

National Culture, Education, and Antecedent Values of Corporate Social Responsibility

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This study investigated the relationship national culture has on two antecedent values of Corporate Social Responsibility (CSR) operationalized as concern for the environment and trust in social institutions. Random samples from World Value Surveys (WVS) for the two countries Sweden and Taiwan were utilized. Results showed antecedent values of CSR to be different for the two countries that are at opposite ends of Hofstede's (2001) cultural value dimensions. Results also demonstrated education to have significant influences on antecedent values of CSR for the Taiwanese sample but not for the Swedish sample. Implications and direction for future research are discussed.

INTRODUCTION AND PURPOSE

While scholars have investigated firms' social concerns for decades it is only recently that the focus on this important issue has become so widespread (Serenko & Bontis, 2009; Wagner, Lutz, & Weiz, 2009). More recently, researchers from various disciplines such as marketing, organizational behavior, human resource management, industrial and organizational psychology (Aguinis, 2011), operations, and information systems (Enderle & Murphy, 2009; Maignan & Ferrell, 2004; Aguinis, 2011; Brammer, Hoejmose, & Millington, 2011; Elliot, 2011; Morgeson, et al., 2013) have been looking at this important issue through their own conceptual lenses. While the majority of this scholarly research on corporate social responsibility (CSR) has focused on macro level of analysis (Aguinis & Glavas, 2012; Devinney, 2009; Siegel, 2009), according to Aguinis & Glavas (2012) micro level literature where the individual is used as the unit of analysis is lacking.

Social responsibility encompasses a community/state welfare dimension that represents values of not only shareholders and owners but also other stakeholders such as employees, consumers, and the public. As such, at the present time there is a need for multilevel multidisciplinary research that focuses on research relates to social responsibility (Aguinis & Glavas, 2012). One fruitful avenue of research would be to investigate antecedent values of CSR which individuals may hold in different cultures. The primary purpose of this research is to fill this gap by investigating if differences in societal level cultural values influence antecedent values of CSR. The two countries Sweden and Taiwan are selected as surrogates to represent opposite societal level cultural values. Concern for environment and trust in social institutions will be used as antecedent values of CSR. Considering that the values individuals hold are likely to change through learning (e.g., antecedent values of CSR can change over time), this study will also focus

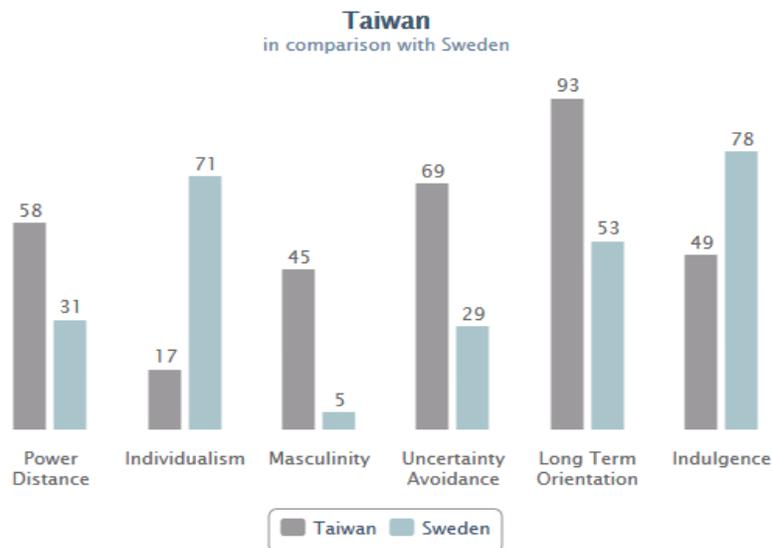
on the influence that education has on societal level cultural values in bringing about change in the antecedent values of CSR or orientations of CSR in individuals.

BACKGROUND AND RESEARCH QUESTIONS

Cultural values are a part of the decision-making process whether individuals realize it or not. Individual values are often culturally determined (Triandis, 1995; 1998; Hofstede, 2001). Country or societal level values include both (1) ongoing practices and behaviors and (2) values or strongly held beliefs of how the culture should be (House et al., 2004). While ongoing cultural practices tell us about current perceptions of specific cultures, cultural values tell us the aspirations and direction that cultures wish to develop (Javidan et al., 2005). Often differences between the two could occur. For example, the practices or behaviors of a particular dimension of culture, say collectivism, can be relatively low (e.g., individualistic) even though the cultural values of what should be occurring may be relatively high (group oriented or collective).

