and my mum's always been heavily involved in the community and always involved in looking after the downtrodden. So I think I've got that...And I guess all through school we would do volunteering and stuff as part of that school program as well, so for years and years and years it's always been part of life." (1E)

"My parents were Irish Catholics and they were very socialist, so it was about giving back. So yes, there was always going to be something that fell across the radar". (1A)

Further, the respondents frequently articulated a sense of collectivism or their consideration for the wider collective (beyond their immediate organisation or social group/family unit):

"And we reside in communities; we can talk to people; we're good companions and when people are wanting to make sense of the world, they want their communities. They want safety and they want small and they want to actually feel like they belong to something again, to take away the madness." (1C)

This sense of duty was often communicated as indebtedness where respondents reflected that, as they had been afforded opportunities and organisational success, this demanded a return of wealth to the community. Consistent with this sense of indebtedness, these respondents were aware of personal wealth gleaned through the corporate model and attempted to address this sense of personal guilt through CCI. One of these respondents identified framing an equitable distribution of wealth according to her personal values developed during her practice in Catholicism:

"I think it was a sense of privilege. I was earning an incredible amount of money; I was in my mid-30s; I was living a lifestyle I would never have dreamed that I would believe and it was very glamorous. And it was a sense of 'I have more than I need...I left Catholicism at 12 but you don't leave what it puts inside of you. And there is an extraordinary guilt that if you have more than you need, that's wrong and that you should always be looking for an opportunity to help someone else with it. And so it alleviated guilt for me; you could say that getting involved with [CCI] was about alleviating a Catholic guilt". (1A)

"I come from a working class family. I come from a family that didn't have a lot and I've done all right...When I went into business, I just thought: look after the community...without the community, I wouldn't have a business so I give a little bit back". (1D)

"I do think that giving back actually makes really good sense and I feel that I'm in a really privileged position and given that I can do it, it's almost incumbent upon me to try and help." (1C)

Similarly, four respondents had a strong perspective on, and ideology of, social justice. All respondents had well defined conceptions of 'what is right' or fair:

"To me, it's an offence and it's unconscionable and it's the most ultimate wrong, not to be mindful that the world is full of inequality. To me, it's unforgivable and inexcusable, not to be mindful that the world has that inequality in it... "I'm so poor; I'll sell my daughter to buy a television...So it's very black and white". That's not right. That's not ok". (1A)

This sense of social injustice was strengthened by personal experience with social issues that they either experienced directly or witnessed:

“So having no status as a solo mum for many years...being on a benefit, working hard, working under the table ... that fuels your stomach as well, to know what it’s like to have no status”. (1A)

“It was the experiencing... if you regularly do business in Thailand, you see street poverty and you see street homelessness and you see child prostitution; maybe that’s-you know, just seeing these things for the first time might have influenced [the commitment to adopting CCI]. You look it in the eye. You either see it or you don’t see it. And travelling around, you look it in the eye.” (1A)

Further, two of the respondents articulated how specific moments in life greatly redirected their attention towards CCI. These moments were held as a calling or an epiphany to those respondents to shift their current perception towards addressing social issues through the organisation:

“It was a moment of inspiration and sometimes I think the timing is really key...So for me, it was a taxi ride in Bangkok; I heard a monk speaking about keeping hundreds of girls safe in the sex trade and they were somewhere along the Thai-Burmese border and that’s all I heard... So I’d heard a snippet of a [conversation] and whatever those words they’d used, had affected me in some way...“Sometimes, for some reason, ideas just slide in to your brain when you’re ready to receive them. I didn’t know that I would become so motivated, until the right cause landed in front of me.” (1A)

For one respondent a personal connection with the Bali bombing motivated the respondent to take time of work to volunteer through the organisation’s CCI program in Bali:

“And we wanted to do something and we didn’t know what to do and the X program was right there... And it was an absolute; it felt really meant to be, from the whole ‘woa to go’. It was bizarre. ..I think for me living right has always been important. Supporting charities, supporting not-for-profits has always been important. But probably not the main driver... I think I’ve always had those values. They have always been there. But I think the bombing [Bali Bombings] was a turning point. It was a defining moment, I guess. And then going up to Bali and that experience it was a turning point, I guess, in my life.” (1E)

All respondents were highly social and sought social connection with others. Mostly the respondents held a positive view of humanity and demonstrated high faith in others. The belief in others was frequently communicated within a discussion of equality. Five of the participants felt strongly for the need for social equality or a non-hierarchical view of human value:

“My personal philosophy is very much about that I believe everyone in society has a part to play and that respect for fellow human beings is vital and I have a very non-hierarchical [approach].”(1B)

I’ve always had it very clear that [social issues] dictate and determine things that lower the value of human life; put human life at a transactional value and that doesn’t seem to me fair”. (1A)

Social interaction also played a considerable role in allowing respondents to define the issue of CCI and to articulate which particular social issues should be of significance to them and addressed by the organisation. Respondents developed understanding and opinions of the significance of social issues through regular interaction with individuals outside the organisation (such as academics and non-profit representatives). Two respondents adjusted their perception of social justice and the role of organisations in addressing social justice through brokering roles of previous work experience in non-profit organisations.

5.1.3.4 Personal gratification

Four of the respondents felt a sense of gratification or pleasure from engaging in CCI. The activity of engaging in CCI specifically created positive emotions associated with the activity.

For one of these respondents this was articulated as a ‘buzz’ or a bundle of anticipated positive affect. In this case the respondent actively sought multiple CCI activities and social causes as he anticipated the positive associated emotions:

*“And I get personal satisfaction out of it. I don’t give a f*** what everyone else thinks; couldn’t care less; absolutely, it’s about how I feel... I get a personal buzz out of doing something good for the community.” (1D)*

Three of these respondents felt gratified in their perception that they were able to impact the wider environment. All three of these participants demonstrated a value in impacting the external environment, reflecting an internal locus of control. These three respondents attributed the outcomes of the CCI activities to themselves and appeared to attain a sense of satisfaction through utilising CCI to impact others, both external and internal to the organisation:

"You know, if I felt like I could make a difference and be reasonably impactful and I could sit inside an organisation where I had enough influence to be able to continually challenge ourselves to raise the bar, so that we're changing ourselves rather than waiting for circumstance to kind of dictate that." (1C)

"It's a good way of getting people to understand what it's like for others, particularly if they don't have that opportunity, because they do live in a particular kind of lifestyle.. You can actually influence other people's ability to see what they otherwise wouldn't have seen."(1B)

Other respondents experienced positive emotion through the social interaction with others outside the organisation. Representative of most of the respondents in the sample group, one respondent noted:

"I enjoy knowing (people). I'm a people's person. I talk to everybody". (1D)

Conversely, some respondents also experienced negative emotions through their engagement in CCI. This was centred on feelings of anger directed towards the existence of the social issues or was directly internalised as frustration at the limit of impact by respondent:

"I guess the hardest thing for me is that in a lot of cases, you get inundated with requests and for instance, this morning, I had the woman from one of the X [name of charity] ring up and she was saying what can you do to help? It would be so easy to be able to say yeah, you know, we can give you money and we can give time and we can give whatever but the reality is that you do have a limited budget and you have to make it work. So, at times it's hard having to say no."(1B)

"Anger at being impotent. When you think about poverty and you think about the way we live, it's anger at being impotent. It's not right; it's not fair...I think it's good, healthy anger; you should feel angry that people are dying". (1A)

5.1.4 The role of cold mental processing and its relationship with hot mental processing.

Cold mental processing played a significant role in influencing whether and how personal frame of reference impacted on decision making and CCI outcomes. Cold mental processing impacted in the following ways:

1. Mitigated directly the potential impact of the respondents frame of reference and hot mental processing;

2. Post-rationalised decisions made according to hot mental processing, including intuition, values and emotions.

Four of the respondents perceived the display of emotion, values and personal ideology as inappropriate or not effective in their organisations. Consequently, despite being aware of using emotion and hot mental processing in decision making, five of the six respondents indicated that they actively mitigated the use of emotions in decision making and post-rationalised decisions made according to hot mental processing.

Two of the participants were aware of the effect of their personal structure of consciousness on the selection of a charity yet actively sought to minimise its influence. At times in the discussion, minimising the impact of hot mental processing was framed as a self-sacrifice. For example, although it would be personally gratifying to support a cause, doing so was deemed less effective or inappropriate:

"I remember when we first interviewed him I was holding myself back from crying.... And at the end I felt so proud of what he had been through I actually wanted to get up and hug him, which was not appropriate and I didn't do that". (1E)

There was one guy...and he had the most beautiful application and this beautiful letter and of course I've got my own emotional, my own bias and my own view of the world and I was, like, I would love to help this guy...My biggest passion is probably stuff that's third world issues ... So when stuff comes in from the third world, especially Asia, that breaks my heart [to not be able to address these issues]." (1E)

These respondents' perceptions of the appropriateness and effectiveness of cognition led them to create and endorse the use of formal selection policies which further entrenched the use of cold mental processing.

Two respondents demonstrated post-rationalising decisions made initially through hot mental processing. In the first case this resulted in a cognitive rationalisation that was closely aligned to the hot mental processing and personal frame of reference. This post-rationalisation was based on the importance of developing community connection in a decentralised and regionalised organisation. Yet this strategic thinking was developed

though a 'gut instinct' based on the personal values and empathy the respondent had for a dying community culture in New Zealand:

"The one thing that people are going to want, are those interpersonal connections 'cause they make them feel safe. So they're going to want their communities back again and their relationships with people and realness, authentic and values that are good, to stand for something... So what's going to actually define us long-term? And the one thing that I have always been, really, and I grew up in provincial New Zealand and I worked in markets like Alexandra and Invercargill, etcetera, and Hawkes Bay, so I've worked in a lot of markets around the country and I have seen what an important role [our product] has to play in terms of ...just the sense of ownership that those communities sort of have. And I've also sat and seen in NZ, every head office abandoning little places like Alexandra."

The other respondent actively sought to disguise the influence of the personal frame of reference from others in the organisation. This respondent actively bracketed the reference to their personal frame of reference and positioned the phenomenon according to a rational logic and conceded that they would have been able to rationalise the adoption of any particular cause and most probably 'sell it in' to the organisation. This motivated reasoning was framed as 'selling it in' to the board, 'enrolling' the organisation, presenting a 'model of value' to the board and 'managing upwards':

"If you want to influence a business to do anything, you have to put up a business case that is business-like and robust...It had to be split. It's not accepted in corporate life to bring a personal passion so readily to a table and nor should it be. There has to be a business case for a business to do something, separate from your own personal desires...So I did keep it separate, it was schizophrenic. There was a business rationale, a physical difference...all over the world, women and children, business case, lots of PR, lots of reputational brownie points, customers will love you,. And then the personal conviction". (1A)

"What I find far more effective towards change, is to be somebody that a business sees as useful and to go in and influence from within. So, I package up...you learn what's going to be effective in getting something done or not. And for me to sit in a Boardroom, like I'm with you now and saying, 'God, I really feel something about this,' is the most ineffective things I could do. And it would trash it and throw it out of the room; so you learn what's effective to make things happen". (1A)

Similarly a third participant indicated that she, too, used rational and cognitive processing when building a case for a particular charity. However, in articulating this case, she did not conceal the reference to her personal frame of reference. In this case the respondent indicated that she did not feel the need to hide or eschew her personal structure of consciousness, as her personal preference, ideology and values were accepted in the organisation. This respondent indicated that utilising hot mental processing and intuition (or gut instinct) was acceptable for these decisions in her company. This respondent indicated that her personal frame of reference was embraced by the organisation as a wealth of knowledge and as a person reflecting the values that the corporate identity should reflect:

“I think part of the mandate of being a corporate responsibility person in-house, is that people realise or recognise that if you’ve gone into the space, it’s because you have personal, you know, interest and values that have driven you to work in that sector.” (1B)

In the last case, this respondent did not use any structured cognition or rational processing and based the decision entirely on emotions.

These findings represent a complex division between the actual and apparent use of rationality and emotion. What became clear throughout the research was the internal dialogue that respondents selected to actively allow, mitigate, hide or post-rationalise the use of hot mental processing when adopting CCI or a particular cause.

5.1.4.1 The rational case and potential outcomes of CCI

When rationalizing the business case for adopting a particular charity or the broad activity of CCI, respondents referred to both the benefits for the business and the ability of the particular program or charity partnership to impact on social issues. Only two of the respondents specifically articulated engaging in CCI according to business or strategic benefits. It should be noted that these respondents were championing the instigation of CCI in their organisation. These benefits included the ability to differentiate the brand and corporate identity from competitors, to develop an appealing and positive brand with consumers, communicate a corporate brand to employees, creating a one-on-one relationship with members of the community, and public relations:

“So I tied it to the brand; I tied it to being different to the competition.” (1A)
“It (speaks) about the kind of culture and the heart and the soul of the company.... how do we demonstrate to our staff and to the people out there, that we actually care and how do we sort of put back, in the way that doesn’t fit your traditional business model but, trust me, if we get this right, it will feed into that and there’ll be some delightful returns.” (1C)

These respondents did recognise that there was very little evidence of these potential outcomes and no formal evaluation system was established to verify whether the adoption of CCI achieved such outcomes. When questioned, one respondent indicated that it took five to six years to see a return on a wide scale CCI strategy:

“I didn’t have the research, the knowledge, but it was a strong instinct that we would actually be perceived differently by the people we did business with and our customers, if we gave back”. (1A)

These respondents indicated they had faith in the strategy to deliver, based on previous experience and an underlying belief in reciprocity. The ideology of what is given will be returned underlay the rational business models presented by the respondents. One of these respondents based this logic on the principles underlying Catholicism and her long-held perception that giving back encourages others in society to view you differently. The other respondent based the logic underlying the business principles on her understanding of community and community relations, gained through life experience of living in rural New Zealand communities.

Three respondents communicated a genuine concern for developing society as the key motivator. Consequently the specific decision relating to CCI (which all concerned which social issues to address or charities to partner with) was evaluated according to the potential impact on the community:

“There’s a public perception that it’s all about trying to impress your brand and, you know, that it’s about saying that you’re doing this just so it makes you sound better but the reality is that the message is constantly plugged and constantly sold around – no, we actually want to be a sustainable organisation. There is no point in having short-term gains and returns to our shareholders but not being here in 10 years time as an organisation. So, in order to be here, we have to: a) maintain a social licence to operate and we have to: b) make sure that we’re putting in place programmes that are going to mean that our customers are there, that our staff are there, that ...there’s a world for our

children to exist...And there's a real awareness that if we don't as a corporate get involved in helping build that capability, be it through community money to stop things happening like escalating domestic violence and programmes to assist leadership, to get students who are from disadvantaged communities scholarships, to raise financial literacy, ... what are we creating as a society." (1B)

"The primary driver for why we exist is to do the right things in the community. A secondary driver of the X foundation of course, is reputational payback for the business and it falls into that strategy of being a responsible corporation."(1E)

The potential impact was evaluated according to the weight and urgency of the social issue in New Zealand and characteristics of the potential non-profit partner (their legitimacy, measurable outcomes):

"Our selection criteria for organisations is wholly around their credibility, their ability to make a measurable difference, are they thinking evaluatively, through an evaluative lens, has really well planned measurable outcomes, ensuring what they do is in line with best practice, etcetera. We do not have criteria around... is this going to be great publicity for X (the business)?" (1E)

Whilst the other three respondents made mention of the business benefits these were seen as secondary benefits, and not the core CCI goal. However, in these three organisations the CSR department maintained a relationship with the sponsorship department, and in one case the core CCI strategy was born from a business relationship with a Public Relations firm.

The titles of the individuals appeared to be associated with the rational case made within the CCI decisions. The business case was predominately discussed by the respondents positioned within central administration, whereas the opportunity for social impact was discussed frequently by those positioned with the CSR or CCI department.

Finally, the last respondent varied considerably away from this view in his belief that there are no potential business outcomes from CCI. This respondent stated that there were no potential or actual outcomes that could be rationally seen to be born from a CCI strategy:

Interviewer; *"Did you think you would receive benefits from giving back?"*

Respondent; *"No, and I didn't think that; I knew that. I knew it... No, it wouldn't have made me more money, no. If I thought it would have made any more money, I would have done that, no question; I would have done that. But*

*look, at the end of the day, people don't give a s*** if you give money to charity.” (1D)*

5.2 Summary of stage one findings

This stage of data analysis recognised that CCI is a particularly emotive area with a significant presence of hot mental processing. There was the strong presence of values, well-defined ideologies, emotions, preferences and opinions regarding social issues which constructed the respondents' structure of consciousness around the phenomenon CCI.

However, the existence of hot mental processing and the personal frame of reference did not impact consistently on the visible behaviour of individuals or on the organisation's corporate community involvement. This stage of the study discovered that the role of cognition was to frame hot mental processing in a suitable manner, and either post- rationalise hot mental processing or limit its impact on decision making.

Some contextual factors were found to influence whether a respondent's personal frame of reference would influence CCI decision making. These factors included the role of process within the organisation, the stage of CCI within the organisation (adoption of the phenomenon or the existence of a department), the role of discretion, power and the title of the respondent and the respondent's interpretation of what is acceptable in terms of hot mental processing within their organisation.

However, given that the purpose of this stage of investigation was not to investigate the contextual factors influencing a frame of reference but, rather, to explore the frame of reference or structure of consciousness as an object within itself, these contextual factors were not explored in depth. Phenomenology investigates “human phenomena without considering questions of their causes” (Wilson, 2002, p. 1) and thus throughout the research process the causes of the frame of reference and their impact on the resulting behaviour were not the focus of the study.

Given the narrowness of the research methodology, there remain facets and antecedents of the phenomenon left not investigated and further questions unanswered. This stage of the research was unable to address questions such as:

- How do the CCI champions know when it is appropriate to demonstrate hot mental processing?
- What do respondents believe are the consequences of reflecting on the use of hot mental processing?
- What are the antecedents or causes which lead individuals to actively mitigate or demonstrate hot mental processing?
- How does a firm actively limit or encourage hot mental processing in this phenomenon?

It was partially due to these questions left unanswered in the first stage that led to the extension of this research and the incorporation of Stage Two. Through recognising the limitations of the phenomenological research approach a different research approach was adopted for the second stage of this study to further investigate these facets of the phenomenon. The findings of the second stage of the research are discussed below.

5.3 Stage two

This part of the study was designed to investigate the antecedents and variables associated with personal frame of reference and the extent to which this might impact on CCI decision making outcomes. Stage Two of this study utilised a grounded research method to create a theory grounded in the data gleaned from interviews with ten respondents. This section outlines the theory built from an iterative process of comparing incoming data against the emergent theory.

This section outlines the core findings of this investigation. Only the emergent theory is presented in the body of this thesis. The open and category coding can be found in appendix 9.7, 9.8 and 9.9.

The respondents in this stage of the study engaged in mostly philanthropic donations and gifts in kind. The respondents spoke of their experience of selecting a specific social cause or non-profit organisation, rather than the adoption of a CCI strategy.

5.4 Emergent theory: Variables influencing CCI decision making and the impact of personal frame of reference

Akin to Stage One the Stage Two sample demonstrated a variation in how the personal preference or personal frame of reference impacted on CCI outcomes.

Stage Two and a larger sample of 10 respondents offered theoretical refinement of the ways that the personal frame of reference impacted on CCI decision making and outcomes.

The personal frame of reference and hot processing (again including values, identity, social ideologies, and emotions) either influenced CCI decision making or the participant actively or consciously mitigated the impact of the personal frame of reference. As illustrated in figure 5.2, when the hot mental processing or personal frame of reference impacted on CCI decisions respondents either expressed the decision as rational or used cognition and rationality (the cold mental processing) to evaluate the initial decision made according to hot mental processing.

In seven cases the personal frame of reference impacted on CCI decision outcomes. Six of these respondents demonstrated post rationalising to evaluate the decision or alter how the approach to CCI was framed to others in the organisation. Similar to Stage One there was one respondent who made decisions based entirely on their personal frame of reference, without any reference to cold mental processing. Like the respondent in Stage One, this respondent made decisions based entirely on 'gut instinct'.

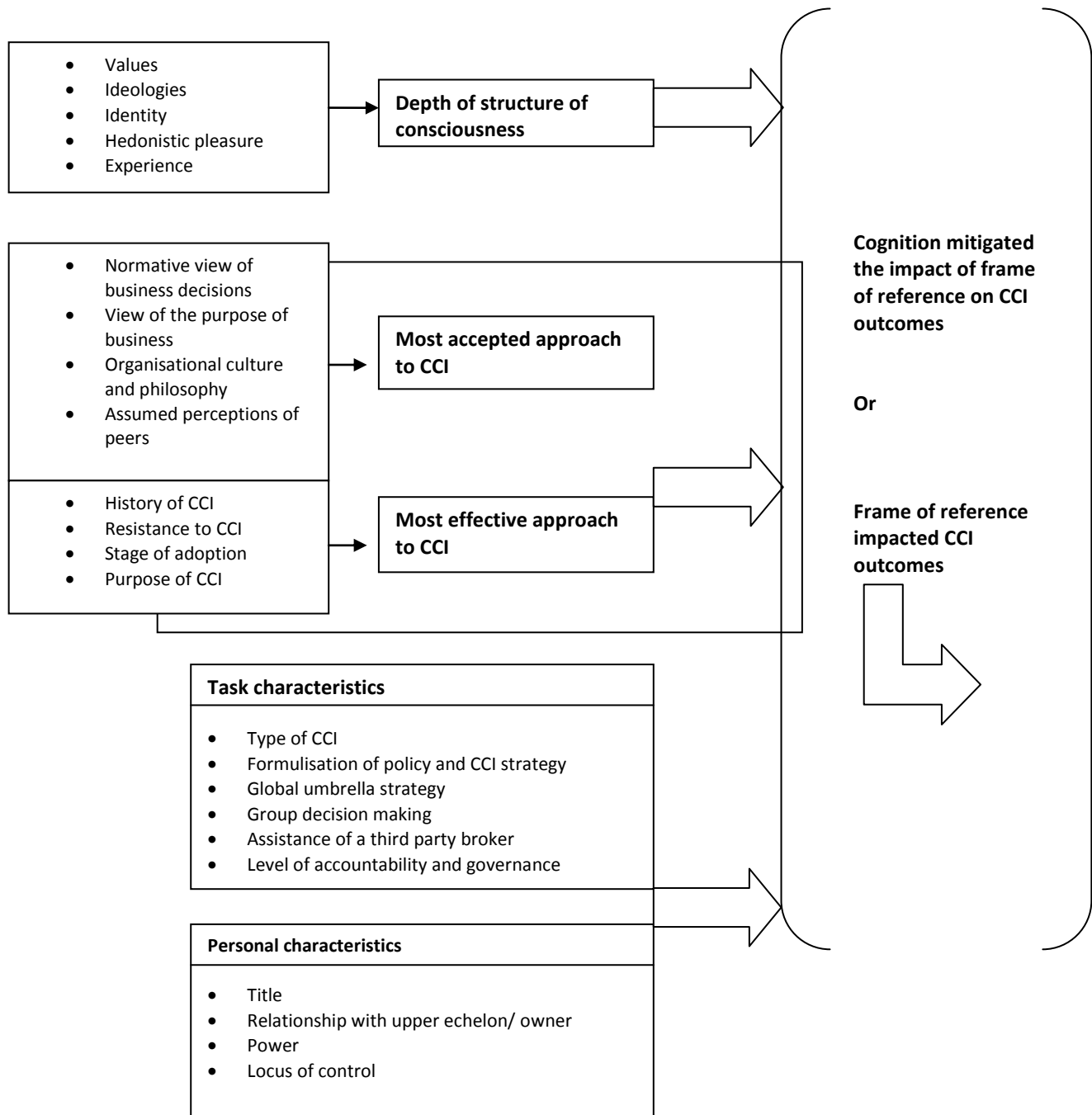
Three of the respondents mitigated the impact of their personal frame of reference through utilising rationality.

Further, there was evidence that whether one's personal frame of reference influenced CCI outcomes or not, was not consistent across a participant's entire experience of CCI. That is, the participants varied in whether or not they exercised their personal preferences, depending on contextual variables. Notably, one respondent spoke of his experience of CCI across three organisations and demonstrated a different use of hot mental processing across the different organisational contexts.

This stage of analysis investigated the variables that influenced whether respondents exercised their personal preference in CCI decision making and whether this impacted on CCI outcomes.

Three core categories were developed to capture the variables: the depth and extensiveness of the respondent's personal frame of reference, the internal dialogue establishing what was appropriate and effective in the organisational setting, and organisational, task and personal variables impacting on the capacity to influence CCI outcomes. Figure 5.2 shows the theory developed through to this stage of investigation.

Figure 5-2 Emergent theory: Variables impacting the influence of personal frame of reference on CCI decision making



5.4.1 Depth of frame of reference

Akin to the findings of Stage One of this study, the respondents showed similar essences constructing their personal frame of reference or structure of consciousness of the phenomenon. Again, respondents referred to identity, social drivers, personal gratification, ideologies and values when discussing CCI.

A key difference in the second sample, however, was the variation in the depth of the frame of reference or structure of consciousness. Respondents were shown to have a deeper frame of reference when they referred frequently to personal values, ideologies, emotions and identity, despite being unprompted by the interviewer. Further, respondents were forthcoming and transparent when questioned about the meaning CCI held for them in their personal lives.

This was considerably different to Stage One. All in the Stage One sample had expansive and interwoven associations, where CCI was strongly aligned to their sense of personal identity, often expressed as being critical to the respondents' sense of self. In Stage Two, however, respondents varied with regard to the meaning of CCI in their personal lives. In some cases CCI was closely aligned to personal meaning, identity, values and social ideologies. At the other end of the spectrum a respondent indicated that CCI served little purpose in his wider sense of personal meaning (outside of the organisation) and he engaged the organisation in the community simply because he believed there was an external expectation for the company to do so.

The sampling method in Stage One targeted organisations that demonstrated best practice in CCI. Consequently, it may be inferred that the representatives of these organisations may be more emotive and committed to generating social change. Stage Two, however, held a wider sampling criterion where a respondent was selected if the organisation had any form of CCI, best practice or not.

The depth or extensiveness of the respondent's frame of reference influenced how likely the respondent was to exercise this within organisational CCI decision making. In the cases where CCI and community engagement held less personal significance, these

respondents were less inclined to exert personal preference in organisational decision making. Conversely, in the cases where the respondents had strong personal preferences regarding social needs, these respondents were more inclined to attempt to exercise personal preference. However, the ability to express the structure of consciousness or exert influence on CCI decision making and outcomes was mitigated by various factors, as discussed below.

5.4.2 Internal dialogue

All respondents indicated a conscious internal dialogue mitigating or encouraging the impact of their own frame of reference on expressed behaviour or CCI decision making.

5.4.2.1 Evaluation of acceptance of hot mental processing in the organisational context

Respondents consciously evaluated the acceptability of referring to their personal frame of reference or utilising hot mental processing in business decisions.

Five respondents made reference to a normative view of appropriate business decisions. This discussion centred on what was appropriate in decision making across all business contexts. While some respondents argued fervently that emotions and values were not acceptable, others contended that hot decision making was acceptable in corporate decision making. For example, the respondent below held that one's personal frame of reference will influence behaviour:

"You don't walk out in the morning and say "I'm going to switch off now; I'm going to put on my 'Mr Profit' hat and off I go to work and I am going to focus, and I don't have any thought and feelings and emotions about what's going on in home and when I come home switch off again". It doesn't work like that...Of course it's interrelated, everything is interrelated... "I can't subscribe that you don't take your personal views into business. That means you are a human being without feelings and emotion. It's an impossibility." (2B)

Conversely, there were three cases where respondents stated that hot decision making was not appropriate in the business context. This position was mostly held by

respondents who held management positions in organisations with separate control and ownership. Frequently these respondents held strong attitudes regarding the appropriateness of using hot mental processing in organisational decisions. Within the CCI phenomenon this was often communicated as distaste for the 'chairmen's choice' or 'chairmen's pet project':

"Some of the law firms, you know, they give to the arts and all that sort of thing and you sort of go...that's really the Director's choice. You know, the Director's golden pen...my wife's into arts and wants to be seen in society to be, you know, on the front page of NBR giving this blah, blah, blah.' Well, whoop-de-doo."

"Because it's not appropriate to impose my viewpoints of those issues on other people." (2B)

Frequently the respondents discussed the role of business in society to establish whether hot mental processing was appropriate in a business setting. This was particularly salient for the owner-managers, operating in joint ownership and control. All five of the owner-managers had a more expansive view of the role of business than respondents located within organisations with separate ownership and control. For four of the five business owners interviewed, the role of business included both financial and social outcomes:

"One of them is to make a profit for its shareholders. It's not the only thing. It's also about adding value to society."(2B)

For owner-managers, the business provided an opportunity to achieve their own personal goals related to social outcomes. Reflective of literature, business owner-managers indicated that the firm was an extension of themselves and their personal goals. In these cases, the owner-managers could be viewed as social entrepreneurs where the meaning of business was both generating social impact and achieving profit or financial stability. The respondents who spoke of the social role of business demonstrated a greater acceptance of hot mental processing in organisational decision making. The reference to a sense of meaning and normative values in the definition of the business operation was associated with a greater acceptance of hot mental processing or values in CCI decision making.

“Do you want to fit inside society? Shouldn’t that be a part of your [corporate] purpose? I mean in my personal purpose to provide people with a better opportunity for life, I do want to help people – I mean my whole premise”. (2B)

“We bought [company names] because we were looking for a business that would be something that would give back to the environment or to the community, to the Earth... That was one of our key principles of why we actually even bought the business.”

Further, a respondent in a separate ownership and control context also made reference to the purpose of business being to support her perspective that hot mental processing was suitable in the workplace.

For organisations with separate ownership and control, two of the five respondents made reference to organisational culture and organisational vision to establish whether it was appropriate to utilise hot mental processing in CCI decision making. When the organisational culture was value driven or the organisation fostered a value driven philosophy or organisational vision, the respondents were more accepting of hot decision making. For example, the personal frame of reference of the respondent below impacted on CCI outcomes:

“I guess what that’s driven is a culture where everyone is more constructive and those constructive things are around achievement, about affiliation; so there is validity in caring for people, humanistic encouraging, so how do we actually work together to help each other?” (2A)

Further, one respondent also evaluated the level of assumed acceptance by their peers in the organisational context. As this respondent assumed that her peers accepted the use of hot mental processing in the organisation she was willing to use this approach in CCI decision making:

“Who I am at work reflects who I am at home, I think because I’m in the right kind of work environment, that lets me be who I want to be. Because I think if I was working for my old position where I had to tick all the boxes and make sure everything was, I would feel very schizophrenic because inside me I’d be going yes, yes, yes, yes and I’d have to go ‘no, I have to see if it’s commercially viable’ whereas I’m lucky that my work environment go ‘yeah, if you think it’s a good decision we’ll support you 110 percent’.”

In saying this, however, in one case the organisational culture was incongruent with the participant's personal normative view of what was deemed appropriate decision making in the organisation. In this case, despite operating in an organisation driven by values, the respondent still felt affective or hot decision making was neither appropriate in this, nor other, organisational settings.

Overall, when the respondents deemed hot mental processing or affective decision making appropriate they were more willing to allow the personal frame of reference to impact on CCI decision making and outcomes. However, in three cases the acceptance of hot mental processing was then mitigated either by an evaluation of the most effective way to make CCI decisions or by other organisation variables.

5.4.2.2 Evaluation of effectiveness of cognitive decision making in the organisational context

The evaluation of the most effective method was influenced by the perceived need for rationality or strategic thinking. The perceived need was influenced by the history of CCI within the organisation, the stage of adoption of CCI within the organisation, and the level of resistance to the CCI strategy and the purpose of CCI.

When the organisation had a history of CCI and the strategy had been in place prior to the respondent's job tenure, there was evidence of a lesser need to sell, pitch or justify the existence of CCI. Consequently respondents reflected a lesser need to make decisions rationally or frame decisions as rational. In saying this, the need for rationality was mitigated by the rejection or acceptance of hot mental processing. In one case where the need for cognitive and rational thinking was low, the respondent still rejected hot mental processing based on the personal attitude that this should not be accepted in commerce.

Conversely, when respondents experienced resistance, they reflected considerable internal dialogue on the most effective ways to 'sell' CCI into the organisation. This resistance was either directly targeted at the respondent due to the resistance to organisational change or alternatively due to external situational factors (such as limited slack resources due to restructuring or poor financial performance). This

resulted in either actively mitigating the potential impact of their personal frame of reference on CCI decision making or altering how the decision making process was expressed within the social setting of the organisation. For example, the respondent below experienced considerable internal resistance and consequently actively mitigated the impact of her personal frame of reference:

“The literacy thing was actually about the company and it is absolutely a calculated...that I needed to push through for the sake of the company that needed collaboration. So I could have, in this role, said no, you will be doing this but it would never have worked...You have to really think not from a personal view but actually what is best for the brand, for the company because that’s a much, much easier sell.”(2E)

When altering the way the decision was expressed within the organisation respondents frequently referred to the business case for CCI. When the respondent was challenged by others in the organisation there was evidence that the respondents diverted to rational, strategic and cold mental processing to support the decision.

Further, in two cases characterised by limited slack resources, the respondents demonstrated greater internal dialogue on what was the most effective decision making method. Both respondents demonstrated that the personal frame of reference had high impact on CCI decisions; however this was consciously mitigated or post-rationalised when the resources to commit to CCI were limited (due to environmental conditions):

“Some of that, to be honest, will desist or get limited, I guess, depending on how the recession goes, only because obviously if I’m not making that much money...some of those things will probably get curbed in the next year...I think I will probably get a bit more rational, a bit more consolidated this year.” (2G)

“So I’d sponsor everything; left, right and centre ... but you know, you would have to kind of tighten the reins at different times [of the business cycle]. ” (2F)

The internal dialogue regarding effective decision making also often took into consideration the intended outcomes of CCI.

In two cases this related to the potential expected benefits to the business. In these two cases this was associated with actively mitigating the impact of the personal frame of reference and referring to rationality and cognition to make CCI decisions.

