ADVANCING SOCIAL PURPOSE IN ORGANIZATIONS: AN INTERDISCIPLINARY PERSPECTIVE

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ADVANCING SOCIAL PURPOSE IN ORGANIZATIONS: AN INTERDISCIPLINARY PERSPECTIVE

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Table of Contents

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EDITORIAL
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Editorial: Advancing Social Purpose in Organizations: An Interdisciplinary Perspective

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Editorial on the Research Topic

Advancing Social Purpose in Organizations: An Interdisciplinary Perspective

Currently, there are many skeptics questioning the credibility of the Business Roundtables's pledge and commitment to build and deliver transparent socially responsible corporate governance that delivers value for all stakeholders' future success in business, communities, and country. Rodríguez-Vilá and Bharadwaj suggest that changing course on a firm's social purpose is difficult and ill-advised because success depends on the legitimacy of the brand's claim. Consequently, inconsistent social purpose claims may raise stakeholder doubts about the firm's integrity or commitment to social purpose. For instance, "social responsibility could be employed for stakeholder social governing power and economic benefits, rather than societal good" (Thiel, p. 1). Alternatively, Donaldson and Walsh propose there is no theory of the firm that can serve us well when we attempt to understand the purpose or place of business in society. The authors develop the beginnings of a theory of business that is both empirical and normative to highlight collective value. Clearly, social purpose in organizations is an underdeveloped topic. This Research Topic aims to advance social purpose in organizations to better understand how to connect the collective value link between the organization and society. The 13 articles in this Research Topic contribute to the literature for advancing social purpose in organizations through research studies from different sectors, industries, countries, and cultures. These studies are expected to deepen interdisciplinary knowledge on social purpose in organizations and lay a foundation for interested scholars to undertake in their future inquiries.

The first article in the Research Topic authored by Zhang and Sun argue that Chinese recent graduates' zero-sum construal of workplace success is a key factor influencing his or her initial workplace adaptability and initial work role behavior due to China's current and continuous economic development. The authors' findings indicate that social purpose in Chinese organizations could be improved by taking actions to enhance an individual's zero-sum construal of workplace success and prevention focus level. This will require human resource management to provide detailed information about the job-search market, and presenting and emphasizing the exact and specific data of loss or cost. Man et al. propose an identity-blind diversity management strategy in the second article that could yield positive organizational practices and outcomes toward the treatment of all

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employees in the workplace through a continuous view of disability that defines everyone with a certain level of disability ranging from zero to a high level of disability severity. Gan et al. research study in article three provides additional insights between public service motivation (PSM) and employee turnover intention to verify the causal effect of PSM on employees' turnover intention in Asian countries within a Confucian culture. The authors' findings reveal that public employees' PSM had no direct effect on their turnover intention when job satisfaction and organizational commitment were considered simultaneously. Li et al. research findings in the fourth article indicate migrant workers in China holding dual-identity may have decreased emotional exhaustion because of higher perceptions of internal corporate social responsibility (CSR) efforts, and increased emotional exhaustion due to higher perceptions of job complexity that could be weakened by employees' shared perceptions of human resource practice strengths.

The authors Calderón et al. in the fifth article develop a second-generation definition of independence based on a positive approximation to CSR by integrating an Aristotelian perspective of virtue ethics with the best practices of corporate governance. Independence is defined as a virtue guided by practical wisdom with autonomy and autarky to enable a person to act with integrity, fairness, and truthfulness. Thus, independence is associated with an honest disposition to serve through corporate governance. Saiz-Álvarez et al. contribute to scarce literature on B-Corporations in the sixth article through examination of an organization's social purpose as a fundamental part of the production structure, rather than a consequence of a successful firm after profit and capital accumulation. In the seventh article authored by Gu et al., the authors contribute toward developing the concept of employees' sense of gain to confirm that employee satisfaction is a main source of a firm's competitive advantage. The authors' study confirms employees' perceived organizational support and their sense of gain will become enhanced. Consequently, employees will contribute more positively to the firm. Galuppo et al. provide insights into how to develop a more holistic and critical approach to sustainable tourism through education and communication in article number eight. Specifically, new educational approaches are required to move tourists from spectators or consumers of the natural environment, culture, social, and economic resources of a destination toward higher awareness of their power and responsibilities in co-generating a sustainable tourism experience. The authors of the ninth article, Robinson et al. conducted an interdisciplinary research study perspective to understand how obesity prevention and population nutrition are considered by Australian institutional investors engaged in responsible investment. The study was the first to review major institutional investors in Australia on their approaches to incorporating environment, social, and governance issues related to obesity and nutrition within their decision making. Although some institutional investors in Australia recognize the potential importance of incorporating obesity and population nutrition issues into decision-making processes, the extent to how these considerations translate into investment decisions and their impact on firms in the food sector warrant further exploration.