In this study, we select two countries that are opposite with regards to Hofstede, Hofstede, & Minkov (2010) six cultural value dimensions. These differences are shown in Figure 1. While Sweden is individualistic, low in power distance and uncertainty avoidance, feminine, and high in indulgence (operationalized as ability to control desires and impulses and in this case Swedish culture is one of indulgence), Taiwan is collective, high in power distance and uncertainty avoidance, only slightly feminine, and low in indulgence. Prior research has shown values of CSR to be higher in low power distance (Waldman et al., 2006; Peng, Dashdeleg, and Chih, 2012), individualistic (Bode, 2012), and low uncertainty avoidance societies (Peng, Dashdeleg, and Chih, 2012) compared to high power distance, collective, and high uncertainty avoidance societies. As such, it is reasonable to expect individual values relating to social responsibility will differ between the two countries. The relationship that the masculine/feminine dimension of Hofstede (2001) has with CSR values has been mixed. Authors of this manuscript could not find any empirical research that had investigated indulgence dimension of Hofstede, Hofstede, & Minkov (2010) and CSR values.

FIGURE 1
COMPARISON OF CULTURAL VALUES BETWEEN TAIWAN AND SWEDEN



Obtain from on December 12, 2015 from, <http://geert-hofstede.com/taiwan.html>

In this research, we expect antecedent values of CSR (operationalized as concern for environment and trust in social institutions) to be different between the two countries Sweden and Taiwan because of the differences in the national culture. In addition, we expect education to interact with national culture to have an influence on the antecedent values of CSR. We expect a greater influence of education for those from Taiwan. As years of education rise, the concern for the environment and trust in social institutions are also likely to rise especially in economies that are transitioning from centrally planned to free market. Considering that prior studies have not tested the influence of education, findings from this study can be intriguing with several implications for both theory and practice. The specific research questions to be investigated are as follows:

Research question 1

Antecedent values of CSR will be higher for individuals from Sweden compared to individuals from Taiwan.

Research question 2

The level of education will influence antecedent values of CSR.

Research question 3

The influence that level of education has on antecedent values of CSR will be higher for individuals from Taiwan compared to individuals from Sweden.

METHODOLOGY

Data for the study came from the 4th wave of World Value Surveys (WVS) conducted in 2005. This data was downloaded in 2014 and at that point this was the most recently available data. The WVS is a global research project that explores people's values and beliefs, how they change over time, and what social and political impact they have. It is carried out by a worldwide network of social scientists who have conducted representative national surveys in almost 100 countries. The WVS measures, monitors and analyzes attitudes toward the environment as well as culture and diversity among others. The survey consists of over 250 variables. The 4th wave of the WVS included many countries. The sample size from Sweden was 1003 and from Taiwan it was 1227. The entire sample was not used in the data analysis in this study because of potential for type II error where a false null hypothesis will be rejected. Therefore, the SPSS data analysis software selected a random sample of 30% of all the observations between the two countries that was used to investigate the research questions. This resulted in a sample of size 270 for Sweden and 352 for Taiwan.

The variables investigated that related to environmental issues were: (1) perceived seriousness of global warming or greenhouse effects, (2) perceived seriousness of loss of plant or animal species or biodiversity, and (3) perceived seriousness of pollution of rivers, lakes and oceans. There was also one other variable that focused on environment and economic growth. The variable requested that respondents decide if economic development and the creation of jobs or the protection of the environment was more important to them personally. The variables relating to trust or confidence in institutions related to confidence in the: (1) press, (2) major companies, (3) environmental organizations, (4) women's organizations, and (5) charitable or humanitarian organizations. These 9 variables operationalized the antecedent values of CSR. The level of education consisted of 3 groups where the first group included individuals with no education or up to primary education, the second group included individuals who had completed primary education but may or may not have completed secondary education, and the third group included individuals who had some college, completed college, or a professional certification.