Mostly, however, respondents referred to how to generate the greatest social change with CCI spending. In these cases respondents articulated the need to think rationally to be 'fair' to the non-profit organisations partnering with the corporate or applying for philanthropic donations:

"If you don't have a rational systematic approach, you will dart all over the place like a piece of paper floating around in the breeze; whichever way the wind goes, you go. If you don't have some form of rational approach you're going to help a few but you're never going to be really consistent in what you're doing for the charities." (2D)

"But I want it to be really clear because we get a lot of requests and I respond to them but I want it so that they're actually upfront; seeing where it aligns to those questions so they answer it rather than us seeking that from them. And also, just to not waste their time to be sending things through." (2A)

In some cases, however, the internal dialogue was not centred on the most effective way to make CCI decisions but, rather, the most effective way to communicate CCI decisions within the organisation. For the two respondents who discussed the most effective way to communicate CCI within the organisation this was centred around the need to establish internal 'buy-in' to the CCI strategy:

"The key one that I did that with was the indigenous initiative... but you're having to get senior leader buy-in to things...this indigenous initiative, rather than just go out there and promote it, I did a lot of seeding. Seeding the idea – so rather than just dump that on people, it's out selling the idea to the leaders around why it was the right thing to be doing." (2A)

"I'm dealing with the presidential. But everybody has got a boss... So I'm dealing with "god", so to speak...But I'm between god and you got to know how to broker that...life is an enrolment game; you have enrol people to follow you... As a leader it's important that you communicate about your product in such a way that they see value in it for themselves. So they willingly commit their time, energy, resources." (2B)

Establishing buy-in did not always consistently imply a reference to cold mental processing. As reflected in the quote below, on occasion this evaluation included openly referring to hot mental processing:

“But then there’s some, like our Sales Manager, that just wants to know why the hell I’m giving out \$20,000’s worth of, and I’ve got to sit down to him and go 200,000 people will get an e-mail with our logo on it, because 10,000 people will be at this event, because la-la-la-la-la and for others that’s when I sit down and actually talk to them. ‘And because my mother died of breast cancer, so shut up’ you know, but without...you take different approaches with different people.”

A respondent also evaluated how effective their personal frame of reference was in decision making. For example, in one case the respondent argued for the effectiveness of making decisions according to her personal preference because of her personal frame of reference being similar to the company’s customer base:

“Yeah, I definitely, I probably am more so your typical [company customer] as well. I fit the perfect demographic. We’re finding it is your 30-something year old mum, who’s the household shopper, so sure, there’d be certain causes that I go ‘sweet, we’ll support it’ but I also think, sweet, I talk to the masses, I’m your demographic.” (2F)

5.4.3 Capacity to influence CCI decisions

While all respondents demonstrated internal dialogue of what was an appropriate approach or the most effective approach to CCI decision making, the capacity to influence decision making varied across the participants. The capacity to influence CCI decision making or allow their personal frame of reference to influence CCI outcomes was mitigated or progressed by task, organisational and personal characteristics.

Consistent with the literature on discretion, the respondents articulated a variety of options available to them. The range of options, including pursuing personal interests using corporate resources, was influenced by numerous variables.

5.4.3.1 Task characteristics

5.4.3.1.1 Type of CCI

The level of investment substantially impacted the level of cognition or hot processing used by the participant. In particular, when the CCI activity was a gift in kind the level of hot mental processing increased. Respondents articulated a lesser need to justify the approach to CCI, when the form of CCI was gift in kind. Decision making centred around gift in kind was associated with lower levels of cognitive processing and decision making based on hot mental processing and personal preference:

“Well, we always use our global strategy [to guide decision making]...other than the two that are focused on women, ...and that’s because we have product here that may be, say, close to expiry or left over from a product range, you know, end-of-line stuff; so rather than throw it in the rubbish bin, we may as well put it in the community.” (2D)

Conversely, when the decision surrounding CCI was characterised by a significant investment, respondents articulated a greater need for accountability and demonstrated more strategic and rational thinking:

“If it’s a small amount, I’ll just say “yes”...If it’s a bigger commitment then I’d probably check it by a couple of people just to say we’re thinking of doing this and make sure I’ve got a broader agreement to be sure and would explain why”. (2A)

The type of CCI was also associated with other task variables. Frequently when the value of CCI investment was low, this decision was characterised by sole decision making. Conversely, when the decision to commit considerable resources to a particular non-profit organisation was high, this was characterised by group decision making or consulting a broker.

5.4.3.1.2 Formulation of policy and existence of strategy

As noted in stage one of this study, extensive and formalised CCI policies substantially mitigated the use of hot mental processing. When decision making was aided by checklists, guidelines and weighted criteria the respondent expressed little capacity to express hot mental processing or make decisions according to their personal preference. No respondents in this sample had extensive policies which were formalised, written and shared with others in the organisation. Rather, some respondents had informal policies, or used broad guidelines or ‘mental checklists’

which they followed when making CCI decisions. The reference to mental checklists was associated with having an over-arching strategy for CCI (such as social impact goals and direction). Four respondents articulated a broad directional strategy for their CCI activities.

For example the respondent quoted below allowed a personal frame of reference to impact on CCI decision making. The lack of formalised process allowed the respondent to make quick intuitive decisions based on her personal frame of reference, which was then post-rationalised:

"I think the other thing would be that, like, in big businesses a lot of it's very structured so that they do have those things and they've already got those things in place whereas I tend to, I must admit, fly by the seat of my pants a little bit."(2G)

5.4.3.1.3 Global umbrella strategy

Similarly, the level of cognition and cold mental processing was more developed when regional New Zealand offices were guided by a global umbrella strategy. In the two cases where global strategies were in existence these higher level strategies were associated with embracing the goal of generating substantial social change and stemmed from a value-driven culture within a family-owned business. Interestingly, in the two cases where global policies existed the respondents' reaction to the stricter guiding strategy varied considerably. For one participant this substantially increased the level of cold mental processing and motivated the respondent to actively mitigate the impact of the personal frame of reference:

"We always use our global framework, so globally [name of charity strategy] has a focus sort of framework...look at this, look at this, focus on this, use that; and that's what we use to distinguish whether a charity fits the criteria."

The other respondent, however, exercised very high levels of hot mental processing, allowing his personal preference to guide the CCI decision making process and resulting CCI portfolio. This occurred within the context of having high levels of discretion (as discussed below) and facing little resistance or need to justify the CCI decision making process. These two respondents also varied in their attitude towards appropriate decision making in organisations.

5.4.3.1.4 Group decision making

The greater the number of individuals involved in the CCI decision making process the lesser individuals' discretion in exerting personal preference. When the decision was reviewed by others in the organisation (such as the executive team or accounting department), the respondents articulated a greater need to rationalise their decisions and be accountable. Rational thinking was referenced as a part of simplifying the group decision making process:

"There was a lot of personal stuff that then came into it; you know, getting around the table with that exec team here. Some people wanted us to support the flying ambulances, some people wanted us to support Child Cancer, you know, it was all over the place. So actually, to bring it back for [company name] it needed to be about the brand and what we stood for in the communities, which is why we chose literacy rather than that kind of personal thing".(2E)

"So yeah, you've got to have a rational angle otherwise you'll get emotionally pushed around by someone in your Management team who is very strong, very passionate about X,Y,Z."(2D)

In four cases where the respondent was the sole proprietor and manager, there was evidence that the respondent was the sole decision maker. Consequently these individuals exercised a greater discretion in allowing their personal frame of reference and personal preference to influence the CCI outcomes.

5.4.3.1.5 Assistance of a third party broker

In two cases the respondent indicated that the organisation enlisted the assistance of a broker to develop CCI strategies and locate appropriate non-profit partnering organisations. In both cases, the use of the broker substantially mitigated the respondent's ability to make decisions according to their personal frame of reference.

5.4.3.1.6 Level of accountability and governance

The level of accountability and need to justify the selection of a particular cause was associated with the ownership characteristics. In cases where the respondent was an owner-manager or a manager located in a privately owned firm the respondent indicated a lesser need to defend their decision making, and consequently engaged in less cold mental processing. Owner-managers who articulated a lesser need to justify the investment in CCI to others within the organisation (as they are the residual

claimant) and who showed a greater acceptance for hot mental processing, allowed personal frame of reference to impact on CCI outcomes:

"I can understand we're a little bit easier, because we're that, in that privately owned company. So we don't have to stand up at an annual general meeting and say we did this because of X. So we didn't have to go through a process but I can certainly understand that if you were then you've got a lot more visibility and transparency that you need to show so you probably have to go through a process like that." (2C)

"Say I did give it from [company name]). I am allowed by my choice to make a contribution to give back to society...In the case of [company name] which I own 100 percent."(2B)

5.4.3.2 Personal characteristics

The respondents varied in personal characteristics which altered the perceived level of discretion.

In particular, the title of the individuals, the job role and other role responsibilities (beyond CCI) impacted on the perceived options available to the participants. Akin to the findings of Stage One, the two respondents who held centrally located positions, perceived themselves to have greater discretion and articulated that they could, if they chose, exert hot mental processing to allow their personal frame of reference to impact on CCI outcomes. As noted above, however, one respondent felt that exerting such discretion was inappropriate or less effective in the organisational context. Further, three of the five respondents noted that CCI activities were of secondary importance to other operational duties. Both of these respondents located in marketing positions mitigated the impact of their personal frame of reference.

Power was also found to relate to the capacity to influence CCI outcomes. The respondents who regarded themselves as respected in the organisation or as high performers articulated that they could, if chosen, select a cause based on personal preference. Again, however, the propensity to select causes based on personal preference was mitigated by internal dialogue and task characteristics.

Similarly, as suggested in theory, the closer the respondent to the upper echelon the higher the perceived discretion. Frequently this was not observable by title alone, but rather four respondents indicated that they held informal, personal relationships with the upper echelon which gave them greater discretion:

"I think that's another thing that's conducive to the type of organisation we are 'cause we've got a bar on-site and that really helps. So it does mean that you'll have a drink and be a bit more sociable...Yeah, it is, rather than it being formal."

Some respondents also demonstrated a more central locus of control than others. For example five respondents were assertive in believing they had the personal capacity to implement change. Conversely, other respondents were less confident that CCI outcomes were within their domain of influence.

6 Discussion

6.1 Theoretical review of findings and implication for theory

The model, depicted below, was developed throughout the literature review process and reflects theory relevant to the research area. As outlined in Chapter Four, an iterative comparative process was undertaken between primary data analysis in Stage Two of this study and collection and analysis of secondary extant literature. As advocated in the grounded theory approach, this method enabled the researcher to develop a greater understanding of the phenomenon and become theoretically sensitive to the phenomenon (Moghaddam, 2006; Strauss & Corbin, 1990). As possible explanations and interpretations were explored through data collection and analysis, theory was utilised as a basis for uncovering a deeper understanding of the phenomenon. This resulted in the development of the theoretical model below. This model, as developed throughout Chapter Two, is depicted below with the inclusion of amendments made to the model from the iterative process. These amendments include the removal of propositions highlighted in the literature but not supported by the study, and the incorporation of new findings from this study (that were not raised in the literature review chapter).

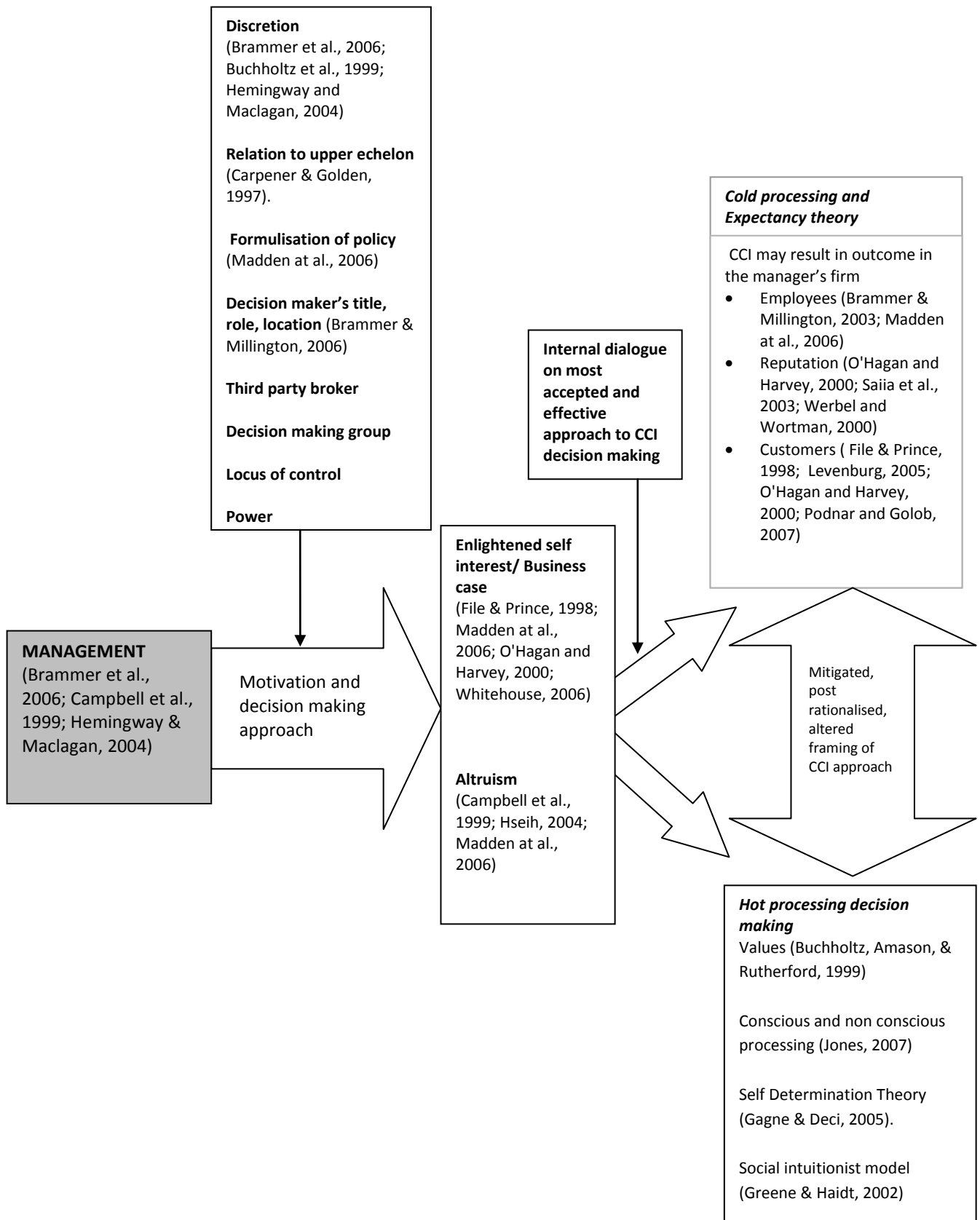


Figure 6-1 Model developed throughout the literature review chapter and amended to reflect findings

6.1.1 CCI: expectancy model and Freidman's position

This study found a variation in how the personal frame of reference impacted on behaviour and CCI decision making. Placed on a continuum from high to low, participants varied from making decisions based entirely on personal preference, to having little or no influence on decisions. However, 15 of the 16 participants recognised that they could, if desired, select causes based on personal preference or personal frame of reference.

This finding provides evidence that the person managing CCI is significant in terms of why to whom CCI is directed. This study offers further support for Brammer et al. (2006), Hemingway and Maclagan (2004), Whitehouse (2006), O'Hagan and Harvey, (2000). Hemingway (2005), Jones (2007) and Waldman and Siegel, (2008) who contended that managers or manager-owners are a key variable in CCI. This demands a greater impetus on recognising the key decision-making individual in future CCI investigations.

However, in this study the interaction of hot and cold mental processing was found to impact on whether the respondents exercised personal preference. Cold or rational thinking was shown to mitigate the impact of hot processing or alternatively post-justify decisions based on hot mental processing to validate the initial decision or alter how it was communicated within the organisation.

Whether personal frame of reference impacted on CCI decisions making was influenced by the depth of the frame of reference, the internal mental dialogue regarding the acceptability of effectiveness of hot or cold decision making and task, organisational, and personal variables.

This challenges the key tenet of agency theory. Despite little external monitoring respondents did not actively seek to subvert profit for their own personal gratification. Even in cases of high influence of personal frame of reference (for example the reference to social ideologies and values) respondents referred to cognition to evaluate the alignment of their personal frame of reference with the organisation

(with the exception of two respondents across the total 18 participants). This finding does not support the agency-based notion that managers are opportunistic or shirkers. Further, this finding runs contrary to the notion that without external controls managers will minimize effort to protect psychological assets. Despite the frequent recognition that the manager held the discretion to select a cause based on personal preference, these managers mostly underwent further internal dialogue to consider organisational implications, thus exerting greater psychological effort.

The internal dialogue around what was appropriate or the most effective approach to CCI reflects the entrenched “ethical egoism” which holds relevancy at a managerial level. That is, managers understood the need to consider the organisation and, within separate ownership and control contexts, the residual claimants. The sense that it was not appropriate to use their personal frame of reference or base decisions on personal preference was reflected by the considerable internal dialogue that respondents articulated as to whether they should exert their personal frame of reference in CCI decision making. Respondents voiced a concern for representing their CCI activities as a “chairman’s pet project” based on the personal influence and interests of a highly placed executive (Barnard, 1997). Akin to earlier studies (Madden et al., 2006; O'Dwyer, 2002), some participants were wary of discussing the impact of their personal structure of consciousness and expressed discomfort in explicitly discussing their personal motivations and their individual influence on CCI activities. This was far more salient for participants in a separate ownership and control structure, than for the four business owner-managers.

In saying this, Friedman’s position on CSR and CCI may hold some truth. CCI was frequently not positioned by respondents as a profit maximising business strategy. Of the participants who made reference to potential business outcomes, only two held this as a primary goal. Further, no single participant could provide data to support the belief that CCI may provide positive organisational benefits or the assumed benefits were based on the respondents own personal values and attitudes, such as a belief in reciprocity. Only one participant of the total 18 monitored the performance of CCI as a profit-seeking business strategy. Some of the participants were particularly vocal at their distress that the public viewed CCI as solely a profit maximisation strategy. This

study provided evidence that respondents were aware of the concept of managerial capture (O'Dwyer, 2002) and actively argued against their particular organisation perverting the normative reasons for engaging in the community (Masaka, 2008). The findings of this study offer a critique of the categories of CSR1 and CSR2 developed by O'Dwyer (2002). This distinction between engaging in the community for business benefit and engaging due to a normative concern for the welfare of society were not dichotomous as stipulated by O'Dwyer (2002). Frequently decisions based on values and emotions were post justified by respondents, using the rational business case. That is, participants could foster both strategic and altruistic motivations for CCI. This provides support for Campbell et al. (2002) who observed that "actual donation decisions are, in fact, driven by a combination of... motivations, and that these explanations may be mutually enriching rather than mutually exclusive in nature" (p.31) and Madden et al. (2006) who noted that CCI was administered through the "merging of individual with traditional corporate motives for support" (p. 57).

However, the argument developed by Friedman that CCI was a fundamentally subversive doctrine was based on the assumption that directing funds away from profit was incongruent with shareholder wishes (Gonzalez, 2002). While the respondents in this study may have diverted funding that otherwise would have increased shareholder wealth, there was little indication that this ran contrary to shareholder wishes. Of the 11 respondents in contexts where ownership and control were separated, only two cases existed where the respondent was challenged on spending in CCI by the residual claimants. Respondents acknowledged that they had received little resistance with regard to shareholders challenging the investment in CCI. Seven of the 11 respondents in firms with separate ownership and control indicated that they had received direct sign-off from the non-executive board or owners with regard to CCI spending. For the remaining four the lack of communication from the shareholders was interpreted by management as a concession or acceptance of CCI, yet, as Ingley (2008) outlined, a lack of reaction from the residual claimants in firms with separate control and ownership may be more reflective of a lack of awareness of the issue, as opposed to direct consent. As Ingley (2007) noted, CCI may not be challenged by investors as New Zealand board members showed a weak competence in representing shareholder interests. New Zealand board members "appear to be

supremely complacent at best and at worst dubiously competent in fulfilling key obligations in their directorial role” (Ingley, 2007, p. 7).

Akin to extant literature, when there was ambiguity in the expectations of the firms in this study, the respondents referred to their personal frame of reference (as found by Posner & Schmidt, 1993). Ambiguity in this context was due to a lack of formalised policy, absence of a guiding strategy, or lack of consultation with other members of the organisation or an external broker. Similar to the findings of Buchholtz et al. (1999), when individuals are perceived to have greater discretion (due to task, organisational and personal variables) their willingness to base decisions on personal values increases. This study, however, extended beyond the Buchholtz et al. (1999) study which solely investigated organisational values, in demonstrating the impact of personal sense of identity, emotions and social ideologies. This adds impetus to the value of incorporating these constructs into future CCI research. Further, the study conducted by Buchholtz et al. (1999) investigated only organisational values (such as profit maximisation), while this study found that the values were specific to the phenomenon. Consequently there is a need to reflect on values as contextual or phenomenon-specific and at both an organisational and a personal level. This finding also implies that the organisation has the capacity to influence whether the manager exercises personal preference in CCI decision making. Through utilising strategy, policies and group decision making processes the personal influence of management can, if chosen, be limited. In saying this, however, the CCI decision maker in this study frequently had considerable power, and the CCI decision was distinct from other operational tasks. Accordingly, the decision maker had the capacity to influence the decision making process (including whether others were involved in the decision making process or policies developed). In essence this allowed the respondent to define the processes which would potentially mitigate or allow them to select causes based on personal preference.

The typology of CCI and discretion offered by Hemingway and MacLagan (2004) offered little explanatory power that could be applied in this study. Fifteen of the 16 respondents had formal authority for the CCI strategy. Whilst not all respondents received direct sign-off from the residual claimants, all respondents (bar one) were

transparent in their commitment of resources to CCI. That is, respondents truthfully included the CCI spending in financial statements and acknowledged CCI spending within their organisation. The sixteenth case could potentially be classified as having unintended authority, where CCI was implemented without sign-off at the executive level. This respondent operated covertly based on the assumption that CCI would be restricted in the organisation. Although subsequently able to gain the organisation's support for CCI, this respondent operated initially in a covert manner due to the newness of the concept to the organisation at the time.

What became clear throughout the study was the participant's ability to sell CCI into the organisation, to manage upwards and enrol others. Some participants, particularly those in firms with separate ownership and control, articulated a conscious dialogue regarding the level of discretion they had to exert in a particular situation and the best way to frame the decision making. Consistent with the position taken by Carpenter and Golden (1997) it became clear that the respondents could exercise greater discretion and make decisions according to their personal structure of consciousness when they had the ability to 'sell' the concept or decision into the organisation. "As the legitimacy of corporate contributions rests upon its economic consequences, managers may *"rationalise"* their decisions as being profit-oriented [so as] not to upset their shareholders" (Valor, 2006, p. 19). The concept of motivated reasoning held relevancy in this study, where respondents had come to a decision using hot mental processing and then post-rationalised this decision. Respondents sold the notion of CCI or the selection of a particular cause to the organisation to gain organisational acceptance and sign-off for the strategy. Consequently, these respondents were able to gain formal authority. This has further implications for the study of CCI motivations. Managers and owner-managers may be post-rationalising decisions and then when articulating their motivations for CCI (at the end of the decision making process) this may appear to be rational, despite the fact it is not in entirety.

This study provides a key insight that business owners may be motivated beyond profit maximisation. While this study did not investigate shareholders within a dispersion of ownership contexts, five owner-managers of sole proprietorships or partnerships were included in the second sample group. In contrast to extant literature this study found

that all five manager-owners interviewed were motivated by greater goals than solely profit maximisation (Campbell, 1995; Berthold & Neumann, 2008; Steijvers et al., 2008). Rather, this study supports the proposition that business owner-managers are motivated by generating social change, which is reflective of literature on social entrepreneurship. Moreover, even within contexts of separate ownership and control, there was evidence of family-owned businesses being motivated by more than profit maximisation (James, 1999). In the two family-owned businesses included in the two samples, both had globally enforced strategies dictating that the local offices to implement CCI and generate social change in addition to securing a profit.

6.1.2 Type of CCI

This study found that whilst multiple forms of CCI were engaged in by the sample group, this predominately took the form of philanthropic donations where the firms gave donations to a non-profit organisation. After philanthropy, donations of gift-in-kind were the second most popular form of CCI. This supports extant literature highlighting that philanthropy remains the preferred form of CCI, despite theories incorporating multiple forms of CCI in the broader literature. The sample group also varied in the degree of collaboration between the non-profit organisation and the business. While in some cases the philanthropic donation was entirely transactional and consisted simply of writing a cheque, in others there was a high level of interaction and collaboration between the non-profit organisation and the firm. This provides support for Austin's (2000) collaboration continuum where the relationship with the non-profit organisation could be evaluated according to the level of interaction. The most extensive form of collaboration between the business and non-profit was characterised by a lengthy relationship, continual communication, provision of funds, and assisting the non-profit organisation to develop a strategy to target social issues.

Further, this study indicated that when managers were making decisions regarding donations from profit after tax, respondents experienced greater internal dialogue on how to approach CCI decision making. Consistent with this notion, when respondents were donating gifts-in-kind often these respondents reflected lesser internal dialogue and indicated a lesser need to justify their decision making.

6.1.3 Support for the dual processing model

This research provides support for the dual processing model and lends further critique to the reference of expectancy theory or rational/cognitive models within the CCI phenomenon. In support of the dual processing model, respondents demonstrated the interrelationship of cognitive and affective mental processing. This study provided further qualitative evidence that the mental processes occurred simultaneously and in parallel. (Dane & Pratt, 2007; Kalidindi et al., 2005; Sanfey et al., 2006; Westen et al., 2007).

The theories developed through the 'golden age' of psychology, including motivation and decision making theories, offered little explanatory power for the phenomenon investigated in this study, despite these models being frequently referenced within extant literature. This mature body of literature offers limited insight into the complex arena of decision making in an organisational context (Papadakis, Lioukas, & Chambers, 1998). In particular this study lends further weight to the criticism that the dominance of rational and cognitive elements in motivation and decision making provides a flawed normative model which has significant errors and unexplained variance (Sanfey, Loewenstein, McClure, & Cohen, 2006).

Respondents in the study articulated an inability to provide evidence of CCI providing positive business benefits and often commented that the benefits were hoped for, but not expected. Similar to findings in earlier studies (e.g. Whitehouse, 2006), participants made decisions in a vacuum of solid information. This challenges the key tenet of expectancy theory which holds that behaviour is motivated by the belief that a behaviour is causally associated with an outcome. Yet, as evidenced in this study, while respondents were unsure of the association of CCI and potential business benefits they nevertheless advocated CCI decisions.

The lack of any direct extrinsic motivators or rewards lends further weight against the critique of the expectancy model. While Baron (2008) theorised that organisations were using reward systems to influence behaviour towards positive social behaviour for the firm, this study supported the findings of Norris and O'Dwyer (2004) where

very few firms were monitoring or rewarding social performance or CSR. A key premise in the application of the expectancy model was that managers would directly behave in a certain way to receive such a reward.

The reluctance to embrace dual processing as a valid component in the CCI decision process and the dogmatism towards the expectancy model within CCI literature needs to be addressed. Despite frequent normative statements that rationality should dominate in the business context, including CCI, it is clear that within this phenomenon this assertion does not hold true. The lack of explanatory power offered by the expectancy model in this case, calls into question its value within CCI literature.

6.1.4 The interrelationship of motivation and decision making

A further key insight from the study is that the concepts of *decision making* and *motivation* and the interaction of these concepts need to be reviewed. As noted, traditionally these two concepts in the literature were artificially detached by the assumption that each psychological mental process occurred in distinguishable and distinctively separate parts of the brain (Kalidindi et al., 2005; Westen et al., 2007). Whilst decision making was thought to be dominated by cognition, motivation was held to be a part of hot mental processing. However, in investigating why to act, the literature offered little practical distinction between being motivated to act and deciding to act. Surprisingly few theorists discuss the interrelationship between the two concepts and those that do, have failed to capture the complexity of that interrelationship.

Earlier models attempted to interrelate the two constructs through ordering the constructs in sequential steps within the mental process, such as making a decision will then induce motivation to act. However, it was clear in this study that the internal dialogue and mental process surrounding CCI decisions was complex and interrelated. The findings challenge the view which regards the relationship between motivation and decision making within internal mental processing as unidirectional or linear. The study provides evidence which agrees with the statement that “when the mind is reduced to merely a symbolic processing device, we get a lopsided image of how the mind functions” (Dai & Sternberg, 2004, p. 6).

As decision making in the CCI context was found to involve both cold and hot mental processing this distinction between the two concepts was blurred rather than distinct, as suggested in the literature. This implies a stronger relationship between the formally detached decision making and motivation concepts.

The model proposed by Westen et al. (2007) appears to have the greatest theoretical consistency with the reality indicated by the data in this study. As discussed in Chapter Two, this model theorised that all perception incorporates motivations and, consequently, decisions based on perception will inherently incorporate the concept of motivation. For example when respondents' desired to fulfil a perceived personal responsibility to give back to society (held as an altruistic motivation in literature), this became a driving force impacting on their behaviour. For these respondents the language, framing and perception of the phenomenon and consequently CCI decision making was articulated as generating social change.

Within this study, it consequently became difficult to distinguish which facets of a respondent's personal frame of reference could be labelled as motivators. The structure of consciousness or frame of reference was reflective of how the respondent viewed their 'world' and the CCI phenomenon and consequently inherently impacted on their perception of CCI and consequently behaviour towards the phenomenon. Representing the structure of consciousness as a whole, this included numerous and interconnected components, both hot and cold, so that it was difficult to identify a singular component that motivated behaviour. Consequently, labelling of certain elements of the structure of consciousness as 'motivators' seemed to artificially fragment the individual's consciousness as a whole. Put simply, CCI decisions appear to be made holistically by individuals on the basis of a combination of multiple contributions from their particular structure of consciousness.

As noted in the phenomenological schools' critique of psychology the distinction between concepts (such as motivation and decision making) appears to fragment a process that in reality occurs simultaneously. That is, while the psychology literature highlights the function of motivation in decision making, the two concepts and the

distinction between these concepts as are presented in literature, appears artificial and has failed to capture the complexity of how respondents choose to behave towards CCI. This study lends further weight to the statement that psychology creates “theory of the mind without being a theory of consciousness” (Roy et al., 2000, p. 7). Consequently, these two concepts need to be better understood as possibly part of the same concept, rather than as distinct and separate constructs.

6.1.5 Effectiveness of hot mental processing within CCI decision making

This study recognised that although participants may not exercise discretion when selecting causes, often their personal frame of reference influences CCI decision making. That is, while participants may choose not to select their favourite cause for corporate engagement (for example Save the Whales), nonetheless their own values, social ideologies, emotions, and identity has considerable influence in CCI decision making and on the outcomes. This contrasts to some extant literature wherein is “anecdotal evidence that corporate philanthropy was less professionally and more sentimentally administered in the past, ... results point to a very different picture in current practice” (Saiia et al., 2003, p. 183).

The quote above reflects a bias present in such literature claiming that a decision cannot be both sentimentally and professionally administered. This reflects an archaic dogma that views affective mental processing as irrational or inferior (Westen et al., 2007). However, this view was also conveyed by some of the participants who held that emotional and value-laden decision making (where one exercises their personal frame of reference) was less effective and appropriate than rational strategic thinking. This places a focus on whether the emotional and values-oriented decision within the phenomenon would result in less valuable outcomes than those governed by rational strategic thinking. The normative proposition that rational thinking will lead to increased decision making effectiveness dominates literature while “early writing in strategic management showed a clear normative preference for a ‘rational comprehensive’ approach” (Goll & Rasheed, 2005, p.1006).

Extant literature has linked cognitive processing to decision making outcomes. For example decisions were found to be less optimal when decision makers tried to justify their previous choices (such as post-justifying a pre-established choice of social cause) or make political decisions that were made to enhance or protect one's self-interests (Dean & Sharfman, 1996). Conversely, decisions were shown to benefit from procedural rationality. This would imply that respondents who actively mitigated their personal influence and made decision based on rationality with the assistance of formalised policy will achieve greater CCI outcomes. However, research on the relationship between rationality and firm performance has resulted in conflicting findings (Goll & Rasheed, 2005). Further, literature investigating the effectiveness of decision making has centred on strategic decision making and therefore on evaluated firm performance, rather than on achieving social outcomes.

The focus on the validity of hot decision making versus cold decision making needs to be assessed according to which outcomes are being evaluated: against goals set by management, social outcomes and/or organisational results. As this study focused solely on the decision making internal to the business, it was unable to ascertain the effectiveness of the decision making process within the wider organisation and community. Despite this, this study may have implications with regard to whether hot or cold mental processing results in improved outcomes.

Becker Olsen et al. (2006) stated that the impact of CCI on consumers will be influenced by the perceived motivations for engaging in CCI. As discussed in the literature review consumers will make causal inferences about the behaviour of others when the motives for the behaviour are unclear (Becker Olsen et al., 2006; Trimble & Rifon, 2006). Consequently, the business may be more inclined to receive positive outcomes if the decision to adopt CCI or a cause is perceived as being based on values and emotions and communicated as such to its stakeholders.

In a survey of managers located in 184 firms, Campbell et al. (1999) found that when the "personal sense of social consciousness was relatively high the firm was more likely to contribute" (p. 382). Consistent with this statement, the respondents from Stage One of the study all had extensive and well developed frame of references and

associated a great sense of personal meaning, values, social ideologies and emotions with the phenomenon (although not all respondents in this stage actively exercised this frame of reference in decision making). Conversely, participants in the second-stage sample were more diverse in the depth of the frame of reference they utilised in the decision process, with some respondents expressing few articulated values and CCI providing little personal meaning or significance in their identity. It was, however, the first sample containing participants who were located in organisations deemed to generate considerable social impact. This first sample comprised respondents who had all been nominated or awarded for community involvement within the Prime Minister's Social Hero awards. This implies that the existence of a deep personal frame of reference within CCI may be associated with greater social impact (whether decisions are made based on this frame of reference or not). In utilising a deeper frame of reference, Stage One respondents may have approached CCI with more passion and generated higher commitment within their organisations to achieve greater social outcomes.

Seitanidi and Ryan (2007), however, critiqued current practice as being too outcome driven. Consistent with the position taken by Seitanidi and Ryan (2007) an outcome-focused approach will risk marginalising the importance of the process. For 14 of the 18 participants in the study who held roles other than CSR or CCI manager, the incorporation of CCI into their job roles allowed these respondents to develop a greater sense of meaning in life. Fry (2003) highlighted a need in managers for greater meaning in their work – a need that has been articulated in subsequent studies. All respondents in the study indicated that they attached significant value to their ability to manage CCI and articulated positive affective sensations associated with the phenomenon. It could be held that the incorporation of CCI into their daily duties may have increased overall job satisfaction, which would have implications for other positional duties. For respondents in central administration and business owner-managers the sense of meaning that a participant gained from managing CCI and exercising a personal frame of reference in the decision process may have contributed to the participant being more effective and committed to other duties. While this is conjecture and is not based on evidence produced by the study, the incorporation of CCI may have the unseen benefit of increasing job satisfaction, and thereby

productivity and commitment to other areas that are more directly related to the organisation's financial performance. If so, the link between CCI and organisational financial performance may be indirect rather than a direct relationship, which has implications for further research and for rational as well as profit-based decision making models in particular.

Reflecting hot mental processing may also have greater process-oriented implications for organisational culture and employees. Respondents who demonstrated hot decision making frequently spoke of the importance of values and emotions in the workplace.

