

Employees' Attitude, Perceived Corporate Hypocrisy and Social Sustainability

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Corporations' executions of social commitments or lack thereof have been alerting and impacting their stakeholders (Bloomgarden-Smoke, 2018). For example, Thinx failed to deliver its promised feminist utopia because it was found to have inadequate maternity leaves and low wage for women, resulting in backlashes (George-Parkin, 2017). When corporations are believed claiming to be something that they are not, people experience perceived corporate hypocrisy (PCH; Wager, Lutz, & Weitz, 2009). Goswami and Ha-Brookshire (2016) found that U.S. retail sector employees experience PCH for their employers. Considering that employees have an insiders' view of corporations, they are susceptible to PCH (*idem*). From a social sustainability perspective, identifying such perceptions and impacts on stakeholders, such as employees, marks important responsibilities for businesses (UN Global Compact, n.d.). Thus, this research investigated the impact of employees' PCH on their attitude towards their corporation (AaC), a type of feeling as manifested in one's behavior towards their employers.

Using a self-reported survey, data were collected from 520 U.S. retail employees via Qualtrics. Employees' AaC and PCH were measured using a four-item scale ($\alpha = .94$; Wagner et al., 2009) and a nine-item scale ($\alpha = .93$; Goswami, Ha-Brookshire & Bonifay, 2018) respectively. Statistically significant negative correlation was observed between participants' PCH and their AaC ($r = -.45, p < .01$). An independent sample t-test compared employees' AaC between participants with high and low PCH. Participants' AaC from high-PCH group ($M=3.09, SD=.98$) was found to be significantly different than participants' AaC from low-PCH group ($M=3.84, SD=.45$) at $t(519) = 10.99, p < .001$. Thus, the results indicate a medium strength negative association between participants' PCH and their AaC, and that participants with high PCH had significantly poor AaC than participants with low PCH.

The study findings add intellectual merits to the social sustainability literature by identifying negative impacts corporations cast upon their employees. Second, it fills a gap in PCH literature by investigating the role of employees' PCH in their attitude. This is important in the retail sector, where employees interact directly with customers. Their PCH and related poor AaC could be channeled through bad word of mouth, may challenge corporate reputation. Thus, employee PCH need to be managed. Future research can explore how corporations can manage such PCH and improve their reputation among employees.

References

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