Data Analysis included two MANCOVA analyses and a Chi-square Test of Independence. In both MANCOVA analyses an attempt was made to control for the variables gender, age, and employment status. In the first MANCOVA analysis, the 3 variables that measured perceptions of social responsibility as they related to the environment were used as the dependent variables. The two independent variables were country and level of education. In the second MANCOVA analysis, the 5 variables relating to confidence in institutions were used as the dependent variables. The Chi-square analysis consisted of the

two country variables and the opinion about the importance of economic development or protection of environment.

RESULTS

In the first MANCOVA analysis that involved the perception of social responsibility as it related to the 3 environmental variables used as the dependent variables, none of the covariates gender (Pillai's Trace $F=1.87$, $p=0.13$), work experience (Pillai's Trace $F=1.76$, $p=0.15$), or age (Pillai's Trace $F=0.56$, $p=0.64$) were significant. As expected, differences were found between country (Pillai's Trace $F=3.01$, $p=0.03$) but there was no significant difference based on education (Pillai's Trace $F=0.93$, $p=0.47$). However, the interactions between country and level of education was significant (Pillai's Trace $F=2.65$, $p=0.015$). The results for each of the 3 dependent variables along with the group means by levels of education are provided in table 1. As can be seen significant differences were found for the three dependent variables for the two countries Taiwan and Sweden based on the level of education.

TABLE 1
MANCOVA RESULTS FOR ANTECEDENTS OF CSR VALUES CONCERN FOR ENVIRONMENT BY COUNTRY AND BY LEVEL OF EDUCATION

Dependent Variable	Level of Education	Country		F-value
		Sweden	Taiwan	
Global warming or greenhouse effect	Overall	1.36	1.46	3.40 ¹
	By education level -1	1.26	1.60	5.26 ¹
	By education level -2	1.41	1.47	
	By Education level -3	1.41	1.30	
Loss of plant or animal species or biodiversity	Overall	1.44	1.60	7.87 ¹
	By education level -1	1.35	1.75	5.34 ¹
	By education level -2	1.42	1.59	
	By education level -3	1.54	1.47	
Pollution of rivers, lakes, and oceans	Overall	1.27	1.39	6.52 ¹
	Education level 1	1.23	1.55	3.18 ¹
	Education level 2	1.29	1.34	
	Education level 3	1.29	1.29	

¹ $p < 0.05$

Means based on a scale varying between 1="very serious," 2= "somewhat serious," 3="not serious at all," and 4="not serious at all"

Level of education 1= no education or up to primary education, 2= completed primary education but may or may not have completed secondary education, and 3= some college, completed college, or a professional certification.

In the second MANCOVA analysis that involved perception of social responsibility as it related to trust in social institutions used as dependent variables, the covariates gender (Pillai's Trace $F=2.374$, $p=0.04$) and age (Pillai's Trace $F=3.57$, $p=0.01$) were significant but not work experience (Pillai's Trace $F=0.63$, $p=0.67$). Here, differences for the dependent variables were found between country (Pillai's Trace $F= 12.43$, $p = 0.00$) and level of education (Pillai's Trace $F= 4.02$, $p=0.00$). In addition, the interactions between country and level of education were also significant (Pillai's Trace $F=1.80$, $p=0.05$). The results for each of the 5 dependent variables along with the group means by level of education are

provided in table 2. Once more, significant differences were found for the five dependent variables for the two countries Taiwan and Sweden based on the level of education.

TABLE 2
MANCOVA RESULTS FOR ANTECEDENTS OF CSR VALUES TRUST IN SOCIAL INSTITUTIONS BY COUNTRY AND LEVEL OF EDUCATION

Dependent Variable	Level of Education	Country		F-value
		Sweden	Taiwan	
Confidence in the press	Overall	2.88	3.10	12.21 ¹
	By education level -1	2.99	3.27	0.62
	By education level -2	2.87	3.01	
	By education level -3	2.80	2.93	
Confidence in major companies	Overall	2.52	2.78	17.64 ¹
	By education level -1	2.45	2.73	0.48
	By education level -2	2.55	2.86	
	By education level -3	2.57	2.77	
Confidence in environmental organizations	Overall	2.16	2.49	22.59 ¹
	By education level -1	2.08	2.58	2.23
	By education level -2	2.84	2.60	
	By education level -3	2.13	2.28	
Confidence in women's organizations	Overall	2.54	2.46	1.17
	Education level 1	2.35	2.58	7.08 ¹
	Education level 2	2.60	2.54	
	Education level 3	2.65	2.28	
Confidence in charitable or Humanitarian organizations	Overall	2.29	2.46	6.72 ¹
	Education level 1	2.20	2.61	2.62 ¹
	Education level 2	2.49	2.54	
	Education level 3	2.18	2.23	

¹ p < 0.05

Means based on a scale varying between 1="a great deal," 2="quite a lot," 3="not very much," and 4="not at all"

Level of education 1= no education or up to primary education, 2= completed primary education but may or may not have completed secondary education, and 3= some college, completed college, or a professional certification.