Value-based leadership has been shown to have a significant impact on an organisation's performance (Malone & Fry, 2003, cited in Fry, 2003). The measures of this impact on organisational performance have been noted to include follower satisfaction with leaders, follower retention, and follower ethical behaviour (Fry, 2003). Top level executives who place a emphasis on rational profit maximisation (as dictated by the use of expectancy theory and reference to the business case in CCI) often demonstrate poor dyadic relationships between the leader and staff (Waldman & Siegel, 2008). Similarly, Bennis and O'Toole indicated that "real leaders' demonstrate integrity, provide meaning, generate trust, [and] communicate values" (cited in Reave, 2005, p.172). Consequently, making CCI decisions according to hot mental processing may be a demonstration of value-based leadership, which may have greater organisational benefits than are attributed to rational decision models. As noted by Roper and Chaney the "personal nature of leadership in socially entrepreneurial ventures may be more than beneficial, it may be necessary" (2005, p. 101).

Further, this study provided evidence that when the decision utilised hot mental processing, the decision outcomes were often strategically aligned, particularly for the business-owner managers. Consistent with Pierce and Rodgers (2004) all of the owner-managers demonstrated psychological ownership where the business was an outlet for the individual to communicate their sense of self, rather than simply representing an asset. There was a 'fine line between that which an individual experiences as 'mine' and that which is 'me'" (Pierce & Rodger 2004, p 598). Consequently, in these

instances the business offering was dictated by the personal frame of reference as were the CCI decisions. As both the CCI decision and the organisation were closely aligned to the participant's personal frame of reference, there appeared to be high alignment between the business strategy and the CCI, despite the absence of strict cold or rational CCI decision making. This finding challenges the notion that owner-managers make illogical CCI decisions based on personal preference, since the decision, while based on personal preference, was also aligned to the business offering. Thus the decision process may in fact be intuitively associated with an informal strategy rather than seemingly "illogical" and *ad hoc* in nature.

6.1.6 New conception of CCI

This study provided an insightful social commentary on the amorality in the workplace. The "schizophrenia" between the rules of the market and traditional morality posited by Hemingway and Maclagan (2004) as existing in the corporate sector was also seen to exist in respondents' experience of work.

Prior to the adoption of CCI, work was regarded by some respondents as robotic, cold and inhumane. In this context the respondents articulated a dichotomy of self: the work-self and the real-self and indicated that work demands did not allow them to fulfil other roles in life such as being a mother. Three mothers located in senior executive roles believed that CCI enabled them to address their guilt over not being able to rear their children or be a personal participant in the community due to the pressures of their work roles. Further, often respondents indicated a dislike or dissatisfaction with the corporate model directed solely at maximising profit.

Consequently, CCI was regarded as a way to overcome this sense of disconnection and dissatisfaction with the corporate model. Lending support for the values congruency model some respondents in Stage One exhibited "value related behaviour in private in order to avoid negative internal feelings" (Hemingway, 2005, p. 240). Such behaviour resulted in the adoption of the phenomenon and the respondents actively attempting to address the values incongruence by altering organisational strategy and culture. This study consequently aligns the work on CCI with the literature on work-life balance.

CCI in this context was utilised to address the limitations in participants' personal lives due to an over-dominant work ethic.

CCI provided a bridge to help make the organisation more humanistic. This is a new conception of CCI and implies that CCI operates not so much as a business strategy or repayment of a duty to society, but rather as a way to 'humanize' a dehumanized work place.

6.1.7 Caveats in extant literature

This research provides findings that are in contrast to popular positions held in the literature. The variation in research findings may, however, be accounted for by methodological differences.

The hesitance to discuss the personal frame of reference by managers further highlights the limitation of investigating CCI and decision making using a quantitative research method. It was critical that the researcher develop a sense of trust, in order for the participant to openly acknowledge and discuss mental processing. Frequently the respondents located in firms with separated ownership and control initially referred to the business case when simply asked why they engaged in CCI or selected a cause; yet when questioned on considerations and influences on the decision making process respondents articulated their personal frame of reference and the impact this had on CCI outcomes. Such developments and possible alternative motivations need to be considered when using surveys with quantitative data collection methods to investigate this phenomenon as respondents may be hesitant to articulate their personal impact on CCI decision making. This study also highlights the importance of utilising exploratory studies to develop the constructs and initial theoretical propositions, unbiased by extant literature, before undertaking a quantitative survey of a phenomenon.

Past empirical studies attempting to examine the behavioural dimensions of CCI have been limited by the use of survey and quantitative methods. As noted in the literature review chapter, in asking managers to justify decision making or alternatively providing a list of potential benefits by which the managers are motivated, such methods

effectively ensure that the responses will be couched in rational and justified terms, since they are framed as rational and cognitive questions (Hendry, 2000). There was also evidence in the study of discounting, where the respondent experienced both intrinsic and extrinsic motivations in internal mental processing, yet actively discounted the hot mental processing. The use of quantitative methods and the tendency to discount hot mental processing may imply over-reporting of cold mental processing and reference to the business case as the key motivator for CCI (Valor, 2006).

This study also highlighted the limitations in reserving the study of CCI for large publically listed companies. This study indicated that there is a clear difference in the decision making process between separate and joint ownership and control contexts. The sentiment that “managers are simply behaving according to their personal preferences within a given framework of market conditions...In this way they do not differ that much from self-employed owners” (Berthhold and Neumann, 2008, p. 236) did not hold true in this context. Smaller joint ownership and control organisations varied from large publically listed companies on the level of formulation of policy, number of decision making participants, decision-making discretion, and the ability to direct business goals to include social impact. Consequently, it is not sufficient to extrapolate findings from the investigation of large publically listed companies (Slack & Lueng-Wai, 2007) and assume such findings are relevant to other contexts (Thompson & Hood, 1993). This variation in how these organisational contexts approached CCI calls for greater representation of other organisational contexts in statistical and data collection. The fact that no studies could be located that valued the contribution from SMEs or micro businesses in New Zealand is a shortcoming in the body of knowledge that should be addressed. Further, this study provided evidence that privately owned SMEs were big givers. Consequently in not addressing other organisational contexts this body of knowledge has limited ability to capitalise on strategies for accessing a potentially untapped reserve of corporate funding.

6.2 Summary of discussion chapter

This study makes multiple contributions to supporting and refuting key theoretical propositions held in extant literature and related to CCI. The table below illustrates key theoretical areas that were deemed relevant to the study and indicates whether the findings of this study align with extant literature.

Table 6-1 Relating findings to literature review chapter

<u>Key theoretical propositions as developed in extant literature and discussed in Chapter Two</u>	<u>Support by findings</u>	<u>Refute by findings</u>	<u>Refined/ added too by findings</u>
CCI: General literature			
<i>Managers' heavily influence CCI: adoption and selection of specific causes</i>	Respondents' had a significant influence on CCI decisions and outcomes.		
<i>Philanthropy has declined in favour of other forms of CCI</i>		Philanthropy was the dominant form of CCI.	Development from philanthropy to partnerships unclear in practice. The divide between forms of CCI needs theoretical refinement. Significance of gift in kind in sample groups.
Motivation of CCI (Campbell et al., 2002; Seifert et al., 2003)			
<i>Prestige agency perspective (managers undertake CCI to look good/ feel good).</i>	Respondents' did gain positive affect and some gained sense of self worth and/ or meaning in personal lives.		Despite gaining positive emotion, unclear whether this could be termed 'social currency' as respondents did undertake internal dialogue to evaluate appropriateness and effectiveness of making decisions based on personal preference.
<i>Strategic/ enlightened self interest and the business case</i>	Some consideration of organisational benefits.		Mostly secondary to other considerations (such as making a difference and duty to give back).
<i>Institutional motivation</i>	Frequent references to duty to give back to society. View of corporate citizenship.		
<i>Altruism</i>	Frequently discussed. Desire to make a difference and address social issues.		
<i>Mutually exclusive set of motivations termed CSR1 and CSR2 (O'Dwyer, 2002); negatively correlated strategic and altruistic motivations (File & Prince, 1999).</i>		Combination and interaction of motivations.	
<i>Mutually cohesive motivations (Campbell et al., 2002; Madden et al., 2006).</i>	Some respondents reflected all four motivations playing a role in approach to CCI.		
Contextual variables impacting CCI decision making and motivations.			
<i>Form of CCI</i>	Different decision making approaches according to type.		Gift in kind less rational approach. Implications for non-profit sector.
<i>Decision making depending on who makes the decision and where they are located in the organisation.</i>	Different decision making approaches depending on title and position of respondents. Decentralised to CSR or CCI department resulted in more rational		Decentralised to CSR or CCI department associated with more policy, strategy, and group decision making.

	approach.		
<i>Discretion impacts on the level of personal influence in CCI decision making.</i>	Higher discretion offered a greater ability to exercise personal frame of reference.		Ability to exercise personal frame of reference was mitigated by internal dialogue on the most effective and appropriate approach.
<i>Smaller and privately owned will have a different approach to CCI decision making.</i>	CCI had less policies and strategic direction guiding decision making.		Ad hoc approach did not necessarily imply poor decision making. Often ad hoc decision resulted in CCI closely aligned to business offering.
<i>Typology of approach to CCI; formal, unintended entrepreneurial).</i>		Little explanatory power for findings. Majority of respondents had formal authority to invest in CCI.	Respondents' indicated the ability to 'sell' CCI into the organisation. Able to enrol others to gain 'formal authority'.
Economic rational theories			
Agency/control theories			
<i>Manager motivated by reward for CCI.</i>		Little indication respondents were rewarded by organisation for CCI spending.	
<i>Manager punished for CCI spending.</i>		Little indication of board objecting to CCI.	Some indication board unaware of CCI spending. Some respondent unaware of total amount diverted from profits.
<i>Management as opportunistic shirkers.</i>	May use resources opportunistically, when owners unaware of CCI spending.		Underwent increased psychological effort to evaluate the most effective and accepted way to approach CCI. Had a proactive internal dialogue which considered the organisation.
Expectancy theory			
<i>Owner-manager motivated solely by profit maximisation. Undertake CCI to increase profit.</i>		Owner-managers indicated social purpose for business.	Related to social entrepreneurship literature.
<i>Expected business outcomes</i>	Benefits from effect of CCI on customers, employees, and the general public.	No mention of direct relation to profit or attracting socially responsible investors (in dispersion of ownership and control contexts).	
<i>Little or no proof for expected business outcomes. Managerial myopia.</i>	Decisions based on assumptions. Limited reference to successful business cases.		Minimal attempt to evaluate return on investment.
<i>Little attempt to seize expected benefits.</i>	Often no promotion or advertising- especially in small and medium sized privately owned businesses.		Makes it harder to locate potential donors for the non-profit sector.
Psychology theories			
<i>Dual processing model</i>	Indication of interaction of both hot and cold internal mental processing		

<i>Self determination theory</i>	Indication that greater autonomy allowed from more intrinsically set motivations. When some respondents had high discretion/autonomy based decisions on personal identity and values.		Mostly respondents would still undergo internal dialogue to evaluate effectiveness and appropriateness.
<i>Social intuitionist model/motivated reasoning.</i>	Some respondents made decisions based on intuition then post rationalised using cold mental processing.		Alternatively respondents were aware of 'gut instinct' but mitigated decision based on hot mental processing using cognition.
<i>Emotions</i>	Highly emotive area.		Did not consistently result in emotive decision making.
<i>Values</i>	Highly charged area.		Did not consistently result in value based decision making.
<i>Identity</i>	Reinforced respondents sense of identity and allowed expression of identity.		
<i>Phenomenology</i>			
<i>Critique of psychology: Fragmented approach to consciousness.</i>	Separation of motivations and decision making not reflected in how respondent approached CCI.		Decision making and motivation interrelated.

7 Conclusion

7.1 Achievement of research aims

As outlined in Chapter Three, this research aimed to provide a fresh exploratory investigation of why and how individuals impacted CCI in their organisations. Through utilising contemporary psychology literature and a two-staged methodology, this study presents an alternative view on the role of managers and their approach to CCI decision making, thus challenging the majority of extant CCI literature based on more traditional psychology models. Through rejecting the 'ethical egoism' where managers' influence should be limited to rational decision making based solely on profit maximisation (a perspective built on Expectancy theory) , this study presented an alternative reality where individuals use both hot and cold mental processing in the decision to adopt CCI or a specific social cause. This study showed that managers and manager-owners have a more interrelated and complex approach to CCI decision-making, where motives are mutually enriching and where hot processing (including social ideologies, emotions, values and identity) interacts with cold mental processing, rather than the linear model or categorised motives presented in extant literature. From this new perspective, the study was successful in achieving its key research aims. The table below outlines the key objectives of the study and provides a commentary on the achievement of these objectives:

Table 7-1 Achievement of research aims

Research aims as outlined in Chapter Three	Evaluation of achievement of aims
Describes the experience of management when championing CCI.	This study offers a detailed and in-depth description of respondents participating in stage one of this study. The profiles (included in appendix 9.6) of respondents developed in the phenomenological stage of this study were viewed by respondents and acknowledged to accurately describe their experiences.
Encourages participants to reflect on why they have championed CCI and in doing so uncover their frame of reference.	The interview method developed honest and open dialogue, led by the respondents. This data collection method involved focused digging which ensured that all aspects of the respondent's frame of reference were uncovered and their importance recognised. Further, through not prescribing to theoretical biases held in extant literature, this study was open to recognising new potential aspects of the respondent's frame of reference.
Investigates the level of influence participants' frame of reference has on the CCI decisions.	Multiple, detailed and specific examples were given by each respondent to assist in the evaluation of the level of influence. The level of influence of the respondents was evaluated and placed on a continuum from high to low.
Investigates the antecedents to exercising hot mental processing, cold mental processing or exercising one's personal frame of reference in CCI decision making.	The theory outlined in Chapter Five depicts the influences on management exercising their personal frame of reference within CCI decision making. These influences include the depth of the frame of reference, internal mental dialogue and contextual task and personal characteristics.
Establishes which antecedents mitigate or allow for hot or cold mental processing when making CCI decisions.	Chapter Five identified the influences on CCI decision making and outlined the directional influence of these antecedents including whether these mitigated or encouraged the use of hot or cold mental processing when making CCI decisions.
Investigates the phenomenon within a variety of organisational contexts.	This study provided an in-depth exploratory analysis across a wide range of organisational contexts, notably different sized organisations and ownership structures.

7.2 Limitations

This study was exploratory in nature and consequently, as outlined in Chapter Four the data was context specific and may not be generalisable to other contexts. Consequently the findings of Stage One and the theory built in Stage Two should be interpreted with regard to context and temporality. It was not the purpose of the study to establish the consistency of the findings across a larger sample group or other cultural situations (such as in other international situations). In saying this, this study did seek variation in the respondents selected with regard to organisation types and will therefore have relevance across different industries, organisational and ownership structures.

Further, this study was limited by the self-reported measures used. That is, the methodology and the findings were limited to the willingness of the respondents to self-reflect on their internal mental processing (Byran & Bell, 2007). As noted in Chapter Two, there may be inherent difficulties in accessing 'hot' or subconscious mental processes. Haidt (2001) stated that there is an asymmetry between how information about a situation, decision or motivation is taken in and the methodology to draw it out. In attempting to recreate a process often below the level of consciousness respondents may create concepts to explain what they cannot articulate or are unaware of. These concepts may, however, have tenuous or imaginary links to the actual mental process that a respondent has experienced. With regard to this research, this reality placed a greater dependency on the researcher's interviewing abilities. Nevertheless respondents were forthcoming in articulating the mental processing surrounding the CCI phenomenon. However, the researcher was unable to triangulate or validate what was reported by respondents. Investigating the perceptions of managers and not the actual behaviour has been highlighted as a critique of earlier CCI studies (Thompson & Hood, 1999).

This study was limited through utilising singular interviews with participants. The respondent's experiences occurred over time and involved various processes. However, as only one interview was utilised post-experiencing the phenomenon, this study was unable to evaluate how the respondent's sense of consciousness changed

over time. This is significant in discussions regarding the values, identity and emotions of participants. Due to the temporal limitations of this study and collecting data through a singular interview with participants, this study could not ascertain whether the respondent's frame of reference was altered through the adoption of CCI. For example, it was particularly difficult to investigate the notion of managerial utility or that managers adopted CCI to boost self esteem, as the change in self esteem could not be investigated. While positive effects due to the adoption of CCI were highlighted by respondents, it was unclear whether this aspect substantially impacted on the respondent's ego or self esteem. To investigate this facet, the study would need to investigate the journey to see the 'before and after' affects of adopting CCI.

This study was limited also to the experiences of managers or manager-owners and was unable to evaluate the effectiveness or outcomes of using hot or cold mental processing. Despite uncovering the motivations and decision making process surrounding the phenomenon, the significance of this is unknown. That is, utilising hot mental processing and basing CCI decisions on values, emotions, social ideologies and personal sense of meaning may have implications for organisational culture, staffing, consumers and the non-profit partners. Yet, an evaluation of the impact on these stakeholder groups, from the championing of CCI by the managers, was outside the scope of the study.

All of the respondents in this study engaged in either philanthropic donations, donations of gift-in-kind, or social partnerships, or in two of the above forms of CCI. This study did not, however, investigate any respondents who engaged in cause-related marketing. Seitanidi & Ryan (2007) theorised that cause-related marketing may, by definition, be more oriented towards business benefits. Due to the strong relationship of cause-related marketing campaigns with overt advertising on the product and consequent product sales, this form of CCI may be more associated with a rational, procedural approach. This type of CCI was outside the scope of the present study.

Finally, while this study recognised the impact of contextual variables on how the respondents approached CCI decision making, literature suggests that wider external

contextual variables should be taken into consideration. The “process by which decisions are made, and their characteristics, are influenced by environmental attributes such as dynamism, munificence, and complexity” of the marketplace (Goll & Rasheed, 2005, p. 999). Dean and Sharfman (1996) found that external environmental conditions impacted on the relationship between rational decision making and its effectiveness (Goll & Rasheed, 2005). Similarly, a broad range of external contextual variables were found to be significant in the study of managerial discretion (Key, 2002). Consequently, literature recommends that any investigation of organisational decision making or discretion should include measures of the external market. Such measures, however, were also outside of the scope of this study.

Similarly, the study of values and social ideologies may be culturally constrained. Valor (2006) critiques previous models of corporate philanthropy as being biased by predominately being set in Anglo-Saxon countries. However, this study was unable to ascertain whether the essences of managers’ structure of consciousness would be replicated in other culture contexts.

7.3 Future areas for research

The above limitations indicate opportunities for further research. Firstly, extending the sample group may validate or offer theoretical refinement of the findings of this study. A larger sample group would allow the theoretical propositions to be tested and the findings to be generalised to other contexts.

Given the conception of CCI as a way to bridge amorality in the workplace future studies could focus on the impact on CCI on employees within the organisation. While the phenomenon of CCI greatly influenced the participants’ perception of work, enjoyment of work and personal sense of meaning or fulfilment, these individuals were directly involved with the phenomenon. CCI may or may not have same outcome for other employees not responsible for managing CCI. Further, the CCI champion’s levels of cold or hot mental processing may have implications for how this is communicated internally within the organisation and how, consequently, it impacts on other staff. Future studies could evaluate the impact of expressing personal frame of reference in CCI and consequently the impact of this on organisational culture and leadership-follower relations. Questions such as whether a value-laden, emotive

selection of a social cause impact on employees' perception of their organisation could be addressed. Studies could also investigate whether hot mental processing has positive effects internally on staffing. As discussed in Section 6.1.4, managers who make decisions based on emotions and values may demonstrate leadership qualities, yet very little work has been conducted on the theoretical foundations of value-based leadership (Fry, 2003). Consequently "leadership studies would be well directed to the context of social organisations (Mort, Weerawardena, & Carnegie, 2003, p. 81).

As noted above, while this study highlighted the variation in reasons for why managers adopted CCI or how a particular cause was adopted, the outcomes attributable to this variation were outside the scope of this study. Further areas of research could investigate how the variation in the decision making process impacts on CCI outcomes. This focus demands, however, that researchers consider how to measure the effectiveness of the decision making process. Dean and Sharfman (1996) highlight the need to clarify whether the outcomes of decision making are evaluated by comparable achievement of outcomes against managers' initial goals or the outcomes, absent of initial set targets. Further, these authors note that any further research on decision making processes and outcomes will need to consider not only how the decision was made, but how it was implemented. Accordingly, this demands evaluating whether the outcomes of CCI decision making were due to the initial decision making process and the conception of the decision, or the implementation of the decision.

Similarly, extending the study to include multiple stakeholders, particularly community organisations, would provide a two-way perspective allowing a better understanding of the value of managerial mental processing and its potential consequences for addressing social issues in the community. A greater focus is needed, however, on how to evaluate the social impact of CCI. "More research and managerial practice is needed in order to establish social impact as an essential dimension of performance assessment" (Mair & Martí, 2006, p. 42). The impact of the decision process on the relationship thereafter with the selected cause could also be investigated. Questions outside of the scope of this study but warranted for further investigation include: to what extent does hot processing and selection of a cause impact on the relationship with the cause thereafter? Does the decision making process impact on the social

impact? Addressing such questions would allow this area of research greater applicability to the non-profit sector. The use of multiple data sources would enhance the construct validity (Pandit, 1996) of the outcomes of CCI.

A substantial critique of the existence of the phenomenon has been based on Friedman's view that CCI diverts profit from shareholders. As evidenced by this study, however, it did not appear that managers received any resistance from shareholders. A future area for study could focus on whether, in fact, shareholders are opposed to CCI. While studies were located that investigated shareholders' awareness of CSR, few studies could be located that ascertained whether shareholders approved of CCI or the adoption of CCI, based on value-laden and emotive managerial decision making.

7.4 Implications of study for practice

7.4.1 Implications for the non-profit sector

This study provided evidence that small, privately owned firms gave in similar proportions to their larger publicly listed counterparts. The smallest business included in the sample was one of the largest givers in terms of proportion of donation to revenue. This suggests that akin to the statements made by Madden et al. (2006) regarding the Australian context, there may be an untapped reserve of potential corporate funding for the New Zealand non-profit sector.

However, as noted in Chapter Four, it was difficult to locate micro-businesses that were giving or were willing to give, as frequently these organisations did not publically advertise or promote their involvement with the community. However, the small privately owned businesses included in the second sample all recognised business imperatives, other than profit, and consequently had a wider set of business networks with whom they associated. If non-profit organisations were able to become involved in these business networks they may be able to locate small, micro-businesses that are also willing to give. For example, many of the respondents held relationships with the Robin Hood Foundation (a non-profit and corporate relationship broker) and the Sustainability Business Network (a forum for businesses interested in sustainable development). As both of these organisations list corporate members, non-profit

organisations could initially utilise these resources to locate organisations with interests beyond profit maximisation.

Further, the micro-businesses included in the sample showed considerable alignment between the CCI portfolio, business offerings and personal frame of reference. This implies that if non-profit organisations are going to target micro, privately owned businesses then they should consider the alignment of social cause to the business offering and target the acquisition strategy accordingly.

The use of dual processing in CCI decision making may imply better relationships with non-profit partners; however, given the variation in values, ideologies and emotions apparent among the respondents in the sample, this may not on its own assist the targeting strategies of non-profit organisations. The presence of dual processing does highlight, however, that it is imperative to 'humanize' the cause to appeal to the manager's personal frame of reference. This, consequently, implies that a face-to-face approach will be the most effective way to appeal to the manager's sense of identity, values and social ideologies. The knowledge of personal attitudes of the decision maker allows for a more accurate prediction of whether the non-profit organisation will gain support from the organisation (Campbell et al., 1999). Further, some respondents noted that the selection of a cause was based on personal experience or an existing relationship with an individual in a non-profit organisation. Non-profit representatives, consequently, need to attempt to engage in business networks to meet business representatives and create relationships with individuals located in potential partnering businesses. This recommendation is particularly salient for gifts-in-kind, where the presence of hot mental processing was found to be higher.

Further, although not a primary motivator, the business benefits were a secondary concern, particularly for managers facing resistance. Resistance, due to resource constraints, may become more significant during times of economic hardship. Consequently non-profit organisations should consider how they can assist the business in achieving potential outcomes. As the outcomes related to creating a positive and appealing brand for consumers and employees, non-profit organisations should consider how they can promote the corporate brand to the public, increase

exposure of the relationship between the corporate and non-profit and involve employees in the relationship. As the managers may face resistance to adopting a certain cause, non-profit organisations need to position themselves as low risk. This includes ensuring that the organisation is credible, has set objectives and is transparent with regard to where and how the corporate donation is spent.

Non-profit organisations should also consider targeting appropriate businesses for gift-in-kind donations. As this form of CCI was associated with lower levels of internal dialogue regarding the decision making process and a less stringent decision making process, organisations in the non-profit sector may have a greater probability of securing CCI if they specifically request this form of investment.

7.4.2 Implications for the corporate sector

For the residual claimants (the shareholders) the variables outlined in the Stage Two findings could be used to encourage or mitigate the impact of the personal frame of reference. Group decision making, the use of a broker, formalised policy, overarching strategy and the creation of a specific CSR or CCI role would limit the capacity of an individual to select a non-profit cause based on personal preference.

Depending on the view of the business, residual claimants may or may not wish to limit the impact of managers in this way. As noted in the limitations section, this study could not ascertain the effectiveness of the different approaches to CCI decision making. It could be surmised that a more comprehensive and elaborate frame of reference (with strongly associated values, emotion and social ideologies and where the phenomenon holds personal meaning for the individual) might result in a CCI manager who takes on the role of a leader in the organisation to enrol others, passionately communicate corporate giving and influence organisational culture. Consequently, CCI managers may be recruited who represent an extensive frame of reference or the demonstration of certain 'hot' attributes (such as values). To obtain a leader-manager who will champion CCI effectively within the organisation, human resource recruitment could seek a candidate who demonstrates a deep set of social values, strongly held social ideologies and for whom giving back is significant in their sense of personal identity.

Further, whilst this study was unable to investigate this aspect directly, extant literature suggests that consumers will infer the company's motivations behind CCI. As this study found that respondents were mostly engaged in CCI by their firms to give back to society, this motivation should be promoted and communicated to the wider community in an appropriate fashion.

7.5 Concluding statement

This study has made a significant contribution to extant literature through investigating and evaluating the relevance and explanatory power of Expectancy theory, this being the most frequently utilised theoretical perspective in CCI literature. This study has argued that the interaction of management or manager-owners with the phenomenon paints a more complex picture than the solely rational approach based on a desire to maximise profit or the perspective that motivation can be attributed to the firm or limited to a sole motivating factor. Through utilising a contemporary psychology perspective, this study has uncovered the role of managers and the interaction of hot and cold mental processing when approaching CCI decisions.

This study fills a gap highlighted in earlier literature (e.g. Buchholtz et al., 1999; Waldman & Siegel, 2008) through investigating why leaders of CCI are personally motivated to champion the issue and examining how the personal influences of management and manager-owners impact on CCI). The study is in a research area where “no study has been found where... the personal factors had been taken into account” (Valor, 2006, p. 22). Further this study extends the exploration of CCI to include other organisational and ownership contexts, than rather than focusing solely on large publically listed companies.

An in-depth exploration of the managers and manager-owners approach to CCI allows the not-for-profit sector a greater understanding of the phenomenon. Non-profit organisations need to understand the motives and decision making process for selecting a particular charity in order to “maximise both the level of corporate support and the level of satisfaction of corporate support (Cantrell, 2005, p. 31). Through understanding the interaction of motives and cold and hot processing the not-for-profit sector can enhance and improve their targeting strategies. The insight into the impact of hot mental processing suggests that taking into account personalised, emotive and value based appeals, which also emphasise potential benefits to the business, will be helpful for no-for-profit organisations when approaching businesses for support. Further, this study suggests that given the relative generosity of other organisational contexts besides those of large corporations (including privately owned

firms and small and medium sized businesses), not-for-profit organisations may find it effective also to target these organisations, rather than focusing on large publically listed companies. Similarly, given the tendency for decision-makers to use hot mental processing when making decisions involving gifts-in-kind, it may be more effective for not-for-profit organisations to request this type of investment, rather than philanthropic donations. The potential for gift-in-kind contributions could be significant, given the limited support officially recorded for CCI from the corporate sector to the not-for-profit sector, and the need for the not-for-profit sector to continue securing finance in order to address the widespread social issues in their remit.

In particular, this study not only contributes to the overall CCI literature through further theoretical development, but also indicates positive and potentially fruitful ways in which the not-for-profit sector might improve their success in seeking CCI support from the corporate sector, as well as offering insights that might help firms improve their CCI strategy management and decision-making.

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9 Appendices

9.1 Indicative questions

9.1.1 Indicative questions as outline in research proposal

The following questions were outlined in the research proposal and guided data collection during stage one of this study.

- Please describe your position/role.
- Please describe your experience of adopting CCI in your organisation.
- Please describe your experience of adopting your current non-profit recipients in your organisation.
- Length in position, how did you come to be in this position?
- Were there any key turning points in adopting CCI?
- Were there any surprises?
- What was your role in adopting CCI?
- What was your role in adopting your particular non-profit partners?
- What is your role in the organisation?
- What is the role of CCI in the organisation?
- What does CCI mean to you?
- Describe yourself at work/outside of work.
- Do you support charities/good causes outside of work?

9.1.2 Updated indicative questions

The following questions were developed throughout stage two of this study. These questions were updated iteratively throughout data collection.

- What is your title?

- Length in position, how did you come to be in this position?
- What does this position mean to you?
- Please describe your experience of adopting CCI in your organisation.
- Please describe your experience of adopting your current non-profit recipients in your organisation.
- Do you have a set process in adopting non-profit partners?
- If so, how is this communicated within the organisation?
- What is your level of involvement in these decisions?
- How much influence do you get in selecting which cause to address/ which non-profit organisations to partner with?
- Is anyone else involved in this decision process?
- Do you have set goals guiding CCI decisions?
- Do you evaluate return on investment/ business benefits?
- Were there any key turning points in adopting CCI or a particular social cause?
- Were there any surprises in adopting CCI or a particular social cause?
- Did you experience conflict with anyone else in the organisation? What was the key area of support or resistance?
- How did you overcome this conflict? Why? How?
- Does anyone in the organisation monitor or moderate your CCI decisions?
- What kind of CCI do you engage in?
- Does the approach differ depending on the type of CCI?
- Do the residual claimants know about the CCI spending?
- Are the residual claimants involved in the decision making at all?
- If you could select any charity to sponsor personally who would it be?
- Does this organisation sponsor this charity? Yes/ No? Why?

- What do you think are significant social issues in New Zealand?
- Does this organisation address these social issues? Yes/ No? Why?
- How do you see yourself in this organisation?
- How do you think your peers perceive you in this organisation?
- What kind of person would you like to see in this role?
- What kind of person do you think you are in this role?
- How do you feel about your organisation?
- Please describe your organisation. What kind of place is it to work?
- Do you enjoy your position?
- How does CCI fit into your other job tasks?
- What is the purpose of CCI in this organisation?
- What is the purpose of this organisation?
- Do you think your job is important in the organisation/society/in your personal life?
- Do you think CCI is important to wider society?
- Do you support charities/good causes outside of work?
- What are your goals at a professional and personal level?
- Where did you grow up? What's was it like?
- Do you have any mentors that influenced who you are?
- Did you have any 'life changing' incidents that led you to what you are doing today?

9.2 Participant info sheet



Project Title; The champion's motivations for Corporate Community Investment.

Kia Ora,

My name is Xavier Black and I am currently undertaking a dissertation in the AUT Business faculty. I am investigating the personal experiences of decision makers when deciding to involve their organisation in the community, for example through philanthropy or a community partnership.

You are invited to participate in this research. Your experience in adopting Corporate-Community Involvement is a valued part of my research and I would love to speak with you about your experience.

Your participation is entirely voluntary. Please do not feel pressured or obligated to participate in this research due to your employer, a leading academic or an industry player recommending you as an appropriate participant of this research.

If you decide to participate in this research the information you provide will be utilised in a final report and potentially utilised in journal articles. However, you will not be identified in any publication/dissemination of the research findings. All information collected during conversation/meetings/interviews will only be viewed by the researcher, and his/her supervisor if requested, and will remain strictly confidential.

You have the right to refuse to answer any particular question, and to withdraw from the study up to the time of submission.

What is the purpose of this research?

This research aims to provide an in depth and detailed description of decision makers experiences. Your participation will help develop a greater understanding of why individuals are moved to 'champion'; the issue of Corporate Community Involvement.

This research is being conducted for the purpose of creating a final report for the dissertation and will be shortened for publication in leading academic journals.

How was I chosen for this invitation?

You have been selected to participate in this research as you are/were working for an organisation with considerable involvement in the community (for example philanthropy or a community program). Further, interviews with industry leaders who have partnered or worked with your organisation recognised that you played a crucial part in the adoption of the Corporate Community Involvement and that you acted as a 'champion' in advocating this issue within your organisation.

What will happen in this research?

We will sit down and have a chat about your experiences in persuading your organisation to invest in the wider-society. In this chat I'll ask a few questions, take notes and an audio tape of our discussion. This tape will then be transcribed by a third party, who has signed a confidentiality agreement. The scripts from our conversation will then be sent back to you so that you can verify that I have an accurate record of our conversation.

The information obtained in our conversation will then be analysed to find relevant themes. If you would like to feedback on this analysis I will email you an electronic copy of this analysis to allow you to do so. I will also provide a full thematic analysis from all of the interviews that are conducted throughout the research process and a copy of the final report.

What are the discomforts and risks?

You may, at points, feel uncomfortable discussing the experience of persuading your organisation to become involved in the Community. If you are feeling stress or discomfort during our discussion please indicate this and we can either discuss something else or alternatively you can withdraw from the research.

How will my privacy be protected?

Your identity and any information you divulge during the course of the interview will remain strictly confidential. You will also remain anonymous through the research output. This will be achieved through separating the consent form and any information obtained in interviews as well as the use of an alias throughout the research process.

What are the costs of participating in this research?

There are no financial costs of participating in this research. The interviews will take approximately one to two hours.

What do I do if I have concerns about this research?

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Coral Ingley cingley@aut.ac.nz, 921999, ext 5419.

Concerns regarding the conduct of the research should be notified to the Executive Secretary, AUTECH, Madeline Banda, madeline.banda@aut.ac.nz, 921 9999 ext 8044.

Whom do I contact for further information about this research?

Researcher Contact Details:

Xavier Black, xavier.mercedes@gmail.com

Provide the name and all relevant contact details. Note that for personal safety reasons, AUTECH does not allow researchers to provide home addresses or phone numbers.

Project Supervisor Contact Details:

Coral Ingley, cingley@aut.ac.nz,

Provide the name and all relevant contact details. Note that for personal safety reasons, AUTECH does not allow researchers to provide home addresses or phone numbers.

Approved by the Auckland University of Technology Ethics Committee on 28th of August, 2008; AUTECH Reference number 08/155

9.3 Consent form



Project title: The champion's motivations for Corporate Community Investment.

Project Supervisor: Dr Coral Ingley

Researcher: Xavier Black

- ☐ I have read and understood the information provided about this research project in the Information Sheet dated 09/10/08.
- ☐ I have had an opportunity to ask questions and to have them answered.
- ☐ I understand that notes will be taken during the interviews and that they will also be audio-taped and transcribed.
- ☐ I understand that I may withdraw myself or any information that I have provided for this project at any time prior to completion of data collection, without being disadvantaged in any way.
- ☐ If I withdraw, I understand that all relevant information including tapes and transcripts, or parts thereof, will be destroyed.
- ☐ I agree to take part in this research.
- ☐ I wish to receive a copy of the report from the research (please tick one): Yes ☐ No ☐

Participant's signature:

.....

Participant's name:

.....

Participant's Contact Details (if appropriate):

.....
.....
.....
.....

Date:

Approved by the Auckland University of Technology Ethics Committee on 28th of August, 2008; AUTEK Reference number 08/155

Note: The Participant should retain a copy of this form.

9.4 Confidentiality



Project title: **The champion's motivations for Corporate Community Investment.**

Project Supervisor: **Dr Coral Ingley**

Researcher: **Xavier Black**

- ☐ I understand that all the material I will be asked to transcribe is confidential.
- ☐ I understand that the contents of the tapes or recordings can only be discussed with the researchers.
- ☐ I will not keep any copies of the transcripts nor allow third parties access to them.

Transcriber's signature:

Transcriber's name:

Transcriber's Contact Details (if appropriate):

.....
.....
.....
.....

Date:

Project Supervisor's Contact Details (if appropriate):

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Approved by the Auckland University of Technology Ethics Committee on 28th of August, 2008; AUTEK Reference number 08/155

Note: The Participant should retain a copy of this form.

Note: The Transcriber should retain a copy of this form.

9.5 Memorandums during data collection; stage one

9.5.1 Respondent 1A

- Seemed sad about this. World on her shoulders. She wanted more for herself and the world. Wholly committed to social change.
- Had an openness/ emotional intelligence. Able to reflect on her mental processing.
- Seeing it had made it real. Being there made certain issues more salient. She connected with certain issues (poverty).
- Catholicism- played a role. Quilt- over money, over being lucky.
- She had rejected Catholicism and needed to find a new form of belief- something else of meaning in her life.
- She indicated she felt privileged to have the language to express CCI. Privileged in being able to make people understand.
- The business took accepted CCI and the model from her because she had earned it- it was a condition of her excellence. Not explicitly discussed- but she/they knew it. Trust was a major part- she had earned their trust.
- Began initiative without sign-off. Used corporate resources.
- Created a business model- sold it in after the initiative grew. No idea if it would work. Based on instinct.
- Little resistance after selling it in. Able to enrol others.
- Needed it to be rational. Makes it socially just/fair. She demonstrated an understanding of the profit motive- how to make this work. Aware of chairmen's choice- just lucky that her particular cause fitted the brand. She did note she could have sold anything in- different form of 'manipulation' as she is presenting a cognitive business model.
- Rebellious- wanted to challenge the corporate model. Be an outsider. Took privilege in being a rebel. Felt that this was reflective of her 'persona' and sense of identity.
- Needed greater meaning in life. Dissatisfied with corporate existence. Her son had left home. Needed a sense of meaning.
- Felt a weight. Resentful of the injustice associated with social issues.
- Felt a personal obligation to create change. Wanted to impact the wider world. Needed to feel the impact and the effect of her actions.
- Needed to marry business and emotions to create wholeness of self. Had separated work and personal 'personas'. CCI was a way to marry /integrate the two.

- Experienced a moment. Fatalistic/serendipitous experience. The moment seemed true- a light went on. Felt a sense of calling and direction. However, she had a bend toward social contribution since youth.
- Championing CCI made it easier to accept business decisions that did not sit well with her ethically.
- An enjoyment/ excitement- something new. Something important.

9.5.2 Respondent 1B

- No resistance from board- had a mandate to initiate.
- Had some discretion in what to elect. However, some of it had been signed in for long time (Chairmen's choice).
- Used personal values to make decision. Gut instinct- know what's right. Executive board appeared to often use a similar decision making process. All felt that a particular program was 'right' despite not ticking the boxes and not adhering to guidelines.
- Gave an example of using personal connections to find and develop a program. Well connected. Relationships- social connection helped. Felt the board wouldn't object to this. Initially employed for her strong set of values. Values made her passionate.
- She still made a business case for every pitch.
- The purpose of CCI was not the business benefits- but social impact. Had a strong grasp that what they did now helped build the community for the future.
- Saw that anyone in this role would need certain values, passion and vision.
- Changed from a lawyer- had an epiphany that her life needed greater meaning. Dissatisfied with the corporate model. Felt that the social and work personas were disconnected. Needed to realign her sense of self.
- Personal philosophy- all people are equal. Care towards the down trodden. Sense of wanting to serve others.

9.5.3 Respondent 1C

- She said that CCI was her way to address a lack of time in her personal life. Wanted to direct funding to the community as she was not able to directly give her time to the community.
- Aligned to corporate strategy. Wanted a way to demonstrate commitment to the community. Business built on the 'community'. CCI a part of the holistic strategy.
- Being CEO had greater discretion than some of the other participants. Didn't need to justify decisions. Really seemed to have a significant influence over what they did and

she allowed her managers the same discretion. Shareholders did not sign-off on CCI- yet she assumed they accepted it. On good terms with the shareholders.

- Didn't select programs for her own causes or personal interests (for example Mountain Gorillas). Decentralised the power and choice.
- Trusted in her staff. Didn't have huge amount of measurement and procedure. Empowered them to make the decisions. Felt that it was low risk.
- Had little division between her personal and corporate persona. But it was she who had set the culture- therefore likely to be relatively aligned to who she was a person. Further employed people with a similar mindset- mostly females.
- Sense of wanting to effect the environment. Not wait for the world to change- she sees her role in changing it.
- Had a huge faith and belief in people and their interconnectedness. Big believer in the community.
- May have been more rational and risk-adverse if it been hard cash- rather than gift in kind.
- Sense of wanting to serve- help others.
- Appeared to use CCI to define her personality- ie a 'good person'. Judged others according to being "good people" also. Anyone in this role needs compassion and kindness.

9.5.4 Respondent 1D

- Total discretion. Was previous owners. Established patterns that he has clearly kept despite selling the business.
- Had worked hard and earned the power. Was a good ambassador for the business. Good relationship with current owner.
- No purpose/strategy/process. Totally ad hoc. Mostly used gut feeling. Didn't appear to evaluate the worthiness of the cause.
- Occasionally used cognitive cues. For example, whether the applicant used paid postage/ email or writing/ whether letter was signed.
- Personal gratification- it made him feel good. Self satisfaction. No sense of duty. But did indicate he wanted to give back. Not even really about creating mass impact- a lot of it was about him. Ego.
- Appeared to enjoy connecting with others. Despite saying this wasn't about others- discussed others reactions to him. Reflected on how their perception made him feel.

- Didn't psychoanalyse why he did- stated he 'just does it'. Difficult to establish structure of consciousness.
- Appeared frustrated/ saddened he couldn't do more-so many requests.

9.5.5 Respondent 1E

- Very little influence on the selection of which non-profit organisation or individuals to support. Extremely process driven. Couldn't impact on the choice.
- Felt that it is important to be objective.
- Process all about making the greatest difference and selecting wise investments that are able to make mass impact.
- Not about branding/ business benefits. Process all about making a difference. Business benefits not evaluated through the process. Came in at the discussion phase. However, the concept was born from a sponsorship strategy- therefore it was inherently a PR idea.
- The respondent demonstrated pro-social behaviour. Been on both sides of the fence (corporate/ non-profit).
- Had participated in one of the firms programs- had indicated a change in life direction. After this she became interested in the phenomenon.
- 'Meaningfulness' something that was particularly important in sense of self.
- Had a particular incidence that marked the beginning of looking for greater meaning in life. Had a connection to the Sari Club- and was greatly impacted by the Bali bombings. Serendipitous. Straight after the bombings the applications for the program opened. She said she knew she was going to get it. Some networking- she knew the manager of the Foundation and created a relationship with her.
- Experience in this program influenced the formation of strategy. For example feel isolated on the program. Aimed to address this in her job role.
- Always had been interested in giving. Was raised with Christian undertones.
- Felt aligned to corporate values in other positions- but felt more aligned in this role.
- Separated the corporate and her personal agenda. Indicated that she felt emotional and removed this from who she was at work. Not ok to cry- or emotionally connect with an applicant from non-profit organisations.
- Was appreciative of the process because it removed her emotions. Wasn't able to heavily influence process.
- Unique due to the board situation. This candidate was from a Foundation. Not positioned in business financing the foundation. She had greater resources and more

people to influence the process. Its own board- more people to contribute to the selection of charities, ect. No CEO on board. Organisation was conscious about removing Chairmen's Choice.

- Foundation was quite proactive. Went out and searched for appropriate partners. Ideas of who to target mainly came from the board.
- She was not the sole decision maker. Valued the group process.

9.5.6 Respondent 1F

- Was at a large firm before current job. Indicated that she struggled with the amount of philanthropy that was signed in (had historical commitments). Little ability to make her mark. Process heavy.
- The current organisation had deleted the program. Reintroduced it in 2005. Needed someone to manage. Interviewed. Had trouble finding someone.
- Initially got into this as she had kids- one of them sick so she volunteered at a non-profit organisation with a similar cause.
- Huge trouble finding funding in her non-profit experience. Had to call businesses and request money. Constantly heard 'no'. Seemed so sad at the non-profit plight- always lacking resources and funding. Couldn't understand why some said no and others agreed to fund the organisation. Looked at the funding strategy of some of the big non-profit organisations- significant amount of corporate funding. Indicated that she felt this was a large weight. Immediately intrigued by the corporate sector. And their seemingly lack of a logic or process.
- Wanted to make more of a difference- needed a greater impact. Moved to the for-profit sector. Used the knowledge and empathy developed from non-profit experience in the CCI position. Often told non-profit organisations of alternative funding.
- Took an educative stance. Her role was to educate staff of what they were doing. Inform/mobilise employees in the organisation.
- Indicated that she appreciated the greater autonomy in new role. Had ability to influence process.
- Didn't use her personal preference to influence who- but how they were selected.
- Indicated that it wouldn't be appropriate for her to select a particular non-profit organisation. Needed to consider the broader impact- ability to effect the most people/ create the greatest impact. Her own interests too narrow.
- Extremely good at placing herself in other peoples shoes. Consider it from the non-profit sector's or down trodden person's perspective.

9.6 Profile analysis stage one

9.6.1 Respondent 1A

9.6.1.1 Moment of realisation

This participant experienced a particular moment of realisation when hearing a snippet of a conversation in taxi ride. It was the name and purpose of the non-profit organisation that was being discussed that “stuck” in the mind of the respondent. The respondent noted that this conversation is extremely vivid in memory and indicated a step forward in her journey towards adopting CCI.

“It was a moment of inspiration and sometimes I think the timing is really key.”

“So for me, it was a taxi ride in Bangkok; I heard a monk speaking about keeping hundreds of girls safe in the sex trade and they were somewhere along the Thai-Burmese border and that’s all I heard.”

“Was it by chance that I chose that one in the back of a taxi in Bangkok? Probably it was because I’d never heard of it, it was grassroots and it was desperately poor. So I’d heard a snippet of an interview with someone and whatever those words they’d used, had affected me in some way.”

“Sometimes, for some reason, ideas just slide in to your brain when you’re ready to receive them. I didn’t know that I would become so motivated, until the right cause landed in front of me. And I think it was the name.”

This moment of realisation was held against a back drop of seeing severe poverty for the first time in her life in South East Asia. It was seeing social issues that made them “real”. It was through this discussion and subsequent trips into Asia that the respondent became more aware of a social need.

“Probably, it was the experiencing... if you regularly do business in Thailand, you see street poverty and you see street homelessness and you see child prostitution; maybe that’s... just seeing these things for the first time might have influenced it.”

“No, it’s poverty. You look it in the eye...you either see it or you don’t see it. And travelling around Asia ...you look it in the eye. You look it in the eye and you see kids that are malnourished...if you bother to check, that eight out of ten people never went to school. You know that a child dies every 30 seconds from filthy drinking water. You know that just because you and I sit here, we’re ok,

whereas if we lived in another country, we'd be looking at dying by the time we're three."

After hearing of this particular charity the participant the respondent was driven to personally organise fundraising events using the business's contacts and media partners.

"What happened for me was, the personal thing came first...I found a cause I wanted to back and I was able to leverage all my business partnerships to actually support that cause".

"So it was a gorgeous personal journey that I was able to leverage business networks to do."

"I found that I became very personally involved with this cause. I visited it and I started raising lots of money for it."

This was done, however, without the sanction of the board or business. These events were organised by the respondent alone under the radar, yet using corporate resources.

"I was running auctions that I invited everyone that knew me in business to come to and so it wasn't actually corporately blessed or acknowledged but it was everyone that we did business with and I would raise tens of thousands of dollars and send it up to Thailand. So it was kind of like an informal, under-the-radar... No one ever officially approved it and I could have gone to jail because I was breaking the law doing it..."

"The personal stuff going on was naughty...I was a bit guilty. I was leveraging corporate networks and I was raising lots of money and it wasn't a corporately sanctioned programme...Did I feel guilty? Actually, I probably should have."

Through these events the respondent realised how exciting, adventurous and elating the phenomenon could be. The respondent underwent an epiphany of how such events (which were already using the business's networks) could be run from a firm's perspective (developed into an understanding of CCI).

"So, I had a personal journey that, through my own personal passion, I learnt and it was exciting and that lead me then to recommend, that everybody, in every country that we did business, found a similar cause. ...and leveraged business networks."

"The learning's of that was that I saw it strengthen media and business relationships cause we all came together for a common cause."

"It's really interesting...I think I found out accidentally that leveraging business networks can be good for charities because I have this personal conviction, I did it and then I found out gee, it's quite easy to do if you're in business because you just pick up the phone and ask half a dozen mates for half a dozen favours and you've actually got quite a bit of money. So I think I found out accidentally that it can lighten up an otherwise boring business day. So maybe that's why I did it; because I'd played with it and accidentally found something out."

9.6.1.2 Selling it in

Within the organisation the participant was relatively empowered. As a top performer the respondent had gained the trust and respect from the board to use this power with the board to "sell it in". When questioned on whether this was risky the respondent noted that she was 'useful' to the company and so proposing a CCI strategy was a way for the firm to secure her commitment in the position. The ability to propose strategy was conditional to her excellence in her position.

"Oh, because I worked my arse off. I was an asset to the business, I delivered the results and corporate life puts up with people, who don't always play it the expected way, if those people perform; and I was performing."

Despite noting that supporting this non-profit held personal significance, when selling it to the board the participant made a business case. The business case was built of differentiation and branding strategies.

"I put forward that we stood for nothing globally socially, as most companies didn't then and wouldn't it make sense to actually tell a story that was different from the competition, if we did stand for something."

"So I tied it to the brand; I tied it to being different to the competition, yeah, and gave each country its own choice."

"If you want to influence a business to do anything, you have to put up a business case that is business-like and robust and so the business case was about differentiating the brand in the marketplace and standing for something; bearing in mind that any market that this rolled out in, it would receive probably ten times in media value whatever it cost it. So it was actually a great way to get media...free PR. So there was a robust business case."

"I think what's evolved is now very much a sort of 'consumer speak story'... 'oh, we do give back because we know that you expect us to.'"

The respondent noted that had it been sold in personally that it wouldn't have been seen as robust. It was not seen as appropriate to reference her personal passion or emotions. However, adopting the CCI strategy was driven by a personal conviction.

"What I find far more effective towards change, is to be somebody that a business sees as useful and to go in and influence it from within. So, I packaged it up...you learn what's going to be effective in getting something done or not. And for me to sit in a Boardroom, like I'm with you now and saying, 'God, I really feel something about this,' is the most ineffective things I could do. And it would trash it and throw it out of the room; so you learn what's effective to make things happen."

"No, at that point...if I'd pitched it personally, it wouldn't have been seen as robust. So at that point, in New York, it had to be 'what is our story?'"

"It had to be split. It's not accepted in corporate life to bring a personal passion so readily to a table and nor should it be. There has to be a business case for a business to do something, separate to your own personal desires."

"So I did keep it separate, it was schizophrenic. There was a business rationale, a physical difference...all over the world, women and children, business case, lots of PR, lots of reputational brownie points, customers will love you, be like the Body Shop...you know, really...it just looked good. And then the personal conviction was, this is a lot of fun...this is adventurous, this is exciting."

However, in the interpersonal relationship between the respondent and her director, the respondent noted that her immediate boss did realise the personal significance of the CCI. In this relationship with her superiors the respondent noted that she felt that getting the program adopted was a condition to the continuation of her high work commitment.

"I just think that sometimes you transact in business what you know you've got the equity to transact. I had the equity, if you know what I mean...I had the standing to say 'this is what I personally enjoy doing, please don't take it away from me because I'm actually running 14 countries for you, travelling 50% of the time, solving a whole lot of headaches every day and this is the bit that I want to ask you to give me permission to keep doing'. It was a transaction."

"I think it was me saying, 'this is the bit that gives me a kick; please don't take that away from me', and they didn't."

"And I'm sure...I know he would have picked up a message from me, which is...I'm doing this and I will feel differently about working for you if you tell me that I can't. That would have been an unspoken thing."

When making the business case the respondent indicated that the business case was based on a strong instinct or a gut feeling that this would have benefit to the organisation. At the time to pitching it to the board there was no evidence or information to indicate that the CCI as a business strategy would be effective.

"I didn't have the research, the knowledge, but it was a strong instinct that we would actually be perceived differently by the people we did business with and our customers, if we gave back."

This instinct was built from Catholic principles.

"Built on...I think it was Catholicism that people will judge you differently if you give back rather than take. It was an instinct, yeah."

The respondent did note that one other business case study in the same industry was referenced and that the business benefits did eventuate to be true.

"Why was the brand Body Shop not spending a cent on advertising and claiming market shares. Because Anita Roddick stood for something; she stood for giving back. It wasn't such a rocket-science moment...there was a model already in the global cosmetics industry with the Body Shop; that if you do good, people will support you."

This occurred at a time when CSR was a not a conventionally accepted concept. No businesses were looking at CCI from a strategic perspective.

"Bear in mind that this probably happened 15 years ago; before companies had the strategy; before CSR."

9.6.1.3 Scope of Influence

The respondent experienced little resistance. She noted that this was an outcome of "selling it in well" and enrolling the organisation in the story behind the CCI.

After pitching in the CCI broad strategy, the respondent consciously reduced her personal influence. It was suffice that the respondent had made a difference and

therefore the respondent did not feel the need to influence all non-profits that were selected by each international business unit. The respondent noted that any cause that was selected would have made her feel as though she had made a difference. It was the action of CCI that was significant, not the specific non-profit organisation that were supported.

“Actually, by saying that each market could choose its own beneficiary...lots of them chose beneficiaries I did or didn’t agree with, and that really didn’t matter. Some of them chose big NGO’s in Korea, that didn’t need the money and big NGO’s in Tokyo that didn’t need the money and others chose little ones that did need the money. So I no longer had any scope of influence over the type of recipient. I only had scope of influence over the idea.”

Further, the respondent was aware of “chairmen’s choice” and didn’t want to manipulate the business units to select charities of her choice. She felt that this would diminish the value of the CCI strategy as it should be each business unit that was empowered to address social issues in their context.

“No, actually there isn’t sadness because in fact, it would be wrong if the former could occur because then you would be manipulating the emotions of the people in the room with your own emotions. It is business’s money; why shouldn’t they pay the cleaner of the factory another dollar an hour in New Zealand rather than invest \$100,000 over here.”

“That’s what I call Chairman’s Choice; when personal passion influences what businesses invest socially, and it’s to me inherently wrong, because it’s whatever pressed the buttons of that individual empowered to hold the cheque book.”

9.6.1.4 Personal meaning

When questioned on why she was motivated to support this cause the respondent noted that it came from a lack of meaning in her life. Her life was directed towards corporate goals and making profit. She was dissatisfied with the profit motive corporate model. This was a way to create meaning beyond financial gain.

“So, it completely met a personal need, yeah. It gave me something other than existing to deliver a good bottom line for a big company. I existed to deliver good company results; I earned lots of money. What else was there of meaning in my life? My son, who was late in teens, leaving home...it, gave me meaning when I needed some meaning, so it was very self-fulfilling”.

"What I heard then was...let's say whatever the cause I chose was irrelevant; my life was all about meaningless making money, it lacked meaning. By becoming a champion for a particular cause, I gave myself meaning, my own life meaning beyond making money."

"So, the cause could have been anything. There was a gap in my soul, in my corporate existence, of meaning; because corporate existence gives you everything else but meaning. And never in my life had I had such a great existence without meaning; it was fun. But you know swimming pools and tennis courts and flying everywhere, but there was no meaning."

"I needed some meaning other than just being a corporate animal. The cause could have been many different causes."

"People in business don't get fulfilled by making money. People in business look for something else that at the end of the day I feel like I did some good, rather than just make my sales number for the month."

The lack of emotion in business had created schizophrenia in her personality: 1) a persona for work and 2) her 'real' person. This was a way to address that distinction and marry the two.

"I think it's...it is the shortcoming of corporate life; it is the disease of corporate life, that often people will present what they believe they must present to be acceptable in corporate life, rather than present all of themselves."

"Whereas in my early corporate years, I felt like I had to be little-Miss-Corporate and not show any humanity. So it's no longer a big jump but it certainly was when I was younger in my corporate life. It was horrible. You constantly feel you're being...you have to be acceptable to some others judgement."

"Who am I? All my life I'd been a professional, driven woman and nobody knew anything about me..."me" was a completely different person."

The respondent indicated that she made business decisions that were not ethically consistent with persona 2 and that this became a way to alleviate some of the guilt of making those business decisions and address what the respondent saw as the shortcomings of the corporate model.

Further, the respondent indicated that she had felt a sense of shame at the significant amount of money she made in her position. Stemming from a Catholic childhood the

respondent indicated that she felt she had “more than she needed”. This strategy became a way to alleviate guilt.

“I think it was a sense of privilege. I was earning an incredible amount of money; I was in my mid-30’s; I was living a lifestyle I would never have dreamed that I would believe...and it was very glamorous. And it was a sense of ‘I have more than I need.’”

“My parents were Irish Catholics and they were very socialist, so it was about giving back. So yes, there was always going to be something that fell across the radar.”

“I’d left Catholicism officially by the time I entered...because I left Catholicism at 12 but you don’t leave what it puts inside of you...and there is an extraordinary guilt that if you have more than you need, that’s wrong and that you should always be looking for an opportunity to help someone else with it. And so it alleviated a guilt for me; you could say that getting involved with [CCI] was about alleviating a Catholic guilt; yeah, I had squillions of money; I had more money than I needed and I felt good about actually finding something I could give back to.”

The Catholic underlying were emphasised in Singapore and the industry in which she worked.

“I was earning an awful lot of money and I was part of...all of a sudden, everyone was too wealthy, they’ve got three cars, they’ve got two drivers, the women are disgusting, they drip with jewels. It was obscene almost, the consumerism that is evident in Singapore. It’s obscene; it actually eats away at your soul after a while. So I think that was a revulsion to that as well as perhaps needing something to fill my...a bit of my own personal life.”

The respondent also indicated that her lack of meaning may have coincided with her son growing up and moving away. Suddenly her life solely consisted of corporate life.

“I think the gap collided with having raised a child as a perceived single parent, so the work of being a mother was coming to an end for me and that redundancy was looking me in the eye and that was part of [being motivated to adopt CCI].”

9.6.1.5 Identity

The respondent appeared to use the strategy of CCI and her role in creating that strategy to define her personal identity. The respondent indicate that she wanted to

be identified as honest and with high integrity and that CCI played a role in her being able to define herself that way.

“That’s something I want to see myself as. I’d always like to think that I say ‘the emperor’s got no clothes on, this is bullshit.’ I’d like to think I’m always honest enough to do that.”

She indicated a desire to be ‘brave’ and ‘rebellious’. The respondent appeared proud that she “outed” herself for this social cause. In the respondents framing of this issue she talked about herself as a rebel and non conformist.

“I talked about a very difficult issue that most people in Asia didn’t want to hear about and that was child prostitution. So, it was having the ‘face’ to talk about an ‘icky’ subject, that most people go “oh, I don’t want to talk about that....”

“It was a little bit of giving the fingers if you know what I mean. It’s a bit, you know...like it or lump it, I don’t care, yeah...it was a little bit rebellious. Yes, certainly, a little bit rebellious; absolutely, yeah.”

“So I carved out a little bit of a persona of...I’m not conforming, I’m not one of you but I like doing what I do in this industry.”

9.6.1.6 Social Drivers

The respondent had a sense of social duty and a desire to affect the wider environment. She indicated she always had a bend toward helping others but that the moment of realisation and process through which she adopted CCI allowed her an opportunity to express that ‘bend’ and impact the wider environment.

“If you’re the kind of perhaps individual, that looks for things over and above the job spec, because job spec’s themselves are inherently boring; they’re quite fixed-so if you’re looking for something above the job spec, it’s quite likely that you’ll be looking for some way of something that’s creative, interesting and fun and giving back.”

“Understanding how to do something is like the best game you can play; to go into a company and say ‘I’m doing my very best to motivate you all to want to do something.’ That, to me, is the best fun.”

“And as long as you can in your own small way, feel empowered to do something rather than nothing.”

The notions of power and social justice were salient for this respondent.

“‘I’m so poor; I’ll sell my daughter to buy a television’. All these girls are being sold for US\$150, that buys a child in Asia, in slavery for the rest of their life. So it’s very black and white. That’s not right. That’s not ok. That seemed to me to be a different level of not ok.”

“Poverty dictates and determines things that lower the value of human life; puts human life at a transactional value. And that doesn’t seem to be fair- because you’re born with no money, that you’re going to have a lifetime of slavery.”

“So, to me, it’s an offence and it’s unconscionable and it’s the most ultimate wrong, not to be mindful that the world is full of inequality. To me, it’s unforgivable and inexcusable, not to be mindful that the world has that inequality in it”

From her experience as a young solo mother the respondent appeared to find a lack of power in social issues to be extremely unfair. Her experience in having low social status created a personal obligation to help others with low social status.

“So having no status as a solo mum for many years, five good years, being on a benefit, working hard, working under the table, doing all sorts of dodgy things, maybe that fuels your stomach as well, to know what it’s like to have no status.”

The respondent appeared burdened by this obligation. She indicated that she felt “angry at being impotent” to solve all social issues. She has a desire to make large impact on the external environment.

“It’s good weight. If the weight isn’t there, I can’t imagine not living without that sense of injustice. If we don’t call in a sense of injustice, who are we? What right do we have to be here?”

“Anger at being impotent... anger at being impotent, when you... think about poverty and you think about the way we live, it’s anger at being impotent. It’s anger at it; it’s not right; it’s not fair. It’s anger, yeah, rather than weight...I think it’s good healthy anger; you should feel angry that people are dying.”

Social connection to others appeared to play a significant role. Initially this was through the social networks that were mobilised when first organising fundraising events. Later it appeared to be a strong connection with people that allowed her empathy towards community and social issues.

9.6.2 Respondent 1B

9.6.2.1 Personal meaning

The respondent had been position in a legal role for 15 years. The respondent indicated schizophrenia between her work and personal persona. She felt like she was split across separate paths and different dimensions. She indicated that in this pervious corporate role she had difficulty juggling her personal values and work life.

“I’d done 15 years of legal stuff and got to a point where I kind of didn’t feel particularly satisfied with that and wanted a change of direction.”

“While I had done banking and finance... My personal life or my life outside of work, I suppose, had followed a completely different path so I was very much living, almost, like in two different dimensions. The work persona was heavily weighted around corporate borrowing, big dollar deals, you know, lots of zero’s on the ends of things, multi-development companies, businesses and stuff and very much around that high-end lending and corporate involvement. And then at home, I had a family situation ...it’s a very extended family situation; lots of the extended whanau had...we kind of had an open house policy...so the family dynamic and how I lived outside of work was completely opposite to the sort of stuff I was doing at work.”

“And so it became more and more difficult to juggle my personal values and personal views and lifestyle and it kind of contradicted what I was doing at work.”

She actively sought to move into a role suited to her personal values. She adjusted and created the role to align her life at home and at work.

“So for some time I had been wanting to do something that was more aligned to who I was as a person.”

“And we sort of agreed that if the role could be extended a bit further to kind of encompass community engagement that I’d be happy and then I could start to develop initiatives and programmes from there and that was when corporate responsibility was just starting out.”

“So that’s how I got to that position. I had the opportunity I guess to add into it what I wanted to”

“Yeah, I think now I’ve found a job that fits my social persona rather than trying to fit me into (a different role).”

9.6.2.2 Mandated from head office

Head office had mandated the core CCI strategy including the objectives and budget committed to CCI. The respondent noted that the commitment from the head office was in attempt to create social licence to operate in each market.

“The Australian head office had decided that the organisation would I guess have a heavier weighting on corporate responsibility and made it a core objective for the [company]. It was discussed at Board level and at an executive level and they put in place some broad objectives and policies. So it grew out of, as did a lot of...well [other companies] in particular that were going to the CR (corporate responsibility) space.”

“It grew out of growing, I guess, community annoyance at the level of profits [the industry] was making. There were lots of bad closures, particularly in Australia at the time and there’d been some issues...So, there was probably, I suppose you could argue that it was about reclaiming social licence to operate.”

However, the respondent did not need sign of which CCI programs they adopted and had the ability to influence which programs are created.

“So the Board designated that it would become a key corporate objective and a key platform for building and going forward, so that was when they mandated that each of the regional banks would be required to also translate the CR into their own business objectives but with a regional flavour.”

“I mean, the Board had said ‘yes, we sign off’...you know, a framework and kind of here are the sort of things that are important, but in terms of what you need to do from a regional or your own chosen programmes I guess, it’s pretty much up to the business unit and the judgement of the Executive Committee.”

9.6.2.3 Informal process for adopting CCI programs

A group consensus process was undertaken to review potential programs. Often the review process was directed towards “will this program make a difference” rather than the return on the program for the business (the business benefits). The respondent indicated that they did have criteria however it appeared that this criterion was mainly driven towards creating a genuine difference.

"I can honestly say that corporate do it, in terms of if you're talking about the people who sign off the balance sheet and who make the difference at Board and Executive level, because they actually believe it is the right thing to do."

The respondent and subsequent CCI decisions were focused on 'creating a healthy society'.

"There's a public perception that it's all about trying to impress your brand and you know, that it's about saying that you're doing this just so it makes you sound better but the reality is that the message is constantly plugged and constantly sold around no, we actually want to be a sustainable organisation. There is no point in having short-term gains and returns to our shareholders but not being here in 10 years time as an organisation. So, in order to be here, we have to a) maintain a social licence to operate and we have to b) make sure that we're putting in place programmes that are going to mean that our customers are there, that our staff are there...that there's a world for our children to exist in."

"And there's a real awareness that if we don't as a corporate get involved in helping build that capability... what are we creating as a society."

"Therefore if you're not doing your bit to contribute to actually trying to raise those issues and address them, then what are you going to have? You're going to have no decent staff, you're going to have no customers or you're not going to have customers that are financially able."

The respondent indicated that occasionally if the proposed program had a significant influence on customers that a customer representative or marketer would be invited to participate.

The process for sign off was limited. To secure greater budget the respondent needed to only submit a one to two page document with a few sentences outlining the business benefit or core outcomes of the program.

"So it was literally a paragraph, which said I want a budget for this and this is what it's for and it got signed off. They didn't come back and say you know, 'give us more...give us a better business case.'"

Return on investment or financial justification was not needed.

"And normally you have to, if you want any money, if you want an increase in budget you have to justify, and you have to show yeah, there is a return on investment."

"Did a kind of rough cut of this is what it will all cost the organisation based on a projected take-up rate and the paper was two pages, didn't go into Financials. I didn't, other than saying this is roughly what it'll cost and they basically said 'yes' straightaway- 'do it and get it implemented in the next six weeks, go for it.'"

"And it got ticked, so no...there is an understanding, and I'm sure that's not the case in all organisations, but there is definitely an understanding that you can't put tangible dollar value on these programmes."

The group review would frequently be based on 'gut instinct' and consensus, rather than a strict or regimented review process.

"So, a lot of things happened...you'd get something and you'd just say this gut instinct...this just feels like something we want to do and then you'd have to drive it through."

The respondent gave an example of adopting an event although it did not meet any of the criterion. She indicated that the review group all had an over whelming feeling that this was the 'right thing to do'.

"And here you have a set of I suppose criteria, that you have a look at and see whether ...how many of the buttons it pushes but sometimes, you know, even if it doesn't, you just think it feels right."

"But if you'd looked at it from the point of view of, you know, [the company's] sponsorship criteria or community involvement criteria, it didn't tick any of the boxes. As I said, it was associating with a demographic and... there was just nothing from a business leveraging point of view that you could have ticked. And also, it was very-it was something where your name or your brand would be constantly associated with something that was negative, awful, terrible... But if you kind of put all of that aside, it was just a feeling that if you're really wanting to live, I guess, the values of corporate responsibility, it's about doing the things that are going to make a difference in the community."

"So for the people that sat around that table that day, I think there were about five of us, we all just said straightaway when we left, 'we've got to do this and we've got to make it work no matter what.'"

9.6.2.4 Personal influence

The ad hoc process allowed for personal influence and subjectivity. However, as much of the CCI budget was committed years in advance the respondent didn't feel that this was a significant amount of the CCI activities.

"In some ways...a lot of the sponsorships or sponsorship of community programmes was things that had been locked in...Kind of the historical Chairman's Choice type things that were locked in for some time; so there was little you could do with those."

"A lot of your sponsorship dollar's locked in kind of years in advance so you only probably get each year an opportunity to maybe take a percentage of your budget and change it or to add on a percentage."

Individuals whom had ideas based on personal experience or interests were able to bring them in front of the board were able to propose them, namely the CEO.

"The CEO at the time there was very corporate responsibility focused I suppose and had a personal passion for it and motivation, so she had some things that she definitely wanted to see."

"The CEO might say 'I really want this; I think it's a good initiative'"

The respondent appeared aware of the criticism of 'chairmen's choice' and tried to be objective. However, the respondent was also aware of an overlay of her personal values of how she approached and perceived CCI in that organisation.