Finally, the influence that culture has on whether individuals believed protecting the environment was more important than economic growth and creating jobs in the presence of the variable education was investigated using a Chi-square test of independence. Significant relationships were found for the relationship between culture (country) and preference for education level 1 ($\chi^2=7.55$, $p=0.02$), and education level 2 ($\chi^2=16.78$, $p=0.00$) but not for education level 3 ($\chi^2=0.90$, $p=0.63$). At education level 1, 65.8% from Sweden claimed protecting the environment was more important than economic growth or creating jobs compared to 43.1% from Taiwan. At the education level 2, this percentage was 64.9% for

Sweden and 41% for Taiwan. However at education level 3 which included individuals with some college, college education, or a professional certification this was 62.7% for Sweden and 63.9% for Taiwan indicating protecting the environment was more important than economic growth or job creation in both cultures. In summary, these results taken as a whole provided support for the 3 research questions.

DISCUSSION & CONCLUSIONS

Results show that antecedent values of CSR differ between Sweden and Taiwan, two countries that are opposite in terms of Hofstede, Hofstede, & Minkov (2010) cultural values. Table 1 showed how education influenced the perceived seriousness of environmental issues for individuals from Taiwan. In fact, the perceived level of seriousness is the same as indicated by the group means at education level 3 for both samples but they are significantly different at lower levels of education. Similar results were obtained from the Chi-square analysis. While more individuals at low levels of education (levels 1 and 2) from Taiwan claimed economic development and job creation were more important than protecting the environment, at level 3 majority in both samples claimed that protecting the environment was more important value than economic development. For the sample from Sweden, education had no significant influence on antecedents of CSR values. While value differences due to national culture were identified, the role that education plays with regards to concerns people have about socially responsible issues was an interesting finding.

In terms of trust in social institutions, clear differences were once again identified between the two samples where Taiwanese had less confidence in the press, major companies, environmental organizations, and charitable or humanitarian organizations. Education had a positive influence in increasing the level of confidence in women's organizations and charitable or humanitarian organizations in Taiwan. However, no significant differences were found for the 3 remaining dependent variables (confidence in press, confidence in major companies, & confidence in environmental organizations) based on level of education for the two countries. While the results were mixed, initial indications seem to suggest that education plays a significant role with regards to confidence that individuals have in social institutions as well.

These findings have implications for both theory and practice. Considering the paucity of research relating to micro level analysis of CSR, this study shows the influence that education in general has on antecedents of CSR values or orientations of CSR. Education seems to change the cultural orientations of CSR in individuals in high power distance, group oriented, and uncertainty avoidance cultures than a more masculine but less indulgent culture. Future studies should account for this variable by controlling for the effects of education. Second, the socially responsible values investigated in this study can be used as antecedents or predictors of CSR in future studies that will focus on this important topic.

Results have implications for organizations or businesses in terms of recruiting and retention of employees. Studies have shown that commitment to CSR by employees is dependent on the congruence between their individual values and organizational values (Bansal, 2003; Mudrack, 2007). It is important for companies to focus on CSR issues that are consistent with what employees believe. This line of thinking can be expanded to include the perceptions of consumers as well as the public at large. When selecting and publicizing CSR issues, companies will be much better off to focus on values that are important to their customers and well as the public in different countries. This is food for thought for those multinational organizations as well as companies doing business outside their home countries.

In terms of direction for future research, it would be important to see if the data from the next wave of WVS currently being gathered will support these findings between the two countries. Currently, data is also available from world value surveys to compare and contrast other countries that have similar as well as different cultural values as per Hofstede (2001). Findings from such studies will provide more generalizability to the findings from this investigation. In conclusion, this research showed culture to have an influence on antecedent values of CSR. In addition, findings indicate education to interact with national culture in influencing the antecedent values of CSR or orientations of CSR as well.

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