"In other cases I guess it's very much more personal. I mean it does tend to happen I suppose that you look at something and you think...I've had personal...not through personal experience but I know that's a situation that exists or I know there's a need that exists out there and maybe no one else in the organisation or no one else in the team knows about that but I do and I can see it and you know, here's a chance to make a difference. So yeah, there is an element of strong subjectivity in there, in terms of what's important to me may not be important to the next person...so, I guess you do to some degree overlay a little bit of your own values and vision."

She noted that her own personal drivers that may affect the selection process. CCI programs that she has pitched include a tendency towards small, disadvantaged, and underdog non-profit organisations.

"I tend to have a stronger support for things that are social causes where it's about disadvantaged, marginalized people in society who don't get the opportunities that others do."

"The ones that...you know, perhaps miss out, are the ones that are working in the middle zone, who are working on a shoestring budget, you know, maybe two to three staff...a lot of people working on a voluntary basis; they're not getting the same public awareness and cut-through but they're doing some really amazing work at the coalface. They're actually helping everyday New Zealander's you know. So yeah, I guess my own personal vent is to kind of aim into that space and try to make a difference where others aren't getting, you know, cut-through or attention."

Further it became apparent that her personal experience and values significantly impacted on an example of CCI that she pitched and established in the organisation (which related to Maori and youth).

"Yes, I guess it started from the point of view of 'I've got a particular passion in youth, financial literacy and Maori and Pacific' because I've got a very extended whanau situation but also because there was clearly a need. So yes, in answer to your question, yes, there is an opportunity to I guess, drive programme".

However, she was still required to create a business case and have this reviewed.

"So yes, in answer to your question, yes, there is an opportunity to I guess, drive programmes but you've still got to build a business case and actually sell it to the Executive Committee in terms of the financing and show that there's a need."

The respondent had significant trust from the board and sat in an empowered role. The respondent indicated that having an emotion connection to her work in CCI was both understood and encouraged.

"And I think part of the...I guess...the mandate of being a corporate responsibility person in-house, is that people realise or recognise that if you've gone into the space, it's because you have personal, you know, interest and values that have driven you to work in that sector."

The respondent indicated that her personal influence was respected. She indicated that the board valued her understanding, exposure and experience of social issues.

"I think they appreciate that in getting somebody into a role, you have to have somebody that actually experiences what life is like for, you know, all New Zealanders, not just a certain...you know, level or layer of society."

Further this board indicated they also respected her continual commitment to the non-profit sector.

"The Executive General Manager... I was continuing to do tutoring on the refugee and migrant and doing some stuff for Maori and Pacific youth in terms of helping them with jobs and CV's and stuff. And he just thought it was the most amazing thing. He was like, "look, that's so great. That's exactly what we want to see; that somebody we have employed to do a Corporate Responsibility role within [the company], is actually living it."

9.6.2.5 Personal passion for making a difference

The respondent indicated that she experienced a desire to address social problems. She personally volunteered before her corporate CCI role. She appeared to have a sense of duty and commitment to the collective community. This may have been born from her experience in a large and open Polynesian family.

"Some of it is just such an overpowering social need or social issue that you kind of can't walk away from."

The respondent indicated that she needed to use her personal passion for making a difference to enrol the board in programs. It was her enthusiasm that has allowed her to "sell it in to the board". She felt that the emotional appeal and passion for CCI enabled her to get traction in the organisation and secure funding.

"It would be fair to say that the other executives probably went along with it but didn't have the same vision of what was required."

"Think that's the key thing; if people who are signing off on budgets can see that you're genuinely passionate about it and you get them caught up in that excitement about where it can go and what it can do, the more likely to get traction. If you don't, then it's very hard...I mean, you are I suppose selling some stuff really. So if they wouldn't see that, or they can't see that in you, then they're less likely to want to sign it off."

9.6.2.6 Social drivers

The respondent indicated that on occasion she felt saddened by not being able to address all social issue. However, she mostly felt blessed in being in a position of power to make a difference.

"I guess the hardest thing for me is that in a lot of cases, you get inundated with requests and for instance, this morning, I had the woman from one of the [name of charity] ring up and she was saying what can you do to help? It would be so easy to be able to say yeah, you know, we can give you money and we can give time and we can give whatever but the reality is that you do have a limited budget and you have to make it work. So, at times it's hard having to say no."

The respondent indicated that used to role to mitigate her personal need to address social issues. She gave an example of widening program so more non-profit organisations could be assisted.

"So that's one way of me basically having to say well, I might not be able to help this 75,000 community groups we have in NZ but we've got 5,000 staff and if they've each got two days, then they can spread it around."

"So at least then, I don't have to say well, I've turned down x number of charities and say well, in fact, if you turn it around the other way, we've given the opportunity for more to get a percentage of that dollar rather than two or three key [charities]."

She had a significant value for equality and a respect for all humanity and diversity.

"My personal philosophy is very much about that I believe everyone in society has a part to play and that respect for fellow human beings is vital and I have a very non-hierarchical view."

"So it's very much about equality, a respect for diversity, respect full-stop for people."

The respondent had been judged as a young mother and had experience around being stereotyped and pigeon holed. She indicated that this lead to a desire to try and increase other respect of others and minimise judgement of the disadvantaged. She expressed a desire to widen people perceptions and educate them on different social problems and social groups in need.

"People just pigeon-hole...and in fact if you take a step back and actually get to know the person, you might find that they've got plenty of potential but no-one's given them the outward look."

Social justice was also an important driver. The respondent had a strong sense of doing "the right thing" across multiple avenues in her life.

“And I’ve done I guess a broad range of...some stuff...in what I call broadly social space.”

9.6.2.7 Social interaction

The participant’s social interaction played a significant role in both her taking a position in CCI and locating social causes to address through corporate CCI. It was through attaining a mentor in a previous position that the respondent started to address the incongruence between her role and her personal life. Through the mentor the respondent became aware of a role that was available in this area.

“And it just so happened that I ...there was a woman at the time in [previous company] who was heading Corporate Relations and I had kind of seen her...some of the stuff she’d done and I just rang her and said ‘look, I’d really like to just come and talk to you as a mentor...just sort of chew the fat a bit on how you got to where you are’, because I knew she’d had quite a diverse background.”

Further, the respondent indicated that she was people centric and found she had strong and significant connections with people. This passion for people enabled a compassion and empathy for others.

“[You] genuinely have to have a passion for community and a passion for people and a passion for doing the right thing.”

The respondent enjoyed educating others on social issues.

“So you know, I think I’ve learnt to actually use things as a way of explaining to people and also particularly when people don’t get to experience other parts of society or other cultures or other ways of living.”

“It’s a good way of getting people to understand what it’s like for others, particularly if they don’t have that opportunity, because they do live in a particular kind of lifestyle. So yeah, there are some real positives about being in a position like this where you can actually influence other people’s ability to see what they otherwise wouldn’t have seen.”

Finally the respondent frequently gathered a greater awareness of social issues and needs through social interaction.

9.6.3 Respondent 1C

9.6.3.1 Initially strategically driven

The respondent indicated that initially the CCI strategy was born strategically to align local business units to their community. Initially CCI was created from a strategic theoretical basis.

“So the only way that we could demonstrate to a community that we were a local [organisation] and different from our competitor, was to actually have all of our staff fully paid up and engaged in the community with charitable events.”

“So we say that we really reflect the societies that they’re in and for us to actually operate wholesomely within those and be able to go out and take lots of advertising dollars off clients, we’ve got to in the first instance, be seen to be giving back to the community. So you do start from a very theoretical base, where it’s good business practice you know... you give to us, we give back to you.”

“If we want to position ourselves as being in the heart of the community, there are certain things we have to own. Let’s go out and just give, to begin with, let’s just give them the (gift in kind).”

The respondent indicated that being a part of the community and being recognised as a local business was the core driver. However, when available the business sought other business benefits from this strategy.

“And at some particular point, also be on the lookout for where a business opportunity might land, so that we can get something back in return.”

“So it was about setting up really good key strategies and partnerships and then off the back end of that, sure, we said how do we leverage off this but that wasn’t the primary motivator. And I think when you go in and it’s not your primary motivation, you do give yourself a whole lot more wriggle room to be creative and just be worthwhile.”

“I would say how do we interact with the community, how do we demonstrate to our staff and to the people out there, that we actually care and how do we sort of put back, in the way that, you know, doesn’t fit your traditional business model but trust me, if we get this right, it will feed into that and there’ll be some delightful returns.”

However, the respondent noted that this strategy was not developed with evidence or support, and it has taken five or six years to see a return on investment.

“But it’s taken us probably five or six years to really see the return on human capital and investment in a community pay off but by God, now, it’s unbelievable and I would argue, unable to be replicated easily by our opposition.”

The strategy was based on the respondent’s personal experience in local communities around New Zealand and empathy for the decreasing stability of local communities.

“I grew up in provincial New Zealand and I worked in markets like Alexandra and Invercargill and Hawkes Bay, so I’ve worked in a lot of markets around the country and I have seen what an important role [our product] has to play in terms of the sense of ownership that those communities have. And I’ve also sat and seen in NZ, every head office abandoning little places like Alexandra.”

“And we reside in communities; we can talk to people; we’re good companions and when people are wanting to make sense of the world, they want their communities. They want safety and they want small and they want to actually feel like they belong to something again, to take away the madness.”

Further, the respondent had huge faith that all humans seek an interpersonal connection and that CCI was able to create a relationship between each community and their specific business unit. Whilst the decision was based on logic, it was not supported by evidence. It appeared that the respondent had an instinct or faith that the strategy would be effective.

“I also thought the free market in the world and the financial modelling and all the rest of it was fundamentally flawed and thought if the world goes to hell in a handcart, the one thing that people are going to want, are those interpersonal connections cause they make them feel safe. So they’re going to want their communities back again and their relationships with people and realness, authentic and values that are good, to stand for something.”

She indicated that CCI was a way to define the corporate culture.

“I also like the fact that if we are seen to be giving back to the community, it also says a wee bit about the kind of culture and the heart and the soul of the company. So I spend quite a lot of time working on that culture. Not working on culture, but going ‘you know, we’ve got to stand for good things’ and we’ve actually got to have our heart and soul and temperament and all of that stuff.”

“And we’ve got to have some of those things deeply embedded, not just to look good but as actually a part of who we stand for. So we say we kind of value people and a spin-off of valuing people is then-people live in the communities and they work in them and therefore you want them to be able to interface.”

“I sat there and I watched them and I thought they feel proud of the fact that we’re involved with [CCI] and that we’re actually trying to help and they can see that it has cost the company some money but we’ve actually done it cause you know, fundamentally, we do sort of give a damn.”

The respondent appeared to feel responsible for creating the corporate culture (notable in her position as CEO).

“There’s no doubt about it. The person at the top sets the flavour, sets the culture, sets the environment; there is no question about that.”

9.6.3.2 Board unaware of CCI spending

The board were unaware of the CCI spending.

“Would they know what our stated sort of position is regarding community involvement and how much is enough and what are all the filters that we use before we determine what we’re going to get involved in? No”.

Being a private equity investor, however, they had entrusted the management of the organisation to the respondent.

“I mean private equity tends to be ‘here is the top-line; it’s called revenue, here is the bottom line that you have to achieve. We will entrust management to make all the good wise decisions and then we’ll stand a long way back’.”

The respondent indicated that due to positive financial performance and succeeding in the ‘hard core’ elements of the position, she had earned the discretion to engage in CCI.

“I have got all of the hard-core requirements, the non-negotiables, in terms of revenue and profitability. I spend just as much time on the softer side of it; you know, the people development, the training, the listening to guys talking and finding out what they want to achieve, asking how we can do stuff better. You know, training and coaching and that community stuff sort of fits in with that, if you can imagine. Because it’s not...it is the art not the science of running a business and yet I give weighting equally to both, you know?”

9.6.3.3 Decentralisation to managers and their personal influence

As the CEO with 27 local managers the respondent indicated that she had decentralised some of the decision making process to the local managers. Each manager gets to choose the non-profit organisation that they support.

“So I guess it’s not reserved for the hierarchy to determine what we get involved in and that’s quite important.”

The respondent indicated that she was aware that these managers selected social causes that each manager was most interested in and that their personal preference would influence which non-profit organisations would receive support.

“Every manager in every market gets to actually work out what charities they give to and get in behind on a case by case basis. So there’s no doubt about it; they will go with things that they are most interested in. Like, we’ve got one of our senior guys in Wellington and he’s got an autistic child and of course it just so happens that the Autistic Foundation there gets quite a lot of money. So, the human sort of interfaces and what they’re especially interested in and what means a lot to them...we allow as an organisation to sort of prevail.”

She said she was comfortable with the selection of non-profit organisations according to individual’s passions and interests.

“But I’ve got...in each local market, the General Manager’s get to actually pick things that are the most relevant because a) they know what’s the most relevant to their community and b) again, I’m quite happy for them to do what they’re most passionate about because they’ll give it their best shot.”

“And I’ve got no doubt that probably there are some much better at it than others. It’s like, well, ok. I live with that.”

“I don’t really care what they want to actually get involved in Invercargill. And by and large, they all make all of the right decisions.”

The selection and maintenance was decentralised as the respondent indicated that these are the manager who know their local communities the best and also to enrol a greater amount of staff in the giving program.

Similarly the respondent did not have processes to manage and evaluate the effectiveness of the donated gifts in kind. Whilst there was some measurement of how much was given, but return on that investment was not evaluated.

“And also then, on an annual basis, would measure how much time we had given to communities. So there was also a bit of scrutiny, which wasn’t a scorecard but it was ‘can you tell me how much you gave to your communities this year’ and I’d often KPI, you know, Key Performance Indicators, with Managers.”

“But no, I measure them on a whole bunch of stuff, like revenue and all this stuff...I’m not going to measure the ROI (return on investment).”

The respondent indicated that the flexibility she gave to each manager to select and manage their CCI allowed them to create passion for their positions.

“So I work on the premise that once I’ve got the A’s and the B’s sort of in residence and we give them the parameters by which they need to work and we tell them what’s expected of them and we give them lots of feedback, then part of the joy for them comes in being able to sort of colour their own canvas. So they have to just learn all that stuff and by and large they make all the right calls.”

The respondent viewed the CCI activity as low risk.

“Well, I look at it in terms of assessment. The risk profile for me’s not high...what’s the worst that can happen? They pick a dodgy charity, no there aren’t that many of those around or they pick a charity that doesn’t really resonate with the community-oh well, it’s not the end of the world.”

This may have been, however, because the CCI activity was predominately gift-in-kind donations.

9.6.3.4 Personal role of the respondent

The respondent was responsible for delegating the budget and spending on CCI. She indicated that she had lesser influence on the specific charities or programs that were supported.

“So you know, I’d be off saving mountain gorillas; if it was up to me, it wouldn’t probably be that good a look.”

Prior to her taking the role CCI was ad hoc and limited. During her tenure in this position she maintained the role of the champion for this issue.

“Yes it was there but we didn’t know why it was necessarily there and we didn’t know how to kind of build on it and we didn’t know about the reason we had to

fight to keep it there and not take it away. Because numbers on a bit of paper, it all looked really expensive.”

It was her role to believe in it, enrol her staff in the idea and ultimately prove that this strategy was effective.

“The thing is though, tested upon delivery...so it wasn’t a case of someone saying ‘oh yeah, give it a go, we’ll come back in five years’. It was ‘you believe in this, you prove it’.”

The respondent indicated that whilst the initial adoption of CCI was strategic, that it has been the selection of which specific non-profit organisation to support that has allowed for greater personal influence.

“I think the personal stuff in terms of time was a latter one; there was no doubt about it, we did it in the beginning for business reasons, you know what I mean. Because we knew that that was going to be one way that we could reflect ourselves and project the idea of community.”

“So when you get down to this filtering process that’s when you start going mmm and the call on what we get involved in can be a bit personal. We’re sitting there looking at 15 things, so what floats our boat more than others and spins our wheels.”

“Yeah, we’ve had to become more discerning about how many things we get involved with and then what does tend to tip it is where you feel most passion to be perfectly honest.”

9.6.3.5 Personal drivers

The respondent indicated that a core component of why she has championed CCI has been a strong sense of guilt. She indicated that engaging in CCI enables her to alleviate the guilt of having little personal time to engage in the community personally.

“We’ve got probably 70% of our managers that are women, right? So much about our reason for actually being involved in charities is because we don’t feel we actually have got the time to go and do the things that we would if we were not working. So to be honest, there’s a chunk in it that is actually driven by an absolute sort of sense of guilt; that if we were at home, we would actually probably find that we were participating in a voluntary capacity in our communities, doing something. We don’t get to do that, so what we use really are our positions to be able to sort of put some wheels into motion to make it happen.”

“And so that is it. And so we think ok, what we don’t have. The one thing that we are all short of, it’s not money, it’s actually time. So if we actually don’t have the time to physically be able to do it, what can we, with our own sense of sort of passion and style, get behind and then we use our positions to go give that entity some (gift in kind) and it lets us off the hook.”

“You know, we’re really saying we haven’t got the time nor are we prepared to make it so we’re just going to use, we’re still going to do it for authentic reasons; we’re not doing it and not caring whether it works but we’re saying this is our best way to actually make a contribution that’s sort of valuable and vital to that sort of organisation. But it is driven by us being really short on time.”

CCI was positioned as a way for her to overcome the limitations of corporate life. She noted that if she had not been in her position, she would have been able to assist non-profit organisations personally or her children’s school. This appeared to be situated against her identity as a mother. She felt she needed to create CCI to fill a gap in her life, due to her limitation to fulfil the role of a ‘mother’ because of her role in business.

“I see it with my children at school. You know, schools rely on mothers who’ve got time, giving back, whether it be on the PTA and what-have-you...I think oh my gosh, I really appreciate you not working because you are carrying a load that’s probably far bigger than was there before and you carry me. I go to work. I go to work and I’m very, very grateful ...So I feel guilty but do I feel guilty enough to change anything? No. Do I feel guilty enough to want to be them? No. So I don’t really feel guilty probably at all; I feel grateful. I feel grateful and I think ok, I wonder how else I can sort of make it up to you.”

Further, the respondent noted that CCI was a way to make the corporate model more human.

“Why are we doing this? ...It’s the way that we can put skin in the game.”

9.6.3.6 Personal experience

Personal experience greatly impacted her inception of the CCI business strategy. Having grown up in provincial New Zealand she had seen the importance of the community and the ability of her product to assist in community development. The respondent was extremely empathetic to small and local communities struggling against growing commercialism.

"But increasingly as cost became the God, they cut back and they withdrew stuff from there. So all these communities have actually over time, just done nothing except endure loss or endure a Warehouse coming into town and ruining the fruiterer and the garden shop and the bookseller. So when you actually see that kind of first-hand and see the trickle-down effect to a community, it does make you think, you know what, being a local and actually helping them sort of stand proud and tall is really a role that we can play."

Further, she gave an example of a program that she wants to broker that had been heavily influenced by her personal experience in the community where she lives and has experienced social need first hand.

"It's really good to kind of keep real and to drive through Glen Innes on a regular basis and just kind of see stuff, you know? And I think also, where I can see opportunities; I'll try and work hard."

9.6.3.7 Social drivers

She had a great belief in people and indicated the belief that all people are inherently good- or desire to do well.

"Somebody that absolutely adores and loves people on the basis that if you do that, you fundamentally see the good in them, you want the very, very best for them"

"And also the other thing too is compassion as in...people fall over; we often have men down or we have women down and they're struggling, you know, life's turned to custard for them."

The respondent indicated that she was a social person who found social interaction self fulfilling.

The respondent indicated a strong sense of duty and an obligation to give back. It was neglecting this obligation that created a sense of guilt as discussed above. She indicated a genuine desire to impact on wider society and address social issues.

"So I guess I have always liked being able to make a difference but in a very sincere and authentic way; so not a show-pony sort of status, you know? That does mean quite a lot to me."

"I do think that giving back actually makes really good sense and I feel that I'm in a really privileged position and given that I can do it, it's almost incumbent upon me to try and help."

She found giving back to the community self fulfilling.

"And it's actually...it's a nice thing. It's a nice thing to kind of help, you know, and you think gosh, we can easily do this."

It appeared that this desire influenced her personal identity; being 'good' and doing 'good' became a part of how she defined herself and also how she constructed her life (in selecting friends and staff).

"The qualities I like in people...so the people I would actually invite into my life, alongside needing to be reasonably energetic and proactive, they've all got to fundamentally kind. So I'm looking for kindness and a decent sort of heart, sitting somewhere central to who they sort of are."

This desire to create social change was present since early childhood and she had volunteered before this position.

"I think probably as a child, through my various schools that I went to and through my family, I was encouraged to find things that I could do that were helpful to people or situations or animals less fortunate than I was."

"So I guess...it was just part of the way that you were sort of brought up; you know, that it was absolutely fine for you to go do some things for nothing that actually you'll enjoy but that made a bit of a difference."

Further, the respondent appeared to want to be able to affect the wider environment. She expressed a desire to not only address social issues, but impact the wider environment. She seemed to have a great desire to see her personal impact. Although this was not stated directly, the respondent appeared to touch on a desire to construct life proactively, rather than reactively.

"You know, if I felt like I could make a difference and be reasonably impactful and I could sit inside an organisation where I had enough influence to be able to continually challenge ourselves to raise the bar...so that we're changing ourselves rather than waiting for circumstance to kind of dictate that."

9.6.4 Respondent 1D

9.6.4.1 Previous owner and significant personal influence

As the previous owner of the company the respondent was accustomed to significant amounts of personal influence on the CCI strategy. The respondent indicated that historically no process was used to select or evaluate philanthropic donations.

"But it never has been like that and before, I just used to do what I wanted to do; I never kept a record, you know."

Non-profit recipients were selected entirely based on his personal preference.

The role of CCI grew as the business did. Initially the business began with a single local unit and with a focus on profitability and survival the firm had no CCI portfolio. CCI was developed as the community unit was approached by local non-profit organisations and community organisations. As the amount of approaching non-profit organisations grew, as did the CCI portfolio.

"When I started to make money, it started with the local football club coming in and asking for some sponsorship and then I got involved in that and then it grew to other things and you know...a lady was coming in to the shop who belonged to [a non-profit] and they wanted to have a fundraiser, so I said 'I'll give you a [gift in kind] and that's it...no, there was no plan, no strategy."

9.6.4.2 Relationship between respondent and ownership

The respondent indicated that he had a close personal relationship with the current owner of the company allowing him greater trust and discretion in managing CCI.

I just ring him and he'll either say "yay" or "nay". I have a discretionary budget of x amount of dollars that I can do whatever I like."

Further, the respondent noted that he had an excellent track record in developing and maintaining the brand and this earned him flexibility in selecting and managing CCI.

"He's very supportive... But he knows that I'm a very good [in my position] as well."

When the respondent owned the business he had no budget, however, as the ownership structure changed he was given a 'discretionary budget' and consequently had to cut back significantly from what the firm had been philanthropically donating.

"Oh not really, but I have cut back. I realise I don't own the business."

9.6.4.3 No business benefits

The respondent indicated that they frequently did not promote or advertise their involvement in the community.

"There's a lot of stuff I do that you don't know. Off the record, there's a softball thing coming up where I've slipped the guy, you know, \$800 or \$900 to pay for some old softballers to go to a luncheon. But I don't sing that out from the top of the cliffs, that's something I just do. There's a lot of stuff I do like that."

"No fanfare, no photos in the paper, I just done it and you're the only person that knows about it really."

He stated that he could see no potential or existing benefits from giving back to the community. CCI was seen as an outgoing expense. The respondent stated repeatedly that CCI did not make his firm money.

"Interviewer; did you think you would receive benefits from giving back?"

Respondent; No, and I didn't think that; I knew that. I knew it. Because it was my business."

"No, it wouldn't have made me more money, no. If I thought it would have made any more money, I would have done that, no question; I would have done that. But look, at the end of the day, people don't give a shit if you give money to charity."

9.6.4.4 No process. Gut feeling selection

The respondent indicated there was no process or formal procedure for selection.

"I don't keep a tally, I don't keep a record, and it's not about that. You just do it because you want to do it. I mean, it would be easy to keep a ledger but it's not the name of the game here."

He was the sole decider of who made donations based on a 'gut feeling'.

"No, it's just a gut feeling."

"Gut feeling. My gut tells me, yeah."

Frequently his appraisal of the non-profit organisation was based on seeming neediness or how much the non-profit organisation appeared to require his assistance. The respondent had cognitive or rational tactics (heuristic cues) to evaluate their

neediness such as the letter head or the effort that the non-profit organisation went to.

"They come by the droves; by the droves- letters, phone calls. I must admit I don't like getting e-mails. That's an easy way to get around things. You know, I'd rather people just ring me or you know...if they're wanting a donation, it's got to be in writing because it's too easy just to ring. And e-mails are too easy; it's a lazy way to approach people to be fair and it's like people who write you a letter and don't sign it. I've got no time...you know, I've had someone just recently approach me and they wanted \$5,000 and so I rang them back and I said 'look, I was quite keen to give you the money but the fact that you couldn't sign the letter, I can't sign the cheque, I'm sorry'...they didn't see the funny side."

"You look at their fancy letterheads and all that. They can afford that; they can afford to buy a few [gift in kind] can't they?"

There appeared to be little evaluation of the cause or non-profit organisation or whether the organisation created measurable social outcomes. There was little directive in the businesses CCI to address particular areas. Rather the giving process was reactive and based on who approached the respondent.

9.6.4.5 Personal satisfaction and personal drivers

The respondent indicated that the sole purpose of CCI in this case was to give back to the community. The respondent indicated that he felt personally lucky that society and community had supported his business and this was a way to repay his social franchise. Giving back was a significant driver.

"When I went into business, I just thought you know, look after the community. ...Without the community, I wouldn't have a business so I give a little bit back."

"I've always supported the community because I believe in putting something back into the community."

In coming from a working class family the respondent indicated that he felt lucky that he had succeeded in business and this was his way of repaying society.

"Well, I come from a working class family. You know, I come from a family that didn't have a lot and I've done all right."

The respondent indicated that he received substantial personal satisfaction from undertaking CCI. He framed this as a 'buzz' or a positive emotion associated with

giving. He noted frequently throughout the interview that the CCI was not about receiving benefits but about this positive emotions/ hedonistic pleasure.

"It's a nice feeling when you help people, good people...When you help good people, it's a real nice feeling."

"I just feel it's a good feeling ...You just do it cause you want to do it."

"And I get personal satisfaction out of it. I don't give a fuck what everyone else thinks; couldn't care less; absolutely. It's about how I feel."

"Oh no, it's...I'm working very hard now at [a program]. No, it's important. I get a personal buzz out of doing something good for the community."

Some of the selection of social causes to support was based on experience. For example, supporting a non-profit organisation directed at allergies due to his personal experience with his grandson experiencing allergies.

"Allergy New Zealand, because my grandson has allergies and my wife suffered breast cancer but in fairness I'd been supporting Breast Cancer long before my wife ever got it."

9.6.4.6 Identify/ legacy

The respondent appeared to use 'giving back to the community' to define his personality. Although he specifically mentioned that he did not endorse CCI because of what others thought of him, he does indicate a pleasure that it made people perceive him positively.

Further, he noted that a part of this was about his grandchildren being able to read about his work. This created the impression that some of why he adopted CCI was based on creating a personal legacy.

"Books to leave to my grandchildren...It'll be nice in 40 years, they can read about their grandfather."

Similarly his personal 'time' appeared to be a significant factor. The respondent was conscious to not only give money but his personal time and expertise. He was able to compensate for a smaller budget by getting involved in events and committing his personal time within and outside of his role in the business.

"It's not only about giving money; it's about giving your time and I've been very generous with my time to a lot of charities."

"The greatest gift you can give anyone is your time. Time is a very important thing. You can't buy it. The richest man in the world can't buy it. So to give time is a great commodity. I give a lot of time to people."

9.6.4.7 Social connection

The respondent indicated that he viewed all humans as equal. He appeared to lack a sense of self importance.

"I've done the charity work because I believe in it. Like, right now, I'm organising a luncheon. [Name] is the hospital we're working with and this year we hope to raise well in excess of \$100,000 for them at the luncheon. I pay for my own ticket."

His connection to people seemed to be a significant driver within CCI. He appeared to be enthused by creating a connection with others through CCI.

"And I'd only met her through fundraising but we became good friend. I always remember going to her funeral and she'd done her own funeral because she died of, I think, cancer and we're sitting in the church and it's all planned; the music and everything, what they were saying. And then 'I can't forget my old mate, [name of respondent]'. Me and my wife looked at each other and there was a tear in my eye. I was humbled."

"I enjoy knowing. I'm a people's person. I talk to everybody."

Again, he appeared to use his interaction with others and CCI to construct his identity. He appeared proud that he was personal accessible in the organisation.

"A lot of people are very impressed if I get back to them because from the impression I get, a lot of people don't. But I make a point of always getting back to them. Sometimes it might be a little bit slow but I do get back to people. It's very important."

"You try to ring Michael Fay or try to ring Michael Hill, you know, not that I'm comparing myself with them because they're much better than I am but I bet you don't get (hold of) them that easy. Anyone can ring me."

9.6.5 Respondent 1E

9.6.5.1 Formal process and extremely process driven CCI

The respondent noted that the selection and maintenance of the CCI was extremely process driven. A formal procedure was outlined for each of the core CCI programs. The procedure included checklists, weighted criteria and involving then removing various members of the organisation in the selection process of which non-profit organisations to support.

“So we have a top ten checklist that we go through. So things like; is the organisation a charity trust? Are youth involved in decision making? So we go through that. And you have to score ten out of ten to even get through to get through to the next stage and a lot of that is around Ministry Youth Development and the strategy for Aoteroa Youth Strategy. It ensures that it is ...basically ticking of the boxes in terms of best practice. And then, you go through to the next stage which is stage two funding application stage and at that point we’ve got weighted criteria against a whole range of things. So things like financial transparency, really clearly defined outcomes that are measurable a whole bunch of stuff and then they get scored out of hundred which I do and create a recommendation for the board, get all the papers together, financial accounts, all that sort of stuff. And take it to the board and usually we would at the point invite a member of the organisation to the board meeting to present and respond to queries and just take through any issues.”

“So step one, is five of us internally got to review the applications and give them a grade out of ten. And then we take the top 40. Top 40 go out, I’m removed from the process and those five people are removed. Top 40 go to the boards, they talk to each other, they grade them, and then the top 17 go through to first interviews. That’s when I get brought back in with one other person and we grade it out of 100 and its all weighted criteria... Then the top 10 or 12 then go to selection panel and at the point I’m removed from the process again for the second time. The selection panel is made up usually from one current recipient and then maybe board or three board members and each board member has weighted criteria and they grade each applicant out of 100. We pump it into the system and we average them out and selection is based on scores.”

The primary purpose of the process was to select non-profit partners or CCI participants with greatest ability for wide arching impact. This was based on Ministry of Youth Development and their agenda.

A secondary influence was the potential benefits for the business. This was not formally evaluated and was considered through casual discussion in the processes outlined above.

“The primer driver for why we exist is to do the right things in the community. A secondary driver of the X foundation of course, is reputational payback for the business and it falls into that strategy of being a responsible corporation.”

“Our selection criteria for organisations is wholly around their credibility, their ability to make a measurable difference, are they thinking evaluatively, through an evaluative lens, has really well planned measurable outcomes, ensuring what they do is in line with best practice, ect. We do not have criteria around... is this going to be great publicity for X (the business)? I guess it comes in around the board table’s discussion.”

“That is a secondary strategic driver for why the X Foundation exists.”

“It comes in at discussion. It doesn’t come in- in terms of my recommendations. Oh that’s a great PR opportunity for X (the company) and that is why we should do it. It’s not like that. Our focus is more on doing the right things. What are the outcomes they can deliver? Is it best practice, with evaluations being done to support it? That sort of thing... Is it financially transparent? Stable?”

However, one of their core programs was created as part of their sponsorship team by an external PR agency. Consequently the benefit to business and strategic premise was heavily integrated from the formation of the program.

“And it actually fell out of a sponsorship idea, where ... It was our PR agency at the time actually came up with the idea of a Y (name of program), under the sponsorship umbrella, so at this point the X foundation did not exist.”

This respondent, however, was from a unique context. This was the only participant from a business foundation (not integrated in the businesses core functions). As a separate entity this foundation had a separate board and significant resources which allowed a for a more comprehensive selection process. The separate organisation enabled the foundation to focus primarily on the core purpose of the CCI: to address social issues for youth.

The extensiveness of process enabled the foundation to be protected from its funding organisation.

The respondent felt that the process was extremely robust and a causal element in the success of the foundation.

9.6.5.2 Limited personal influence

The respondent was aware of a personal involvement and emotions towards particular participants or applications.

"I think it is inevitable to create emotional connections. It's inevitable. I think that's human. A human element of it. So I guess that's why we have weighted criteria as it removes an emotive side of it. Because I think no matter who you look at everyone comes from different life experience. And they look through a different lens and different things open up their hearts and so there are some organisations or even individuals that I feel really connected with that cause."

However, the respondent indicated that allowing personal preference and emotions to influence the CCI strategy would be inappropriate. Consequently the respondent consciously removed her personal emotion from the job role. The respondent spoke of an example when she felt a desire to emotionally connect with a respondent but restricted her personal impact on the decision process.

"So when, I remember when we first interviewed him I was holding myself back from crying when we interviewed him. And at the end I felt so proud of what he had been through I actually wanted to get up and hug him which was not appropriate and I didn't do that."

"Interviewer: Do you think those emotional connections effect your selection or performance in the role?"

Respondent; *Decision making, and selection? No, no. That's why we have the ten point check list and at stage two, the weighted criteria and at stage two."*

Further, she appeared appraising of the fact that she had limited personal impact as it created a stronger process.

"So it removes the emotion of the process and it removes the people from different points from the process so no one person can dominate decision making. Which is good."

"It's robust. It's very robust. And I think it's really good that people, such as myself is removed from the process at different points because that creates real objectivity. I actually think it's incredible strong. An incredible strong process."

"I wouldn't want to be the sole decision maker. And I don't think that would be appropriate and I don't think it would deliver the best outcomes."

This was noted both in terms of increasing the impact of the foundation and also to protect herself from the emotional turmoil of being in such a position.

"Strategy protects me as well. And having the set process is brilliant because it gets removes that subjectivity. Because it is an emotive area."

She did note, however, that the rating systems in the process did allow for some subjectivity. However, this subjectivity and personal opinions was present in the foundation's board, not her personally.

"And one board member may grade them five out of ten, and another may grade them 9 out of 10. Which is really interesting so there's a real difference in opinion."

"There even subjectivity in that I guess, to a point."

9.6.5.3 Significance of the board

The foundation's board (as separate from the firm's board) consisted of external and sector representatives and members of the firm. In using external board members the respondent indicated that this ensures the investment is wise.

"The board is really good actually and I think the beauty of our board is we have external people on the board who work in the youth sector so it's not just the X foundation staff or the X (company) staff here within the business. We've got X (name of board member) who used to head up Minster of Youth development who is awesome and also used to head up metal health foundation and Y (name of board member) who is a guru in this sector."

"And that's why we have external people on the board to ensure that our investment is very, very wise and considered and not just my local club or whatever... It's quite strategic which I think is really cool. Because I think then you can be really focused on then you can make a real impact and then you can ensure that the money you are investing is being invested wisely."

Further, a group rating and scoring system allowed no single member of the foundation to dominate the decision making process. Further, she indicated that there were others in the foundation who had greater experience than she did. The respondent indicated a belief that the group system provided a richer approach.

“Chairman’s choice. A CEO says I think this idea is great because my mate bob is heading up this rugby club so I think we should give him 50 grand. Yeah. No it’s not like that at all.”

“The thing is it’s not my decision...I’ m a real believer in group decision making. And a group approach. I think that you get a richer approach. It’s not about me and what I think is a great idea.”

“No there’s real value in being removed from the process to bring another view point. Because, because if I look at who is on the board and their expertise... they are in a much more informed position. They have the most incredible experience. So we bring in somebody brilliant. Pure gold. And I really value that. Other people being brought in. its good. Its good.”

9.6.5.4 Moment of realization

The respondent had been in finance and procurement positions before taking a role in CCI. The respondent experienced a particular moment of realisation where her life direction shifted towards addressing social issues. She indicated that she had a personal tie to the place of the bombings and that this event had a significant impact on her.

“So I applied as an applicant- so on the other side. So I applied for the program and I was motivated out of what was happening up in Bali at the times that the bombings were happened and Asia has been a big part of my life particularly in the last sort of fifteen years, through travelling and things. That had a big impact on me and on my partner so we wanted to go up and help up in Indonesia so I applied for the program.”

“For me the turning point was in 1998 I had six months travelling through south Asia and it was quite strange and quite spiritual for me.... That for me created a real connection with that part of the world. So then when the Bali bombing happened I remember I was out of at my partner’s house...And he said have you heard at Bali and we were like, you know, what happened? And he told us about the bombing. The Sari club where it happened was actually where my partner John had two birthdays...and he had spent a lot of time in Bali and it was an important place for both of us. And he was actually meant to be in Bali at the time. But urgent work had stopped him from going. So it actually hit us both really hard because on the Saturday we know he would probably be in the Sari club. And I said to him he should have been in that bomb blast.”

Prior to this experience volunteering and giving back had been a key element in her life, but not the main driver. After this event the respondent indicated that she had a greater sense of purpose and a calling to make a greater difference.

"I think for me living right has always been important. Supporting charities, supporting non for profits has always been important. But probably not the main driver. So I think, I think, the bombing... I think I've always had those values. They have always been there. But I think the bombing was a sort of turning point. It was a defining moment I guess. And then going up to Bali and that experience it was a turning point, I guess, in my life."

The respondent indicated that the timing was serendipitous with a volunteering program becoming available through her organisation just after this event.

"And we wanted to do something and we didn't know what to do and the X program was right there. And I was talking to X (manager of foundation) about it at the time and she was like you should apply, you should apply. And it was an absolute; it felt really meant to be, from the whole woo to go. It was bizarre. Even as I put in the application I knew I would get it. I knew it was right."

9.6.5.5 Personal drivers

The respondent recognised that she had a greater need to make her life 'meaningful'; a personal need to make a difference and construct a life with greater meaning. The respondent appeared to feel a duty toward solving social issues and seemed to have a great emotional capacity and empathy for the disadvantaged.

"We did this big, I did a big sort of you know self assessment survey thing to find out what drives me. And different leadership styles and things like you know if being a specialist is important, or power. All that sort of stuff. And my score was really unusual. Because meaning was my main driver... Meaning; a sense of purpose, a sense of making a difference was a contribution."

The respondent indicated that the desire to give back had always been present in her life since childhood. She had a solid understanding of religious values from childhood and reflected a duty to society.

"I mean I've always had a social conscious and I think that comes from family and upbringing. My mum's very, actually, probably Christian based. Even though I'm not a Catholic, I grew up with those Christian values and my mum's always been heavily involved in the community and always involved in looking after the down trodden. So I think I've got that"

“And I guess all through school we would do volunteering and stuff as part of that school program as well, so. Years and years and years it’s always been part of life.”

The respondent indicated that felt strongly about social issues in Asia and third world countries. However, that this was not reflected in the firms CCI policies.

“Oh yeah. Especially stuff that’s in the third world. My biggest passion is probably stuff that’s third world issues and youth. So when stuff comes in from the third world, especially Asia that breaks my heart.”

“There was one guy, actually, (describes applicant)...And he had the most beautiful application and this beautiful letter and of course I’ve got my own emotional, my own bias and my own view of the world and I was like I would love to help this guy.”

Whilst she enjoyed the other roles in the firm, the respondent indicated that this role offered the strongest fit with her personal values.

“I think this is probably the strongest fit with my own values that I’ve ever had.”

“But there is better values fit in this role. But I’ve loved all my roles in X. I just love this one the most.”

9.6.5.6 Ability of respondent to influence process

Whilst the respondent indicated that she didn’t not have significant influence on which programs were selected (and nor did she want to), she did indicate that she had significant influence on the processes adopted to select recipients.

Her experience in the firm’s volunteering program significantly impacted on how she constructed the processes around the current programs.

“So on the program and exposure to lots of other non-profits in Asia and that, it’s a different world.”

The respondent indicated that she had a unique skill set of philanthropy and commercial skills.

“I was luckily because I think I bought a really unique skill set because I had been on the X program and seeing it from being on the other side I had seen lots of opportunities for improvement. And coming over from a commercial world I

have a strange mix, an unusual mix. Commercial plus philanthropic. So it was quite... I was really lucky. A really unusual mix in there."

Her understanding on being on the other side greatly impacted how the programs were created for the recipients. The participant noted that in the non-profit sector she felt isolated and consequently this was a key area to address when coming into the CCI role. This also shaped her perception of her role as a supporter.

"And I think the big thing was, I think that people in non-profit can be quite isolated. And I felt quite isolated in my role and I looked at X (manager of foundation) and the support she gave to us and I thought- I would like to have the opportunity to give that support back. But also I thought in terms of people in the non for profit being quite isolated there is an opportunity to create community and in particular to create community around the X program and our recipients. And so that's been a huge focus in the last over the twelve months, is collaborations between the recipients, bringing them together, creation of a support network so its peer support and that's been extraordinary."

"Well the first thing, the first thing, where it came from was when I was on the program. And I realised that I was isolated but I was part of the X (program) community and there was no sense of that community bringing us together. And that was reiterated when I read the research done by another student and it was a common thread that came up. People felt a part of the program, but they felt isolated and there wasn't that community. Before I took the role I knew that was one thing (that I would address)."

Her need to make a difference has also led to 'continual improvements' to increase the impact that the foundations has.

"Continuous improvement. I love changing things to make them better."

9.6.6 Respondent 1F

9.6.6.1 Strong relationship with supportive management

In 2003 the organisation had deleted their community program due to a period of financial hardship. In 2005 the organisation was looking for a manager to spearhead a corporate giving new program. The respondent indicated that she took the position due to a strong relationship with senior management.

The respondent was in a position that was relatively empowered. She had a positive working relationship with senior management based on similar underlying moral philosophies. The respondent indicated that the CEO was extremely supportive of CCI. It appeared that the CEO had considerable respect for the respondent and allowed for her personal perspective to heavily impact on the company's CCI strategy. The CEO was reported to ask the respondent "if you had all the money in world, what would you want to do?"

9.6.6.2 Role in CCI based on non-profit sector experience

Her journey towards a role in corporate community investment (CCI) was born from experience in the non-profit sector. As one of her children had ongoing allergies the respondent was motivated to volunteer for a non-profit organisation targeting that illness. The respondent indicated that she was shocked at how under resourced the non-profit sector was. Within the non-profit organisation the respondent began to take roles which incorporated the activity of sourcing funding for the organisation. It was during this period that a greater emphasis was placed on the role of business in non-profit financing. The respondents reflected that the process of frequently being turned down for funding was disheartening. Further, she was intrigued as why some non-profit organisations received significant donations whilst other received little or no corporate funding. The respondent reflected that she was unable to see the rationale or the process behind which corporations chose to fund.

Timing and interpersonal relationships appeared to play a role in the respondents career move from the non-profit sector into CCI. The interview process lasted 5 months. The interview focused on this initial role in CCI and the participant's current role.

The respondent appeared to use the non-profit experience as a knowledge base when moving into CCI. Further, the respondent had empathy for the non-profit sector born from this experience. The respondent indicated that in her current role she frequently undertakes a considerable effort to aid non-profits that have approached for funding. It appeared to the researcher that often this may have been outside of the respondent's job description (for example the respondent gave a non-profit

information about other funding schemes when that non-profit did not secure a grant from the company). Further, the respondent appeared despondent at other members of the organisation who didn't share that same empathy towards the non-profit sector.

The respondent indicated that moving into corporate giving alleviated the weight of limited resources that she experience in the non-profit sector. The respondent seemed joyous at being able to give to the non-profit sector. She appeared elated and positive that she had greater resources and ability to address social issues and could direct funding to where it was needed most.

9.6.6.3 Broker/Educator in the company

The respondent appeared to take on a role as a visionary leader. She indicated that she did not need to 'sell' the CCI strategy, but rather simply 'communicated' the CCI strategy. The respondent stated that the CCI strategy was not complex, but rather an extremely simple story of 'doing good' in the community. The respondent reflected a firm belief that her company was genuinely committed to giving back to the community and address social issues.

The respondent expressed her role as a broker within the organisation. She outlined a philosophy of CCI being integrated in all departments and not centralised to a specific department. The respondent described herself as sitting across departments and creating connection or relationships across the organisation.

Further the respondent placed significant emphasis on her ability to educate staff members of CCI and social causes. The respondent reflected that in arriving in the role many members of the organisation were unfamiliar with the concept CCI or the company's specific CCI strategies.

The participant implied that her role was relatively political in needing to appease different groups and create collaboration across different departments. Further, whilst the respondent noted that she didn't experience internal resistance, she did state that she needed to 'protect my patch' so the CCI department and sponsorship activities

were not combined. Again the participant saw her role as educating the company on its need for a separate CCI department.

The respondent indicated that on occasion she felt 'lonely' in the role as it sat across departments and because frequently members of the company were unaware of the purpose of her position.

9.6.6.4 Influence on the selection of CCI

The respondent didn't appear to have a personal preference towards any cause or specific non-profit organisation that greatly impacted the CCI strategy. Despite clearly having a personal connection to certain social causes (for example a non-profit organisation directed towards Allergies) the respondent appeared mindful to not allow her personal emotion drive the selection of certain non-profit partners. For example the respondent indicated it would not be appropriate for her to try and get the company to fund the non-profit organisation. When questioned further on this respondent indicated that it was a company strategy and would not be appropriate to overlay her personal preference.

Further, the respondent has a firm awareness of the broader picture. The respondent indicated that she would not utilise her role in the company to address social issues that hold personal significance because she had a greater obligation to serve the higher good. She reflected that she needed to look beyond her interests to create more impactful programs with a greater ability to generate social change.

The respondent appeared aware of the subjective nature of her role. The respondent noted that her personal drivers may affect the type of non-profit organisations that were selected (but not the causes). For example, the respondent indicated that she had a preference for assisting a non-profit organisation that had a significant need. The respondent appeared to prefer disadvantaged non-profit organisations, who had limited support.

The respondent reflected that in the current organisation, compared to her previous CCI roles, that there was greater flexibility and freedom. She stated that she was able

to 'make a mark' and that she was able to use her non-profit experience to guide policy development.

9.6.6.5 Business motivators

The respondent indicated that the company adopted CCI in a genuine sense of obligation and duty to give back to the community that had supported them. Although the company received business benefits (such a differentiation form competitors) the respondent indicated that frequently the CCI of the firm was not heavily promoted. The recipient reflected the strong sense that this was not marketing or Public Relations. Rather a belief in reciprocity; that in doing good, good will comes back to the business was demonstrated. Despite generating positive business outcomes that was not the purpose of corporate giving.

The respondent indicated that CCI played an important role for creating a corporate culture and involving employees. She felt that their CCI strategy was a message to increase employee involvement.

The participant appeared to minimise the role that she personally played in making a difference. Frequently throughout the interview the respondent would credit the company as addressing social issues, not her personally. This was reflected in the respondent mostly using the third person (we) to talk about the firms CCI strategy.

The respondent placed a focus on flexibility in the CCI strategy. In previous CCI roles a greater emphasis had been placed on formal processes. The respondent appeared to dislike or distrust the formal evaluation process and noted that it does not adequately reflect the outcomes of the program. The respondent indicated that there was flexibility in the current company and that each department influenced the adoption of CCI.

9.6.6.6 Personal drivers

The respondent reflected high levels of empathy. Frequently throughout the interview she stepped into others shoes to reflect on how they would feel or perceive a

situation. She gave an example of writing out a check to a non-profit organisation to gather a greater understanding of what it felt like for the donors.

The respondent had a significant commitment to addressing social issues and creating change. Frequently the respondent reflected a duty or obligation to give back to society.

9.7 Key open coding and development of category coding

9.7.1 Respondent 2A

Role born from strategic focus

"But they had started to look more strategically, which is part of the reason they saw the need for a role as well as thinking we need to align this to our corporate strategies."

Stage of CCI

History within the organisation. 10 years of giving sporadically to non-profit organisations.

Group decision making process

Executive team created to review decisions.

"So if we were going to commit to another one I would always check it with them first and we tend to put recommendations to the Group Leadership team, which directly reports to the CEO so we'll decide and say yes, this is what we want to do and put the recommendation to them and they'll agree or disagree."

Little resistance

"I was supported in doing the work on it."

Organisational strategy

Broad organisational strategy underpinning approach to CCI as decided by executive team.

"A big thing that we've been trying to do is centralise everything and have consistent approaches because it's not as efficient to be across [multiple non-profit partners]."

Strategy directed towards social impact

"It had to align with our Community Investment Strategy as well, so the key things are around; our money has to genuinely make a difference so we need to demonstrate that that's the case by the money that we're giving and how that's going to make a difference."

"[CCI strategy] fits in with the strategy, with our whole reason for being, with our values; it fits in with all of the key models."

Organisational culture- values driven

"There's a framework that we have around that where you've got key behaviours that you, 10 behaviours that add value, which is the types of things that you're seen to be doing."

"I guess what that's driven is a culture where everyone is more constructive and those constructive things are around achievement, about affiliation; so there is validity of caring for people, humanistic encouraging, so how do we actually work together to help each other."

Personal values aligned to organisational values

"The programmes that surround that; we've moved on to an area where we talk about our personal values; understanding your own personal values... it's just around if you understand your own values, you can reflect more on how that might be coming out in your behaviours and whether your values align with the company values."

"Then this new role came up... I got approached to see if I would do that and I guess from a lovely personal perspective what was said was that I had really strong values in this area and I was obviously passionate about it."

No formal process

"It's structured, in terms of having the criteria to check it against but not really a formal process."

Corporate responsibility/ corporate citizenship

Belief in corporate duty to give back to society.

"You've got something to show that you try and are making an effort and trying to do something and that you recognise that we have a role to play in society."

No external benefits

"But we haven't done it the other way round where we go 'look what we're doing'."

"I can say that totally; it's not at all done for PR; in fact, we really emphasize that, and it's not done for sales."

The respondent indicated that in not needing to prove a return on investment she could pursue a less formalised decision making process.

"So that makes it easier to say this is not something about an investment or we have to demonstrate something that we're getting back, which is really good."

Examples of consciously mitigating influence of S.O.C

"The children's ones [her personal interest] less so because being an [product category] company, we can't really do work with children so I am [personally] supporting those sorts of charities; it's not really aligned with us and therefore we shouldn't."

Examples of CCI outcomes being impacted by S.O.C

"[Before formal adoption of the role] I was partnering the Australian Conservation Foundation, which is the environment group that we had as the charity partner... in addition to my normal role, I was championing their cause throughout the company and trying to get people involved in volunteering and doing environment initiatives and that was just from a personal perspective that I was doing all of that."

"We have an indigenous initiative...and that's one I've been kind of passionate about growing."

Post-rationalised; decision based on hot mental/intuition processing and then evaluated according to cognitive processing

"The key one that I did with that was the indigenous initiative...let's just do it and we'll make sure we manage through those issues. So you've also got to demonstrate you've identified what the potential risks are."

*"Seeding the idea ...So rather than just dump that on people, it's out selling the idea to the leaders around **why** it was the right thing to be doing."*

Evaluation of most effective method to communicate CCI approach within the organisation

"[I] think about how's this going to affect different people and how do I need to pitch it for them so they can see and be prepared for it before it comes in; rather than 'oh, this has already happened and I have no say in this.'"

"I suppose personally thinking how I'm going to approach it... I've got to really think it through and I'm not necessarily sure how's the best approach to get [each manager], so that they'll take it onboard."

"So yes, it's driven this way because we make recommendations and that but if you're having to get senior leader buy-in to things; and I think my background's really helped in terms of, say, this indigenous initiative, rather than just go out there and promote it, I did a lot of seeding."

Decision making method varied dependent on size of CCI

"If it's a small amount, I'll just say "yes"...If it's a bigger commitment then I'd probably check it by a couple of people just to say we're thinking of doing this and make sure I've got a broader agreement to be sure and would explain why."

Informal relationships with upper echelon

"I think that's another thing that's conducive to the type of organisation we are cause we've got a bar on-site and that really helps. So it does mean that you'll have a drink and be a bit more sociable...Yeah, it is [personal] rather than it being formal."

Respected in organisation

"My previous role also helped me to build that respect so I was an expert in my field."

Decentralised CCI decision making; acceptance of hot mental processing at lower level CCI decisions

"Joe's on the Board of that charity so we give some to that and so-and-so had cancer so we give to that. You know, there's all of that going on and the local soccer team; there's heaps of those things happening, which is not captured anywhere and I don't want to control it because I don't want to stop it. I think it's great."

Sense of community in upbringing

"It's probably more having a family that has those sorts of values and certainly we had a really strong community growing up in the neighbourhood."

Experience in non-profit organisation

"Because of the five years that I spent in the job prior to coming to [company name], where I was doing a lot of work with social and community services, that also helped me to be engaged with them."

Christian values

"I've got probably Christian values."

9.7.2 Respondent 2B

First CCI experience

Organisational culture; values driven

"The head office philosophy and policy was that we should make a contribution make to the community back to the society."

"The [name of family ownership] family have always wanted to do that."

Global level strategy

Strong levels of governance and accountability to governance

"We put it in our budget. It would be approved by the head office. That would be the head of international and that would be the board of (company). You couldn't just do it. It had to have some authorisation".

Corporate responsibility/corporate citizenship (No external benefits sought)

"We were not allowed in X (name of company); incidentally, we were not allowed to say/ not allowed to tell anybody we were involved. You weren't to advertise to the press or say watch me watch me".

Informal decision process

CCI outcomes impacted by s.o.c

High levels of discretion

"But we were given a lot of trust in the organisation...they gave us a lot of trust."

Definition of CCI (differentiated from sponsorship)

"When I came to [company name] we did a number of sponsorships which was distinct from the community stuff... And we did it to increase our brand awareness...From a public relations aspect we were definitely looking to increase brand awareness .So it is about brand recognitions and brand awareness. At the same time it sets p creating a good vibrations- or the desire is that it sets up a good vibration. "

Second CCI experience

Resistance; restricted by slack resources

"Was there social responsibility? Certainly in the early days there wasn't as we were fighting for survival. We were cutting cost, cutting cost."

"We obviously had financial constraints on us. Quite severe."

Recognised potential impact of personal frame of reference on CCI decisions

"Every single decision that we make is based on opinions. What is opinion? It's personal opinion. It's emotional. We are motivated by emotion."

"I think that people will take up a cause because it has an emotional appeal to them- to the person selecting it."

Consciously mitigated influence of personal frame of reference

Actively limited personal influence in this context.

"Because it's not appropriate to impose my view points of those issues of other people."

"I mean, you don't have to take your pet project and pioneer it- like saving the whales. That becomes all encompassing in the work place."

Internal dialogue on how to frame approach to CCI within organisation

"The people, whatever you are promoting need to see value in it for themselves. So they readily commit their time, energy and resources to the projects. Remember every human being has a radio antennae WII "What's in it for me".

"I'm dealing with the presidential. But everybody has got a boss. And I was a country manager... So I'm dealing with 'god', so to speak and you got to know how to broker that...life is an enrolment game; you have enrol people to follow you."

"I think what's important as a leader is to enrol people. As a leader it's important that you communicate about your product in such a way that they see value in it for themselves. So they willingly commit their time, energy, resources. So they become proud of it. So it becomes a want to, not a have to."

"You have to add value to the organisation. So you have to find a way that this adds value. So you have to enrol your boss. If your boss doesn't see value, she or he is not going to stick their back out."

Evaluation of most effective approach to CCI; the rational business case

"I would have a desire to do something. But at the same time I would have to justify to my superior that the money was some form of PR or advertorial. Or something like that."

CCI expressed as 'business case'

"But it was never classified as such a contribution. But we would have done things that would have contribution to the community. But we would have looked to enhancing the X [brand]."

"In promoting a corporate theme, or a corporate identity, and more also if you are doing something you want it to be in harmony with your corporate identity. I mean, I think your [CCI activity] needs to be aligned with what you are involved with."

Stage of CCI development; embryonic

Introduced CCI into the organisation. No prior CCI portfolio.

"But I think what we did, which I would have guided, would have been to get involved in projects where we might have donated money which would have helped."

Third CCI experience

High levels of discretion

Owner of the company

"Say I did give it from [company name]. I am allowed by my choice to make a contribution to give back to society. In the case of [company name] I own 100 percent."

Organisational culture; values driven

Respondent recognised his role in shaping and developing organisational culture to align with his personal view of appropriate decision making.

Impact of respondent on culture and organisational philosophy

As the owner, the respondent indicated that he influenced the organisation according to his sense of personal meaning.

"[Purpose of the respondents business] one of them is to make a profit for its shareholders. It's not the only thing. It's also about adding value to society."

"Do you want to fit inside society? Shouldn't that be a part of your [corporate] purpose? I mean my personal purpose is to provide people with a better opportunity for life. I do want to help people. I mean that's my whole premise."

CCI aligned to values and organisational vision

"The question is if I'm helping people have a better quality of life that that matches the purpose of [the company]. Our vision is world of people being successful. Am I of base? I don't think so. So I'm aligned. See providing people with a better quality of life so they can be successful and abundant matches to the vision for our company which is a world of people being successful. But the world of people being successful is not in Africa or Ethiopia because it is not people we can touch. But in the world that people we can touch."

Acceptance of hot mental processing within decision making.

"You don't walk out in the morning and say 'I'm going to switch of now I'm going to put on my Mr Profit hat and off I go to work and I am going to focus, and I don't have any thought and feelings and emotions about what's going on in home and when I come home switch of again'. It doesn't work like that...Of course it's interrelated, everything is interrelated."

"I can't subscribe that you don't take your personal views into business. That means you are a human being without feelings and emotion. It's an impossibility."

"I used to believe years ago that 'work life was work life and private life was private life'. Since I was doing this work for the last twenty year that it absolutely isn't- they are one of the same."

CCI outcomes impacted by personal s.o.c

"And I can relate to that because that is my own story and I was of for my career earning money to give [my family] what I thought was a better quality of life. So [the CCI program] was always about family and children... So it was about the children."

Post-rationalised; decision based on hot mental/intuition processing and then evaluated according to cognitive processing

"I didn't give it to our design team- I thought we are going to let these people say what they want, where not going to guess about this. And we visited all the schools and we sat with a dozen focus group. So that was the premise around what we designed the program. It is an amazing program too."

Corporate responsibility/ corporate citizenship (No external benefits sought)

"Because it wasn't for the publicity. I gave [a donation] because I thought it was a good gesture."

"Somebody said to me once ' oh you know you are advertising something' because it was put in the paper ...it was vicious. "

Few received benefits

"There are benefits from an employee point of view... People love to be involved in things. I know my staff they love to be a part of it."

Structure of consciousness

Extremely high level of structure of consciousness; multiple factors making CCI a critical element in respondent's life.

Wanted to return wealth given his personal financial success

"I guess it came about in my own thinking that I wanted to give something back to New Zealand in that it had afforded me opportunities that I don't think I could have got in England."

Experienced social issues first hand

"I came from a really humble home. My whole house was no bigger than this room."

"And I had a really bad experience when I first came here and got malnutrition."

"When I was 20 and I bought my first business I didn't have enough money for the luxuries of butter or sugar...So I guess I know what it's like to be hungry."

Strong belief in the goodness of humanity

"I have a huge believe in human beings. I have great faith in the human being... look at people and we see the light in them not who they are."

Sense of collectivism

"We've become so individual but we are all connected."

"Because I think we really need to work together. We have become to individualistic."

Spirituality

"I am highly spiritual. I certainly believe in a supreme being. Otherwise where would I get those values from? I totally believe I'm doing the chairmen's works. That's my personal driver."

A belief in reciprocity

"Giving is receiving. Ying is Yang. If you can't give you can't receive. This is the law of the universe."

Hedonistic pleasure

"Oh Just huge personal satisfaction. I can't tell you how joyous it was for me. Just huge personal satisfaction."

Guilt in corporate wealth

"I had heavy guilt's. I had sold myself for the god almighty dollar."

9.7.3 Respondent 2C

Consciously mitigated influence of personal frame of reference

Resistance; restricted by slack resources

"But certainly when times were hard like when the new owners actually bought [the company] we had to actually stopped everyone, everything was stopped until we mended the business... there were a lot more things that were wrong. Otherwise we wouldn't have had a business, believe it or not."

"Like if the business is not well positioned in the market and is not contributing and is not making sales and not making a profit you can't put the whole kind of charity hat on- because charity begins at home and to be able to help the community you have to be able to make a profit."

Stage of CCI

History of CCI within the organisation. The respondent had noted problems with earlier CCI non-profit partnerships because of an ad-hoc and personally driven approach.

"That it had actually got a little bit out of hand and a little bit all over the show and there was no one really taking responsibility for it. So it was very messy. So it just sort of needed to be sort of straightened out."

"But its need to be something that is a bit more robust, and that can be managed better so we don't end up in the same pickle that we been up in before."

Little internal resistance; high awareness and acceptance of CCI internally

"Because of the back ground of the company and the back ground of the executives that are actually there now who had been through the [previous experiences with CCI-] it was an easy sell."

"And everyone - the owners and executive team actually know of the history or have a history with [the company] ... so yeah it's not a hard sell if everyone in our team expects us to be doing something."

"But you would be surprised how quickly the rest of the exec team can come on board. Everyone thinks it, or knows it, or has it there, it's just a case of someone bringing [CCI] to their attention and then it gets auctioned."

Rational decision centred around fit with organisation and relationship with non-profit organisation

"[Decision based on] the chemistry of people, the organisation, how they ran themselves, and the ones who we thought we could probably help them the most from a small group that we thought we should look at."

"[Decision based on] some dealings with in the past and actually then it just comes down to a chemistry of the individuals and how they, how you think you could work together. So operations that were extremely professional and well run because they have to be, then people that we thought we could provide a level of support that we thought they didn't already have because there's no point directly completing with [other corporations engaged in CCI]."

Business benefit

"We looked at organisations that had that were nationwide and had impact nationwide because we are a nationwide [organisation] and also someone that already didn't have major support already."

"You've got to be very brand aware and brand conscious."

"Well it's yeah absolutely brand is the top of mind thing on your list. It has got to be a good fit for the brand."

"You want to support something as well that from my perspective that you are going to get some recognition for too... there is not point [company name] going to support Westpac Helicopter Trust- it's an icon."

Evaluated most effective approach to CCI: Rational

"[Need rational decision making] otherwise you can get into all sorts of complications."

Personal connection to non-profit organisations

"We had...an executive team member who had actually dealt with that organisation before."

"[Decision based on] some dealings with in the past."

Group decision making process

Executive group involved in decision making process and final sign off.

***"Did you get to make the final call in which ones which charities you support?
No that went back up."***

"Just because we have not one large one at a head office... we sort of still have smaller initiatives that we run at a sort of store levels ...We still have to leave room for others that have good ideas without being hugely exclusive and saying the rest of you go away... Maybe that's more about [my management style] than about my portfolio."

Defensive strategy from approaching non-profit organisations

"But it also allows you to say no to support other because you already support someone. Because you would be amazed at how many calls you get and how many emails you get asking for things. So it kind of its kind of double edge. If you haven't got people you support how can you keep saying no, and you've got 'because why?'- because you don't want to do it. Whereas if you have people you support you can say I can't do you because I doing this over here."

Privately owned company

"I can understand were a little bit easier in that privately owned company. So we don't have to stand up at an annual general meeting and say we did this because of X. So we didn't have to go through a process but I can certainly understand that if you were then you've got a lot more visibility and transparency that you need to show so you probably have to go through a process like that."

No formal decision process

"It was myself and the managing director sat down and had a chat...What we thought was right. So it's not...as sophisticated."

Extended role to include CCI

"So I'm the marketing director at [name of company] so all that falls under me...But it's in my accountability, my responsibility that it's in my area... well I've made it sit in marketing."

Of secondary importance to other key job responsibilities

"First you have to do your day job and be in a position where you can contribute to the local community."

Assumed significant consumer expectation

"I believe, customers have an expectation of large organisations like us, to not only do we employ local people and service local people but we also contribute to the local community."

Corporate citizenship/corporate responsibility

"I think it's kind of fundamental. So in, yeah, large corporation well in my view, every corporation has a responsibility to the community."

"The larger the organisation the more the [impetus] to do things. The more I expect the business to do. "

Normative view of business decisions; emotions not accepted

Upbringing

"My upbringing and parents that were pretty sort of down to earth and not well-off individuals.[Having a] farther that was bought up in a state housing environment makes you conscious of how hard it can be for them, for individuals or families."

External locus of control

"So yeah, it's not like there was this evangelical person that came along and said 'hey were not doing this' ...I'm not going to sit here and say that if it wasn't for me [company name] wouldn't be doing anything but if had I just continued to say no to people then I guessed I could have because no one was rattling my cage to get it off the ground."

"I don't want to leave you with this understanding that it's down to an individual but I think, because I don't think it is, but I think it takes an individual to sell it in."

Strong belief in the goodness of humanity

"Fundamentally, it's my belief rightly or wrongly, that people don't get up in the morning to do wrong or to do bad."

Self worth

"There is still a lot of people who do think it is optional.

Well they still have to sleep at night.

Does this help you sleep at night?

This helps me sleep at night, absolutely. You have to do what's right."

9.7.4 Respondent 2D

Global level strategy

"So that's our global umbrella and then each country from there tends to pick on a specific one that works for them."

"We always use our global framework, so globally [name of charity strategy] has a focus, a framework...look at this, look at this, focus on this, use that; and that's what we use to distinguish whether a charity fits the criteria."

"Now our charity strategy globally is ... it's a child focus I should say, where we're trying to give children a better opportunity to lead a better life."

Strategy directed towards rationale decision making

"With the global framework it's a bit like your page you got me to fill out. Does it meet this? Is it robust? Is it credible? How long has it been around? What are their key objectives?"

Organisational culture; values driven

"So that sort of whole style of operation attracts people that want to stay with you- with a like mind. If they think its all bullshit and they hate it, they don't come or they don't last. Or they go and find another job. So you tend to...with

having been around this long, you tend to have people that gravitate to you with a style of similar [approach to business]."

"Well, it cascades down, so yeah, it's in global communication, it's hinted at...you know, we've got things like this that we have the 'Founding Principles and Vision'."

CCI aligned to values and organisational vision

"Our four pillars within the [name of company] is 'Freedom, family, hope and reward'...And so with it, there's a strong family focus...What we do is we focus on, with our global [name of strategy] project, is to arm them with knowledge, skills, health, to live a better life."

"It's part of our beliefs in founding...you know, our guiding principles, which is 'Freedom, Family, Hope and Reward'. The "family" with being children, "freedom" to try and give them a better chance in life and get them to step up and have a better life and also the "reward" of them being able to live a better life."

"So yeah, it is really instilled in the whole business that you're part of the community; part of your corporate citizenship is to help the community as well, which is great."

"And also because this business is a very...it's all about giving people opportunity to get personal reward but also grow as people to do better, so it's very much in our whole business philosophy to help others to do better. So yeah, it very much fits in with what the whole business psyche is about."

"Charity and what our business drivers are, aren't that far apart. We're not, like, making rubber tyres for cars and giving to something totally different. Our business is about people; our business is about personal growth and achievement."

External broker used

This assisted in developing a rational decision making process

"Yeah, we'd heard of Robin Hood and we saw them as a good partner to help a) because we didn't have the experience, b) the time to research the charities, c) the whole list of charities. So Robin Hood already had all of that knowledge ... that really worked well as partnering; to manage a charity business."

No resistance internally

Evaluated most effective approach to create social change

"Then we do a lot of small child donations where we rotate it around...cause there's heaps of them and it's really easy to get caught out and you know, you're just donating to the same couple all the time...what we've done is we've

given the money to different ones and kept rotating it around so you're touching a lot of them at the same time; you know, each year rather than just the same old ones."

"Ideally we'd like to do one, do it bigger, and do it longer-term."

"As they go 'right, here's a cheque for \$100, great, fabulous' and walk away. You know, that's only half the job. Ok, getting partners tied in, getting a combined campaign where 1+1=3 is much stronger than just giving a straight cheque."

Evaluation of most effective approach to CCI decision making

"So many of the charities really pull at your heartstrings because you know, they are ones where you think wow, poor little buggers, the woman, the child, the Oxfam...if we could save a life. And there is so much out there that you'd need a huge budget to do it. If you don't have a rational systematic approach, you will dart all over the place like a piece of paper floating around in the breeze; whichever way the wind goes, you go. If you don't have some form of rational approach you're going to help a few but you're never going to be really consistent in what you're doing for the charities."

"So you know, consistency is an important thing so if you can be rational in your decision-making at the first place, you're going to get corporate comfort that you're doing the right thing that matches with you."

"It would be very much with a rational approach because if they haven't got one, their emotions would be all over the place, driven by personal direction so you'd have to make sure you use a rational approach to get them on board to believe, to buy-in, to activate."

Type of CCI

The type of CCI impacted on the decision making process. The respondent diverted from the rational and global strategy when gift in kind, rather than philanthropic donations.

"In the short-term we give product to [name of non-profit], which...that's not necessary for children; that's women recovering from cancer....So we give product that's close to end-of-line for that and that's the one that is outside of our whole child focus; mainly because it fits in with [brand of gift in kind product]."

"Well, we always use our global strategy...other than the two that are focused on women, ...and that's because we have product here that may be, say, close to expiry or left over from a product range, you know, end-of-line stuff; so rather than throw it in the rubbish bin, we may as well put it in the community."

Evaluated most accepted approach to CCI: Emotive approach deemed inappropriate

"It's always an emotional donation and it's an easy one to justify emotionally rather than rationally. So yeah, you have to be really quite careful."

Disapproval of chairmen's choice

"Some of the law firms, you know, they give to the arts and all that sort of thing and you sort of go...that's really the Director's choice. You know, the Director's golden pen...'my wife's into arts and wants to be seen in society to be, you know, on the front page of NBR giving this blah, blah, blah.' Well, woop-de-doo."

Consciously mitigated influence of personal frame of reference

"Do you think that your personal interests at all influence the final charities that get selected?"

No, I personally make sure I don't... I always make sure I separate out and try and keep a step removed from it. Because... you can really see a good cause and it would be 'wow' if they were given half a million dollars, wouldn't it be fantastic and they could do la la la. But you've got to back off and you've got to keep yourself removed from it otherwise you will just end up woven into it and sticking with the same ones rather than keeping a little bit removed and rational about what you're trying to achieve with it."

"So yeah, you've got to have a rational angle otherwise you'll get emotionally pushed around by someone in your Management team who is very strong, very passionate about X,Y,Z."

Decision making process centred on the non-profit partner

"The robustness of credibility of the spend....credibility of accountability where the money's gone was/aren't there, so you're just like, 'Nah'...you know, it's unfortunate for the kids but if there isn't a robust system around to give you confidence that the money is ending up with the kids, then you're like 'no'."

"Also another little thing we tick off is any criminal issues like has there been any embezzlement, has there been any media issues over credibility like money going missing, not fulfilling their objectives? 'Hey, we're going to go and do this' and they've never done it."

No formal decision process

"They're really easy to pick...that's a process but it actually is only a couple of minutes conversation and you're ticking them off in your mind and looking on the [web] page and saying ok, where's this, where's this, where's this, where's this? So...when you know what you're looking for, it's a real fast process."

Group decision making

"I'm the final decision maker. And it's overseen by our Regional Office...And also, you know, naturally our accountant's part of it so he is wanting to see that they have robust systems because we can claim it as a business expense so that side of it's in there as well."

Strong corporate governance and accountability to governance

"And you know, we have a strong corporate governance, it's very strong; they have a lot of outside Directors that help focus to ensure that we are, you know, robust, we are making logical, correct decisions."

Corporate citizenship/corporate responsibility (No external benefits sought)

"We don't use the charity donation in NZ in the publicity. We don't do any publicity like that."

"We leave it as part of our global donation because we see it as a good corporate citizenship rather than as a method of saying hey, we gave all this money away and look at us, aren't we fine people...we don't do that at all."

"And we talk to our distributors about it so they know that we're being corporately responsible because that's important as well. But even if we had, like, say, [charity project] in Australia, if that had worked in NZ, we still wouldn't necessarily go and advertise that in the newspaper, TV and things like that because our business is about the distributors, getting mentally tied-in and doing more, which, if we can motivate them to do more, they will reward themselves by doing more. And if we can get them to do more then they'll bring in others and so it becomes a self.....a rolling ball by itself."

"And as part of good corporate citizenship, it should be making it...it's made round to go round. So you should be doing your part to help the community."

Family owned busienss

"Because when you're privately owned, you don't have the pressures of a public company where you're scrutinised in the media, scrutinised by share brokers, you're scrutinised by major shareholders that are demanding 'I want this and where's that and you need to do more of this'...We don't have to report any of our finances in the media so we're not getting berated in the media or having to keep other shareholders happy because it's private. So that really gives you a more relaxed focus; you get leeway to focus on different things."

Ideology of the feed-on effects of social problems

"That's just got flow-on benefits right throughout the community because you know, victims produce victims... there is a cynical cycle in society where if you can't break that cycle, yes, you can put a band-aid on her when she's been slapped. Well, how about if we could break the cycle at the start so the next generation hopefully are less likely to be child abusers, wife beaters, etcetera."

Ideology of most effective way to address social issues heavily influenced by corporate global strategy;

"So yeah, there's a lot there that I'd do if I could but also seeing that breaking of the cycle, again, understanding that through looking at what the [company] strategy is, that 'don't give them a meal; teach them how to grow something for their own benefit so you don't have to feed them'. It's a much better economic benefit to the whole society."

Fair distribution of wealth

"Because a solid community is where everybody contributes, so you don't get freeloaders and you don't get bludgers and you don't get the ones that are just taking advantage of it at the top end with lots of money".

"And as part of good corporate citizenship, it should be making it...it's made round to go round. So you should be doing your part to help the community."

Sense of connection with others and community

"They're really genuinely celebrating with you that you did well. And that's...a lot of people, particularly the younger ones nowadays, don't have that sort of social factor to them."

"I'm from a farming background and you looked after your neighbours because one day they might need to help you. And that's part of that sort of citizenship where you learn, someone may never pay that favour back to you; that's the way it is. But then again, someone might always be there to help you."

Central locus of control

"Because if you sit back and wait for everything to happen for you, if you sit back and are a victim, what happens? What happens around you? ... And it's a real shame that those sort of people, when it doesn't go right for them, quite often they'll be the most bitter. They'll be the most angst...it's other people's fault' and you know, but they've never taken responsibility for themselves. And I suppose part of that is you just develop a self-responsibility; your own focus."

"But yeah, that's again, probably that family upbringing of, you know...you all have your hot-head times and do wrong now and then and all that sort of thing but there is a general responsibility factor. If you say you're going to do it, do it."

Influenced by experience and upbringing

"But you know, we can be influenced by others; we do grow out of it because the world around us will make a huge difference to our behaviour patterns as we change from, you know, growing period to growing period."

Positive appraisal of generosity

9.7.5 Respondent 2E

Recognised the potential impact of personal frame of reference on CCI decisions

"I mean, at the end of the day, as I said, this role is such that I could have said 'right, that's what we're doing' and driven that."

"It is a personal thing and to be honest, because of the position I have here, if I'd wanted Westpac Rescue Helicopter's, that's what we would have had."

Evaluation of most effective way to frame CCI approach within organisation

"And that way, you calculate how you're going to get that done. Sometimes it means you have to take a bit of a back seat and manipulate it a certain way, get all that collaboration done and you can walk away going 'great, I got that job done.' And I think the charity would be in that camp, absolutely."

Evaluation of most effective approach to CCI decision making

"[The business rationale] might have been the argument I used in a lot of papers to get it through about the benefits to the corporate."

"The literacy thing was actually about the company and it is absolutely a calculated [decision]...that I needed to push through for the sake of the company that needed collaboration. So I could have, in this role, said no, you will be doing this but it would never have worked."

"I can actually influence that and not put up other charities but I needed the collaboration to actually get it to work and to get the buy-in."

Consciously mitigated influence of personal frame of reference

"I think in terms of the wanting to help kids, yes, and therefore creating something around them that does, is perfect from a personal point of view. But the literacy thing is actually about the company. Otherwise I think I would have pushed for, yeah, maybe Violence in Homes or something a little different."

"You have to really think not from a personal view but actually what is best for the brand, for the company because that's a much, much easier sell."

Evaluation of most effective approach to CCI; the rational business case CCI expressed as 'business case'

"We then thought a bit harder about the benefit to the brand. And with each of those, we couldn't get naming rights; we couldn't sort of own it in any way. As much as they're fantastic, absolutely fantastic charities we were then thinking about what the benefit to the corporate was. And we really came up with- there wasn't a lot."

"So there's quite a lot of involvement in feel-good stuff. Because we also believe- part of our mission statement is we want to be a beacon for talent in the country and one of those things we believe is actually being a company that actually is giving back to the community. So our staff get to feel really good about the [company] brand; that it's not just a big corporate, just swiping profit and sending it off-shore, that we're actually giving back as well."

"People buy brands that they feel good about. That's what a connection is so you know, everybody develops a likeness, whether it's a toothpaste or whether it's a magazine or a newspaper; they will buy into a brand that makes them feel good. So for all those tangible and intangible reasons... that's benefit; that is a huge benefit because it helps with the connection. If there is no connection with a brand, it's not bought. I mean, you don't buy something you don't like; you just don't."

Aligned to organisational strategy and core product coffering

"You know, we are in communities, obviously reading is hugely important for us as a business, whether it's offline or online, you have to be able to read to actually aligns to what we're doing, what we're all about."

Group decision making

"So actually some of that collaborative approach is calculated, where you can influence people and they believe they've kind of come up with it themselves."

"And so I can actually influence that and not put up other charities but needed the collaboration to actually get it to work and to get the buy-in and push everybody down the same road."

Rational used to create collaborative group decision making

"We wanted to give something back to the community and then a lot of personal stuff happened. So to be honest, to stop the 'should it be Westpac Rescue Helicopter, should it be Surf Lifesaving, should it be Child Cancer?' ,it was much easier to put it back to the [Company] brand about what the company stood for. Because then it sort of takes away those kind of personal grievances that their idea didn't get off the ground."

"There was a lot of personal stuff that then came into it; you know, getting around the table with that exec team here. Some people wanted us to support the flying ambulances, some people wanted us to support Child Cancer, you know, it was all over the place. So actually, to bring it back for [company name]

it needed to be about the brand and what we stood for in the communities, which is why we chose literacy rather than that kind of personal thing”.

Resistance; restricted by organisational change

Resistance internally to change

“I was having quite a lot of trouble at that point pulling everybody together. So we probably spent a good 18 months convincing people it was the right thing to do. Not just in terms of the charity but in terms of all the synergies.”

“At the time remember, there wasn’t a lot of collaboration. In fact at the time, there was probably more of ‘oh, she said we’ve got to do that so we’re not going to do it.’ That was probably happening more than ‘oh, she said we’ve got to do that so we will.”

Stage of CCI

Embryonic

External broker used

Used to assist decision making; developed rational decision making process

“But it was easier to get [external broker] in as an outside independent person to talk about the importance of being connected with the community through social services in some way. So that was quite good.”

“Robin Hood’s involvement was invaluable to actually get through to everybody that it was very important.”

Australian publically listed company

“So the connection is with the brand; we’re not listed here, so if we were to even dual-list with Australia, we would have to change that and we would have to, in some way, communicate with consumers but right now we don’t.”

Monitor and evaluate the program

“We absolutely view it as an investment and we don’t calculate [return on investment] other than from national media...it’s really hard at a local level in each of our [regions]. From our point of view, it’s more about measuring how we’re seen as an organisation so we’ve actually just started that.”

“Obviously we monitor all of the media around us...we know exactly who says what and when and measure the sort of tone of what goes out in to the community.”

Decentralized decision making at a regional level; acceptance of personal frame of reference impacting CCI decision

"From a local level, I believe that they understand their community best; I don't. So therefore, you know, we leave them to do what they need to do in their local community. So whatever they see fit and is right, that's what they do."

Decentralised decision making; encouraged rational decision making

"[Encouraged to consider] the brand actually. Rather than the General Manager or the Marketing Manager; it's actually what the brand stands for in the community. So if they are the key communicator for sports events then everything from their sponsorships to their charities somehow should be in the sport arena."

"So all I have done in terms of the direction for the local guys is have them think about their core principles of why they are in a community, what is most important to them. Is it sport, is it health, is it literacy?"

Decentralized; CCI outcomes impacted by personal frame of reference

"All of it I think is about personal stuff at a local level. I mean, they are really connected with their communities because that's what their jobs are...It's not rational and it doesn't really help the title in any way, so there's a lot of that stuff. But that's ok...they know what is right for them at their local level, but I bet it's all personal."

"I know one of our GM's of one of our bigger regions has a personal view about cancer and so they do a lot of work in that area with the hospice's and all sorts of stuff, but that's fine. That's fine, that's absolutely no problem at all."

Corporate citizenship/ corporate responsibility

"It's all about just giving something back to the community...part of my role obviously is to push the [company] brand but...The branding thing is not so important. It's that the first thing we wanted to do was actually give something back to the communities."

Structure of consciousness

Extremely high level of structure of consciousness; multiple factors making CCI a critical element in respondent's life.

Strong sense of compartmentalisation

Strong sense of divide between work self and home self

Personal sense of duty

"We're a large organisation; we are one of the biggest companies in NZ and not to be giving back in some way was a bit abhorrent in my mind actually."

Christian values

"I actually really, really do believe in life after death and spirituality and souls and you are who you are...this outer shell that you live in...is just that, a shell."

Concern for the under privileged stemming from experience and upbringing

"I care a lot about underprivileged people and that's probably come from the fact that I had quite a privileged upbringing... my upbringing was actually quite open in terms of...my family talked a lot about people who were not so privileged."

"And I've travelled a lot and I've lived in a third world country so I've seen a lot and my head is not buried in the sand."

Quilt of financial success

"I was mercenary when I lived in a third world country; I was working. I was an expatriate, you know, white, making lots of money, all tax free, I went out in to the communities and I saw horrifying things that probably affected me quite a lot."

Sense of meaning

"In some way because I think that's kind of what life is really about. I mean, life is not working and being mercenary; life is actually about people and humanity."

9.7.6 Respondent 2F

Low levels of accountability

"The philosophy's even stronger now and because it's a privately owned station, we're independent, because we don't have the restraints of those corporates."

"Because we're free of any corporate restraints and things like that, we can make a judgment call ourselves."

"I'm not really accountable to anyone."

The respondent was a shareholder

"There are eight shareholders who make up [company name] if you like, who are the foundation shareholders. So ultimately they're the ones who everyone's accountable to."

Decision impacted by personal frame of reference

"There are ones [CCI donations] that you sort of go yeah, you're sweet, you're a family friend, it was their school gala, and of course we'll support you."

Evaluation of accepted approach to CCI: Hot mental processing

"I see there's such a strong synergy with the individuals and the organisations in finding that balance...Who I am at work reflects who I am at home. I think because I'm in the right kind of work environment that lets me be who I want to be. Because I think if I was working for my old position where I had to tick all the boxes and make sure everything was, I would feel very schizophrenic because inside me I'd be going yes, yes, yes, yes and I'd have to go 'no, I have to see if it's commercially viable' whereas I'm lucky that my work environment go 'yeah, if you think it's a good decision we'll support you 110%'."

Evaluation of most effective approach to CCI: Personal frame of reference deemed effective

"Yeah, I definitely, I probably am more so your typical [company customer] as well. I fit the perfect demographic. We're finding it is your 30-something year old mum, who's the household shopper, so sure, there'd be certain causes that I go 'sweet, we'll support it' but I also think sweet, I talk to the masses, I'm your demographic."

Post-rationalised; decision based on hot mental/intuition processing and then evaluated according to cognitive processing

The respondent indicated that she made intuitive decisions, then post rationalized some of the potential benefits and adjusted the CCI strategy to achieve some of those benefits.

"No, we don't get into that much detail. We know if it's a good fit. There are obvious things that we want to be associated with and not associated with as well...And the final thing was 'and if any of your other sponsors do want to reciprocate and buy some advertising that would be great'."

"I'm only doing it because it's my best friend's mum but at the end of the day I think it's a cool thing and in a way I think it would be great for our staff as well...but then I'm probably one of the ones who would sit down and evaluate things and work it out."

Evaluation of most effective way to frame CCI internally within organisation

"But then there's some, like our Sales Manager, that just wants to know why the hell I'm giving out \$20,000's worth of, and I've got to sit down to him and go 200,000 people will get an e-mail with our logo on it, because 10,000 people will be at this event, because la-la-la-la-la and for others that's when I sit down and actually talk to him. 'And because your mother died of breast cancer, so

shut up' you know, but without...you take different approaches with different people."

Examples of mitigated the impact of personal preference on occasion

The respondent mitigated impact of personal frame of reference when slack resources were limited.

"So I'd sponsor everything; left, right and centre ... but you know, you would have to kind of tighten the reins at different times [of the year]. "

No formal decision process

Previous CCI job experience

Previous experience enabled the respondent to develop a strategic approach to CCI

"So I learnt a lot over the years and we've tweaked things and we also learnt what the best approach is... I'm probably one of the ones who would sit down and evaluate things and work it out."

Group decision making

"The team can make a judgement call and say hey, that's such a cool thing, you know, that's really important that that happens in our community."

Resistance; low levels of internal resistance

Considerable power

"So they do trust you that you're making the right decision for the [organisation]."

Organisational culture; values driven

"The first reason we do it is because we're generous and we're kind people."

Unexpected benefits of CCI

"But with our community things, to be honest, we do it by giving a school an advertising voucher or turning up to their fair or supporting the scouts who come in. We don't expect anything from it. Whatever we get from it is a bonus...But at the same time, we've already had examples of where business has come out of that."

Stage of CCI

Embryonic

Type of CCI

Gift in kind

"At the moment we can give away a lot because we're not selling out [the product]. We're only six months old; we're a new [operation]. We'd rather give it away at this stage."

The respondent indicated that currently they have significant gift in kind to donate, however, as the business grows this will be restricted.

"The whole [gift in kind donation]; people do have to put a realistic value on the product or service that they're getting."

"But it will come to a stage and it had come to a stage previously that you have to view everything as though it is cold, hard cash. Because if you can sell your product, then you're giving them something that has that realistic value."

Corporate citizenship/corporate responsibility

"You know, you've got to be a socially responsible organisation...you do have social responsibilities to help the community."

Hedonistic pleasure

"I like being Santa Claus. I feel like Santa, honestly, I do."

Accepting of diversity and all people

"I give the little people the time of day....I think I give everyone the chance."

Personal desire to give back

"But I kind of see, well if I don't have to, I want to give my time, my resources and my ability somewhere else, you know."

Sense of responsibility stemmed from childhood and upbringing

"I think, even at school, we were very socially, one of our school mottos was to be socially responsible, but what that meant was that certain weeks of our school year, we actually had to go and spend a week in an old persons home and feed them yoghurt or helping disabled kids in a school or something like that. "

"My mum and dad; I would say they're very socially responsible people...So I think definitely she's a strong influence in the fact that again, I've been brought up with that charitable window, you know, being aware."

9.7.7 Respondent 2G

View of role of the purpose of business

"We bought [company name] because we were looking for a business that would be something that would give back to the environment or to the community, to the Earth... That was one of our key principles of why we actually even bought the business."

"[We] tend to give a lot either of ourselves, our time, our money, whatever, back to where you think it's needed. So it doesn't matter if it's in your own personal thing or your business ethic. It's still there."

"[CCI] is showing that we've got a soul; that we're not just out there to get money."

"That you've got some sort of heart or soul is as much a part of the business as well as just making money."

Personal purpose of business ownership

"I guess it's not very good in terms of being entrepreneurial for a business but I guess there's part of it, in any business, that you weigh up between obviously making money. How much money do you want to make? ... So as long as I've got enough to survive, [giving back] is my main sort of philosophy."

"So that whole socially responsible side, to me it is important, it is an important part but you know, there's other factors also that you've got to take into account as well, in terms of where you want the business to be".

CCI outcomes impacted by personal frame of reference

CCI directed towards children based on S.O.C

"That's just because I don't have children...so it was something that was very big for [business and life partner]. We both sort of said that they were sort of key organisations that we would give money to."

Post-rationalised; decision based on hot mental/intuition processing and then evaluated according to cognitive processing

If the non-profit cause was not closely aligned to the respondent's frame of reference then referred to cold mental processing in decision making

"What will be the benefits? Are there some benefits, unknown benefits? Is it a branding thing? Is it hopefully a return on investment?"

"So there's a sort of two-fold thing there [business and personal interest] but definitely I do evaluate things and that's what I'm saying, constantly looking for other things that we can be affiliated to or associated with in terms of the business."

Resistance; slack resources

"And again, as much as you know you need to do a lot of that structure [developed CCI strategy], if you're a one-man-band, a lot of your time is taken up doing operational day-to-day stuff."

Reviewing decision making process due to limited resources

The respondent noted that the limited financial resources to give to CCI demanded a more rational approach. The respondent was limited financially and in terms of time availability.

"Some of that, to be honest, will desist or get limited I guess, depending on how the recession goes, only because obviously if I'm not making that much money...some of those things will probably get curbed in the next year."

"I think I will probably get a bit more rational, a bit more consolidated this year."

Decisions to promote CCI depending on whether decision was made according to personal frame of reference

"Yeah, that's right. I mean, the kids are sort of a personal thing that [business and life partner] and I had, so yes, it's not highlighted [in promotion]."

History of CCI; the legacy of business partner's death

"So I guess that's part of his legacy, that I've sort of tried to sustain giving small donations to a lot of the kids foundations and organisations."

Organisational culture; Values driven

Culture and values reflected respondents personal frame of reference oriented company

"So yeah, I think [business and life partner] and I both invested a lot of who we were into the business."

Extremely high levels of discretion

Sole decision maker

"Basically it is just me so it's a one-man-band."

Type of CCI

Most of the CCI was gift in kind. The respondent articulated that there was a lesser need to justify the donation as the product was of less tangible value. Further, the respondent noted how difficult it is to recoup value from expired stock.

"So part of the reason of giving stuff back to the community comes actually out of that because I get left with [product]...Now, if I was a real entrepreneur [I

could] sell a lot of it off and get stock... Balancing it up, can I do something good with it versus me having the hassle of trying to sell it off."

"Is this a financial one? Is it just a product one therefore the cost is not as high?"

"If I'm not getting so much business then some of the things that I donate to in terms of financial donations...will probably get restricted over the year but in terms of donating product or surplus stock and things like that, that will continue".

No formal decision process

"I know I'm supposed to do business plans and things like that...."

"I think the other thing would be that, like, in big businesses a lot of it's very structured so that they do have those things and they've already got those things in place whereas I tend to, I must admit, fly by the seat of my pants."

Extreme levels of power

Some expected benefits

"It's building up those relationships with other companies as well. I think that's sort of really important."

"We don't have a huge amount of money that we can spend on advertising [and CCI is] just is that brand awareness sort of thing. "

"But it's also arming myself to become more and more knowledgeable with more and more product knowledge of what else is out there and things like that."

"I think it helps me build credibility as to who we are ...it's just building a profile I think out there."

Selflessness

"I like to give things to people; I've always been a giver, so that's just part of my own inbuilt philosophy really; giving to others first, usually before myself

Ideology surrounding capital wealth

"You're not here forever; you can't take your money with you. Therefore you know, to me, that just enhances a whole philosophy of giving back while you're still here."

Religion

"Well, I've been brought up as a good Presbyterian and I think that you get taught that others are more important and that there's starving children and all the rest of it, that gets beaten into you as a child."

9.7.8 Respondent 2H

CCI outcomes impacted by personal frame of reference

"We looked at a number of things but like I said, partly the emotion or the connection with the Chairman at the time; and we just went in there ...knowing what it's like when the Chairman, or we all knew, what it was like to actually see someone lose their son."

"So we were looking for a charity that was, like I said, that we felt we had a touchstone with. And so the fact, when we started looking, we looked at a number of them in fairness but we came back to the Child Cancer Foundation because of what one member had just done in Palmerston North and the fact that our Chairman had a son dying of cancer."

Post-rationalised; decision based on hot mental/intuition processing and then evaluated according to cognitive processing

"We also needed something that was national because we're a national organisation. We wanted something that could actually be related to the length and breadth of the country."

Evaluated most effective approach to CCI: most effective way to generate social change

"It makes a difference though when you do actually get a collaborative or a collective power behind one charity and so therefore, that's something I've definitely learnt, that you know, for a charity, there's nothing better I don't believe. And for an organisation, yeah, there's nothing better."

"And that is, say, for example, we can actually say we have one charity. We give to that charity generously."

"If we chose one, dedicated ourselves to one charity, we probably could make a significantly bigger difference."

Co-operative ownership structure

Stage of CCI

Embryonic; need to sell into business co-operative

"So they were the ones that we said 'are you with us? Are you behind us? It's a contribution from every sale' and it was like 'yes' and so when they all agreed and we'd got effectively a consensus from them, we positioned it, we were

confident and we were positive in our presentation of it but effectively, yeah, we had to have them agree; because otherwise we would never have had the fundings, as an organisation, without their individual sale contributions."

History of CCI

The organisation had prior experience with a non-profit organisation in a decentralised office. Respondent was unsure of why that particular non-profit had been selected by decentralised office. Assumed this was based on personal frame of reference.

"So in one place, in Palmerston North, we had one of our offices working with the [name of non-profit], just as part of a community."

Evaluated most effective approach to communicate CCI within organisation: Emotion

"We're like a family, you know, with 70 office sort of operations, and we've got up to 95 and whatever it is but at the end of the day, the reality was that most people knew that the Chairman had lost his son".

"You know, like, we pushed all the right buttons. We had children out there, showing big smiling faces, and sort of, 'this was Julie, this is Julie now' and luckily, we've been able to say 'here's Julie recovering, on the mend' sort of scenario...the [name of non-profit organisation], it's like, I mean, [social cause] in itself, everyone goes awwwww, and then with children, it's like double awwwww, so certainly, in that aspect of it, we have been lucky."

Normative view of business decisions; Acceptance of hot mental processing

"You actually want to support a charity that you feel you can relate to in a sort of emotive way. And you know, if giving to charitable causes becomes a totally logical business decision, then I think you'll actually lose the impetus of why people do it."

View of role of the purpose of business

"You actually think that they're above and beyond, you know, there is actually one aspect of them that's above clawing profits."

Decision making participants

Three people involved; the respondents, general manager and chairman.

Relationship with upper echelon

"We're just a small team. We're a national office of a small team. We're not a big corporate organisation where you've got multiple floors; we just work as a small team and so consequently it's tight."

No formalised policy

Personal experience with cause

"So there's nothing like an immediacy of knowledge about a charity or what a charity might be able to provide, to actually do it."

Connection to community

"But people, I suppose, people that are in your community every day; it's just nice to know that you make a difference."

"We're talking to people regularly so we know what touches them and tragedies and you know, things like this, are one of those things that people talk about. So all of those things; you like to make a difference."

Hedonistic pleasure

"And then the feel-good factor of just knowing that you're out there and you're doing something other than for yourself."

9.7.9 Respondent 2I

CCI outcomes impacted by personal frame of reference

"Ours is more sort of intuitively driven. It's not really a policy like that."

Evaluated most accepted approach to CCI; Hot mental processing

"It is a very intuitive process because we're not purist business people...That is basically the business philosophy and the get rich philosophy by process. But what we do is we rely on human, I mean, when you talk about things like heart, intuition, gut feelings, knowing what's right, all that sort of stuff is not necessarily something you can put on a piece of paper and teach somebody who's never heard of it before."

"So it's really just about trying to truly, truly follow what's in your heart and what you know is right."

Organisational culture; values driven

"We are a corporate, we're a for-profit and everything but everything we do is driven by our values. And if it doesn't fit the values we don't do it."

"And then backed up by that were these kind of values of universality, of courage, of really trying to create positive change in the world."

View of role of the purpose of business

"We're a bit different because our work is about the community. I mean, it is in itself. Yeah I guess, unlike corporates for example, like a bank, it's a good

example of...it's a business, it's main job is to derive dividends for its shareholders and in order to feel good about what it does, it also engages the community in some philanthropic work. Our work is entirely about moving communities towards better social change or environmental change."

"The goal is that there'll be 100 million lives[impacted by social causes] that have been directly affected, which is not a great deal when we've got 6.5billion people in the world but it's a fair but ambitious goal for us. And that's still a lot of people from one business to try and directly touch the life of, and improve the life of."

"So the reality is that we have to run like a business but there's no reason why our business can't just make the most amazing change in the world still."

Corporate citizenship/corporate responsibility

"At the end of the day, the only reason a corporate's alive is because the community helped it be alive."

Evaluation of most effective approach to CCI; hot mental processing

"It works for me, it works for us and it has always worked so there's no point not using [that decision making process] basically."

Peer perception

Only her and her partner in business decision making. Both followed same approach to business decisions.

No formal decision process

"We should have a piece of paper, which has a whole lot of boxes that we could tick but we don't really."

Sole decision maker

Type of CCI

Gift in kind, reduced retail pricing of product

Business owner

Dissatisfied with corporate model

"I had this pattern of keeping changing and it was because I'd get bored and disoriented and I'd think it was pointless and meaningless and so what, I'm getting paid well, who cares. You know, I could climb this ladder and become CEO of this big corporate and great, that's a nice career path but who cares?"

Social values developed through upbringing

"Yeah, so there's always been a real strong family philosophy of you know if somebody can't afford their rent this month, even if they're not family, they'll pay for it for them, that kind of stuff. Real socialist values."

Sense of connection with indigenous developed through upbringing

"I lived in Fiji for 12 years when I was a child and even though we were more in the sort of ex-pat community, my life was completely integrated with the locals. So as a child you don't differentiate between the Fijian and the Indian and the Chinese and the European; and so we had this quite multi-national community of kids all playing; very different wealth groups... And I guess for me it was like a, you know, kind of a, I have quite a strong connection to developing, or indigenous people I suppose full stop."

Social values developed through schooling

"[New Zealand school] had a lot of really good, and even more so today, quite good social values. Like, I discovered things like mental health homes and things; I mean, I'd just never been into one of those before. And you do community service."

Create a legacy

"So we kind of wanted to have it mean something to us and to other people, and you know, hopefully create some kind of legacy of change around us."

Self worth

"It's quite selfish really; it makes you sleep better at night. You go to dinner parties and you talk about what you do and you feel good about yourself."

9.7.10 Respondent 2J

Sole decision maker

No formal decision making process

Business owner

No formal decision process

High levels of discretion and power

"The title doesn't bring me power; I think that real power lies in your influence not in your title."

Decisions based on hot mental processing:

Personal interest, intuition and values based decision making

"It's just my other love I guess; it's as simple as that; it's what it boils down to."

"It's still my love...And that really sort of spurred [the CCI] in that direction."

"And a lot of the [decision] is intuitive, you know."

"I mean, a lot of it was based on 'do we have the same values [as the non-profit]? Do we look at life in the same way? Does it feel good?' Most of it was based on that."

Evaluation of the accepted approach to CCI: Hot mental processing

"And so I think everything is so personally driven from your experiences."

"And so I think possibly [personal preference] is at the bottom of everything for everybody; I mean, you give to what you want to see and what you want to do, don't you."

"So I think that people possibly do it, you see companies getting involved in all sorts of things and it's basically driven by the passion of whoever makes the decision."

Post-rationalised; decision based on hot mental/intuition processing and then evaluated according to cognitive processing

"So it wasn't all just for love but some part of it."

Evaluation of the most effective approach to CCI; the rational business case Business benefit

"The commercial thinking behind that was that I think that anyone will always remember ... the first person to give them a break. But it's basically just giving someone a bit of a leg up and also I think it does have some commercial implications that they will stay with your brand for a long time."

"I think it's the cheapest way of branding...because [the gift in kind] goes far beyond its retail price."

Altered decision making approach when sold business/ no longer residual claimant

Evaluation of most accepted approach to CCI decision making in separate ownership and control context

"But in good times I think corporates are very good but in lean times they've got other responsibilities to what you have perhaps if you're privately owned. Also, because it's a listed company, Wall Street dictates. You know, that's a part of the frustration and that's a completely different conversation about working for listed companies and doing all these things for the brands versus really working

for the brands and the brands only. It's quite different because it's so short term because everything is dictated by Wall Street."

"I think it's just the expectation of the company. Because remember, it's a different company and here I was looking after a whole stack of brands, responsible for the whole world and people were being asked to be very careful with every dollar that they spent and so you would have to look at, well, in that job I would definitely question the donation. I would have to."

Altered decision making approach when business was sold.

Evaluation of accepted approach to CCI: Emotive approach deemed inappropriate in spite ownership and control

"And I think that if I was sitting in that corporate now, you know, I was in the same job, I was sort of Global Sales Marketing Director for all brands, I would also question it when the share price is low; I would certainly question it then, in my professional capacity."

"I think that it would be quite different making that decision if [I was still in the corporate] you won't be able to do what you want to do."

Resistance; restricted by slack resources

"Yes and they also asked for the profile; what does it do for the brand's profile, so yeah, they're certainly asking."

"No, it was being questioned last year but I think last year we could certainly still show some return, you know, but I think right now, because the company is under quite a lot of stress; share prices are really, really low and our business is down, the industry is down. So right now, I'm not sure if they're going to be able to continue. Yeah, right now they're counting every dollar."

Dissatisfaction with the corporate model

"I guess the fact that you deal with facts and figures every day in the business and so [CCI] was just purely getting away from that."

"I didn't really enjoy it and there was just so much corporate pressure...And often you make decisions not because they're good decisions but because they fit in the system and in the model and I don't like that. That is not what I wanted to do."

Sense of connection with others and community

"They all know about the others and it's just a little bit of a community. Yeah, I just quite like [being a part of] the community."

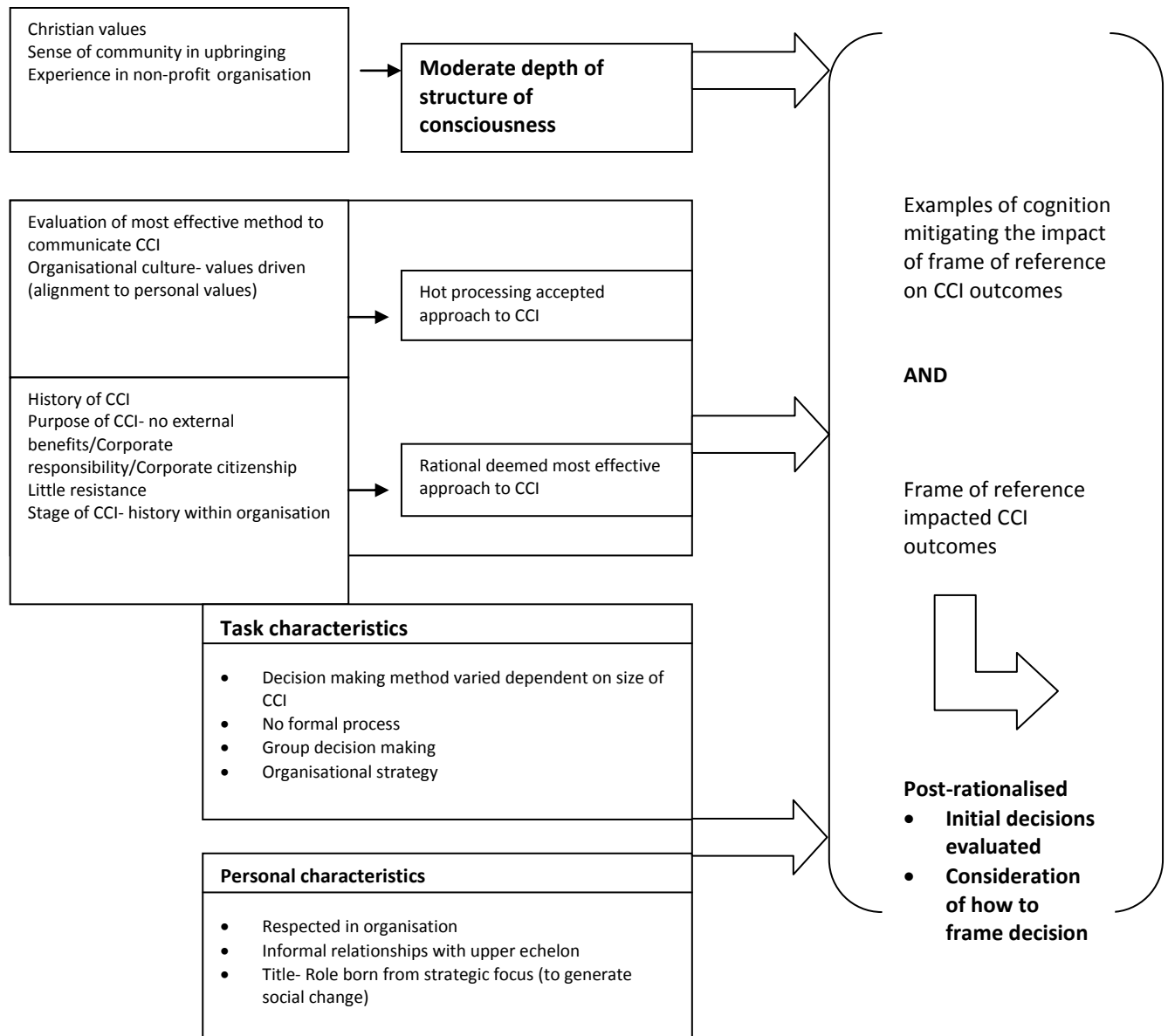
9.8 Replication of category coding

Personal characteristics	Locus of control		Central	External	Central	Central	Central			Central	
	Power	Well respected	High			High	High	High		High	High
	Relationship with echelon	Close			Distant	Close	Close		Close		
	Title	Role born from strategy	Owner	Secondary to other duties	Secondary to other duties		Shareholder	Owner		Owner	Owner
Task	Level of accountability	High			High	High R.O.I					
	Third party broker				✓	✓					
	Decision making participants	Group	Sole	Group	Group	Group	Group	Sole	Small (3)	Sole	Sole
	Global strategy	✓			✓						
	CCI strategy	✓			✓				✓	✓	
	Formulation of decision making policy	No	No	No	No	No	No	No	No	No	No
	Type of CCI				Varied dm with gift in kind	Varied dm with gift in kind	Gift in kind	Varied dm with gift in kind		Gift in kind	Gift in kind
Evaluated most effective approach to CCI	Purpose of CCI-business benefits			✓		✓		✓			✓
	Purpose of CCI – Corporate citizenship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Stage of adoption		Embryonic	Re-initiation		Embryonic	Embryonic		Embryonic		
	Resistance to CCI			✓ Limited resources		✓ Resistance internally to change			✓ Limited resources	✓ Need to establish co-op buy in	321

	History of CCI	✓		✓	✓			Legacy of partner	Experience with non - profit with		
	Most effective approach	Rational		Rational	Rational	Rational	Hot processing	Rational	Hot processing	Hot processing	
Evaluated most accepted approach to CCI	Assumed peer perceptions										
	Organisational culture	Strong sense of values	Strong sense of values		Strong sense of values		Strong sense of values	Strong sense of values		Strong sense of values	
	View of the purpose of business		Social				Social	Social	Beyond profit	Social	
	Normative view of business- what is appropriate in all business settings		Hot processing inevitable	Not appropriate	Disapproval of chairman's choice		Hot processing appropriate		Hot processing appropriate	Hot processing appropriate	
	Hot processing accepted in CCI	Yes	Yes	No	No		Yes		Yes	Yes	Yes
Depth of structure of consciousness		Moderate	Extremely deep	Shallow	Deep	Extremely deep	Deep	Deep	Moderate	Extremely deep	Moderate
Frame of reference impacted CCI outcomes	Altered how decision making	✓				Some examples					
	Evaluated hot decision making	✓	✓				✓	✓	✓		✓
	Frame of reference impacted	✓	✓				✓	✓	✓	✓	✓
Cognition mitigated impact		Some examples		✓	✓	✓					
Respondent		2A	2B	2C	2D	2E	2F	2G	2H	2I	2J

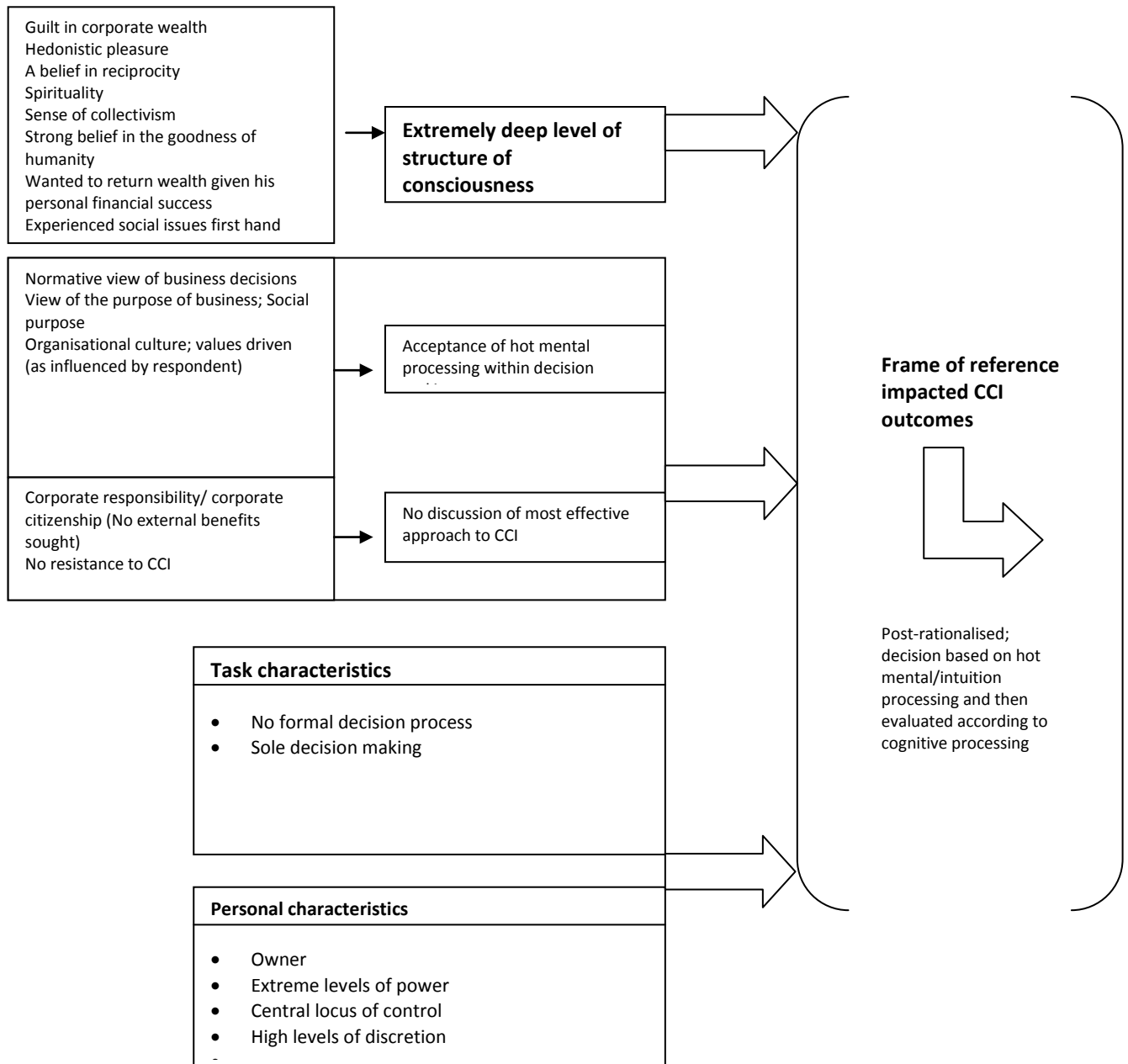
9.9 Evaluation of explanatory power; application of theory to each respondent

9.9.1 Respondent 2A

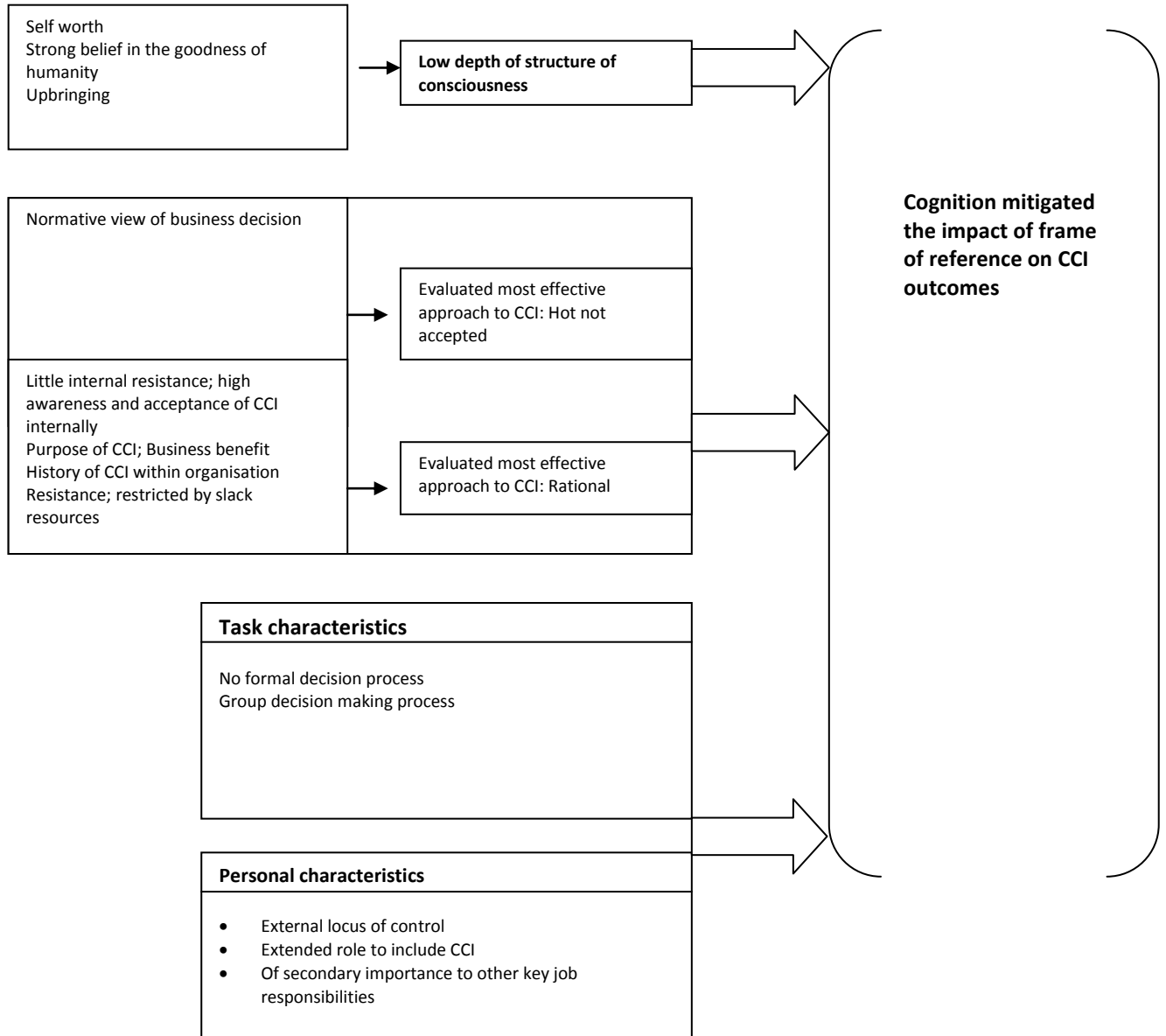


9.9.2 Respondent 2B

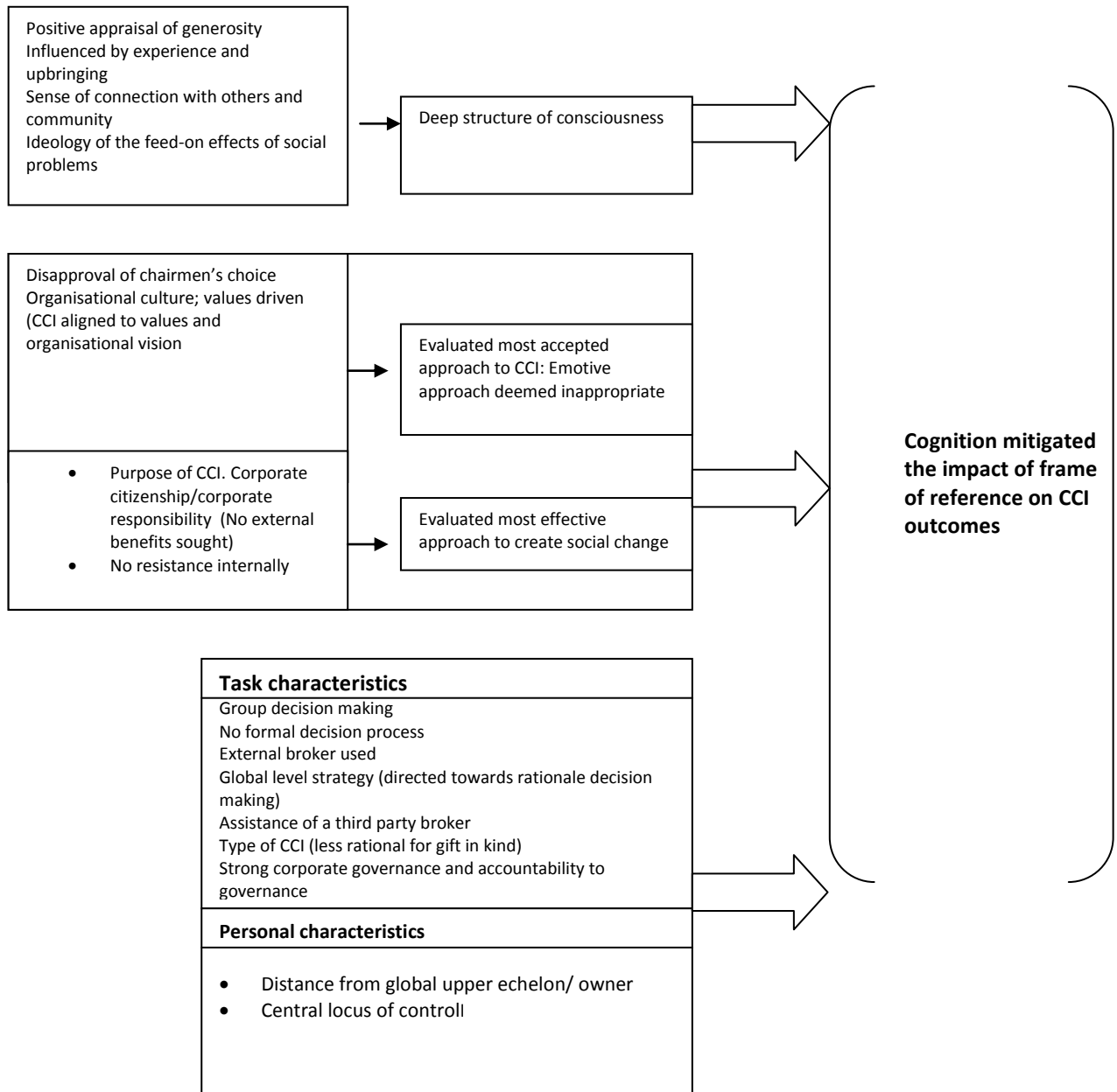
This model was applied to the discussion surrounding the third and most recent CCI experience.



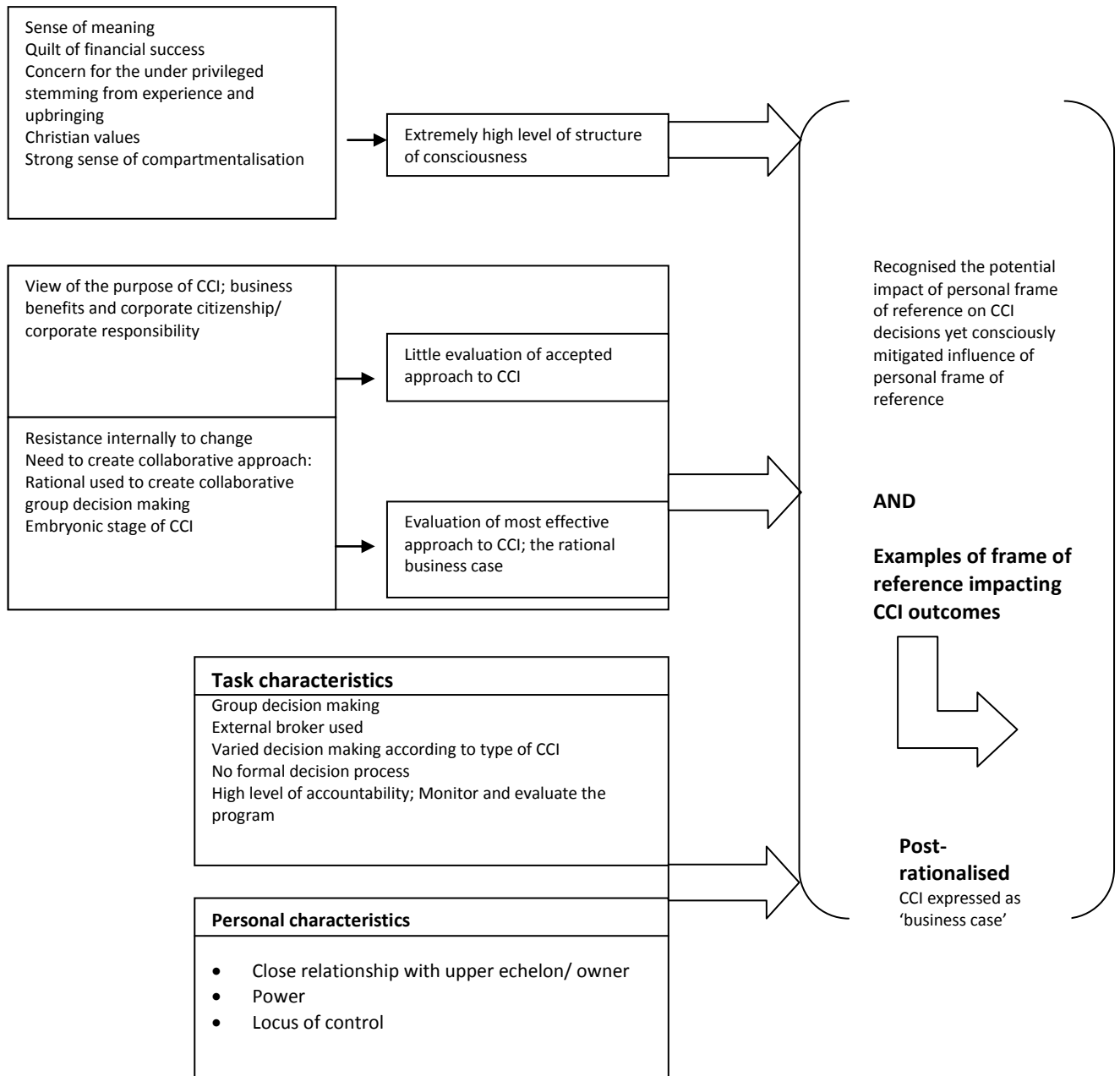
9.9.3 Respondent 2C



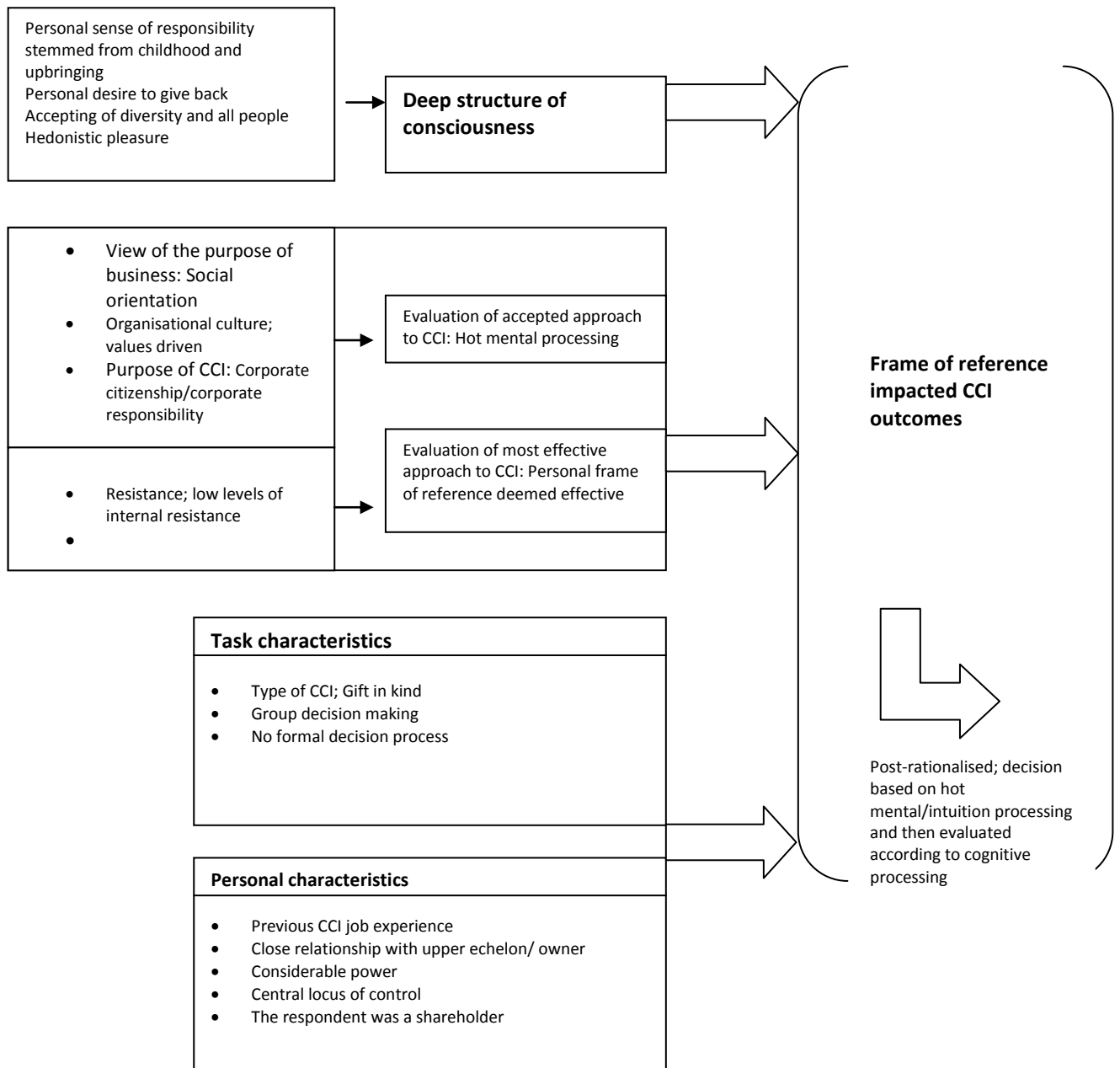
9.9.4 Respondent 2D



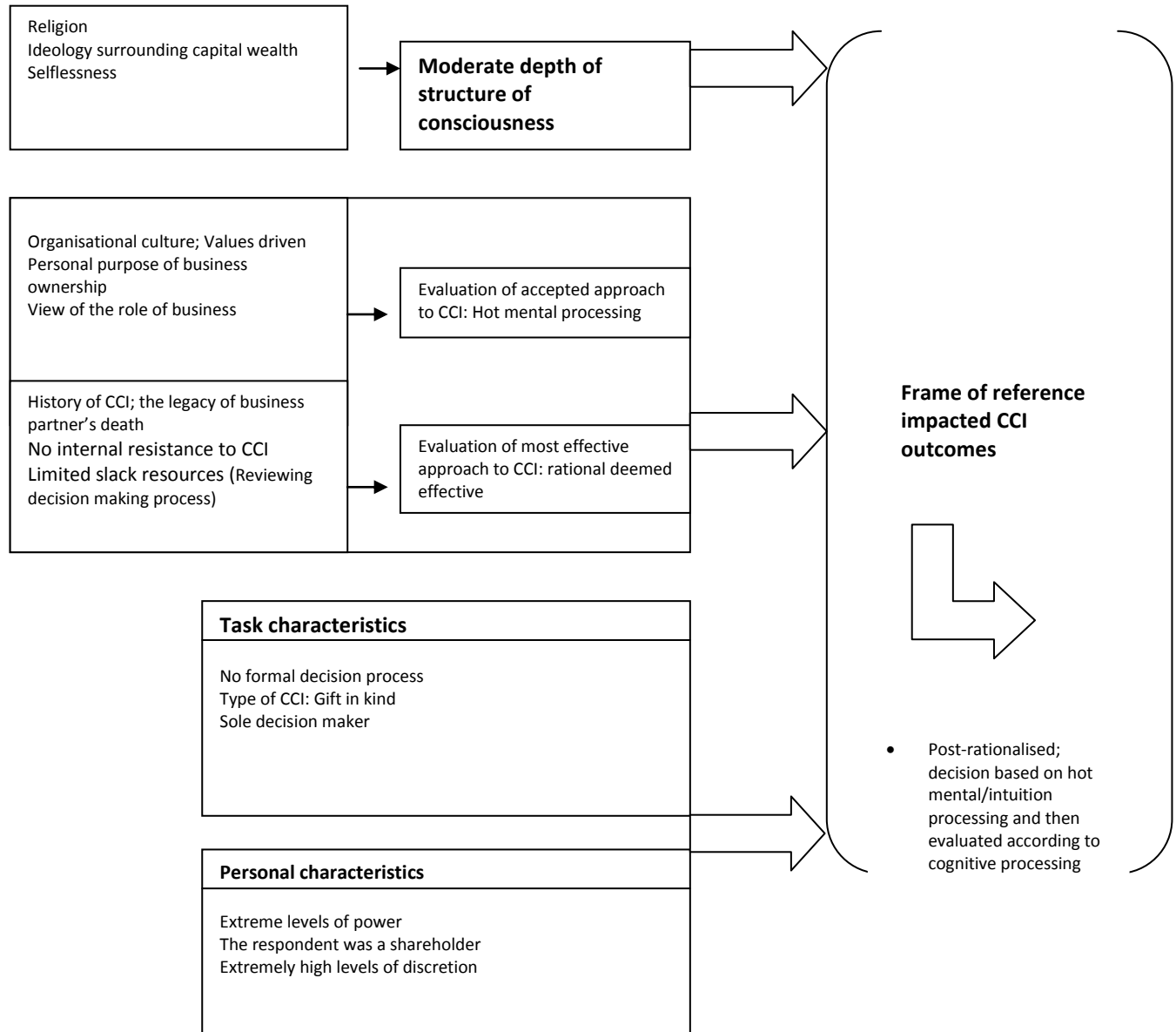
9.9.5 Respondent 2E



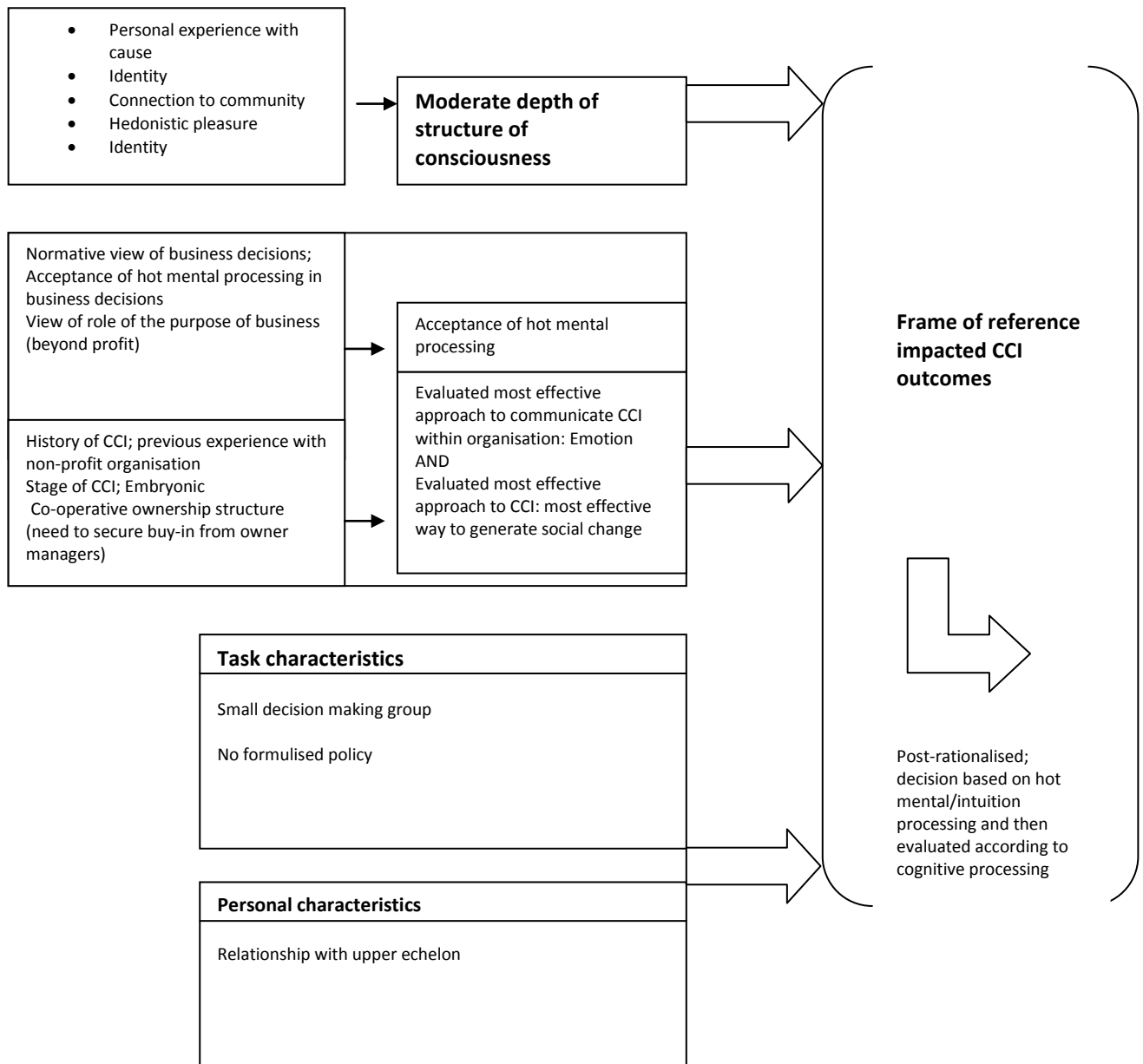
9.9.6 Respondent 2F



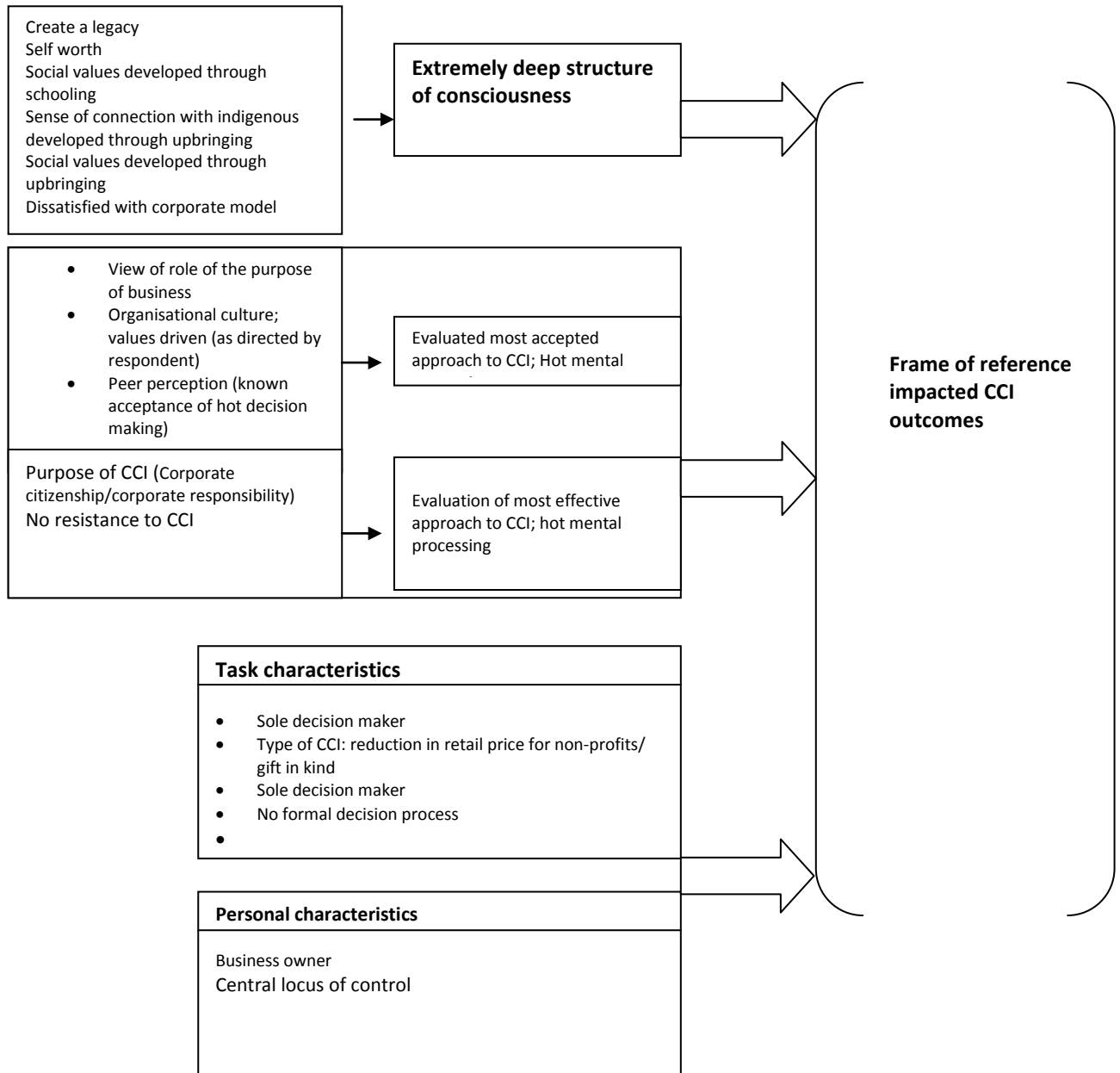
9.9.7 Respondent 2G



9.9.8 Respondent 2H



9.9.9 Respondent 2I



9.9.10 Respondent 2J

This model was applied to the discussion surrounding the first experience discussed by the respondents, prior to selling the business. It should be noted that the respondent altered decision making process after the business was sold.