In article number 10, Fregnan et al. analyze an organizational case study to determine how human resource management as a social practice could be embedded within specific contexts through research questions. The findings highlight the connection between new technologies and human resource management in managing differences in technological cognitive frames with different internal stakeholders. Through a systematic review of the literature on corporate sustainability paradox, Luo et al. findings in article number 11 reveal (a) environmental and cognitive factors manifest tensions arising from a sustainability paradox and (b) the proactive strategy is more extensively studied in the current literature. In practice, the results imply that organizations should manage the corporate sustainability paradox by understanding the paradox and its equilibrium stages. Carroll et al. draw on adaptive governance literature in article number 12 to frame governance challenges and recommend five paradoxes requiring collective navigation. The authors engage with Indigenous scholarship through a series of recommendations on how to navigate paradoxes for when building governance practice in innovative social purpose initiatives. The authors of article number 13, namely Lambrechts et al. study contributes to the existing literature on social entrepreneurship by providing new insights into the role of empathy and life events. The study reveals that empathic involvement is an important driver for social entrepreneurs. About half of the social entrepreneurs interviewed by the authors describe their motivations in a way that aligns with empathy. However, it is not always clear whether a life event increases empathy, but it can be a reason to do things differently. Clearly, there are many differing ways to advance social purpose in organizations. The editors hope that this Research Topic will stimulate further research from readers that find social purpose in organizations important to further explore and develop within the organizational psychology literature.

AUTHOR CONTRIBUTIONS

All authors listed have made a substantial, direct and intellectual contribution to the work, and approved it for publication.

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The Double-Edged Effects of Dual-Identity on the Emotional Exhaustion of Migrant Workers: An Existential Approach

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By integrating an existential approach to burnout, identity theory, and the job demand–resource (JD–R) model, this paper compares the sense-making processes of migrant workers who embrace both rural and urban identities (i.e., dual-identity holders) with those who suppress either identity (i.e., non-dual-identity holders). In particular, we have examined these dual-identity holders' interpretations of the workplace regarding internal corporate social responsibilities (CSR) efforts and job complexity and the subsequent emotional exhaustion. A sample of 1,985 migrant workers in China reveals that dual-identity holders may have decreased emotional exhaustion because of higher perceptions of internal CSR efforts, and increased emotional exhaustion because of higher perceptions of job complexity. Furthermore, it is found that human resource management (HRM) strength (i.e., employees' shared perceptions of HR practices) weakens those two relationships. These findings have important implications for managing migrant workers and ensuring their well-beings.

Keywords: emotional exhaustion, migrant workers, identity, work perceptions, HRM strength

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INTRODUCTION

As the world becomes increasingly interconnected, workforces have become more mobile (Choi et al., 2017; Huff et al., 2017). Although migrant workers add diversity that enhances organizational learning, creativity, and problem-solving (Cox et al., 1991; Ely and Thomas, 2001) the lack of research into their human resource management (HRM) is palpable (Al Ariss and Sidani, 2016). When compared with the locals, migrant workers are sometimes treated unfairly, resulting in decreased job satisfaction and lower commitment (Syed, 2008). Thus, to obtain sustainable output from migrant workers, more research into understanding their work experiences and existential needs is imperative.

In this study, we attempt to understand migrant workers from the identity perspective because it is identity that defines who a person is and fundamentally influences perceptions and thoughts. A key characteristic difference between migrant workers and local workers involves their identities regarding the sense of belonging to a place (Zhang et al., 2019). After migration, migrant

workers can adapt their identities to two possible places: home and host communities. Thus, they consistently face issues of identity reformation; that is to say, their identity remains in a state of flux (Berry, 1997). As documented in several lines of literature (i.e., social identity complexity and biculturalism), similar to bi-culturalism, some migrant workers develop a unique identity that is connected to both home and host communities. We call this group of migrant workers *dual-identity holders*. These works in the literature have been found to perceive fewer threats to their self-concept, higher interpersonal tolerance, and higher dialectical self-belief (Roccas and Brewer, 2002; Huff et al., 2017; Zhang et al., 2017). However, with few studies having examined migrant workers' feelings about the workplace, we aim to explore whether dual-identity holders perceive higher or lower emotional exhaustion in the workplace and seek to understand the mechanisms.

Emotional exhaustion is the core component of burnout (Grossi et al., 2003; Bakker et al., 2004). Burnout is known as "a psychological syndrome emerging as prolonged response to chronic interpersonal stressors on the job," including emotional exhaustion, depersonalized cynicism, and diminished personal accomplishment (Maslach and Leiter, 2016, p. 103). Emotional exhaustion differs from the other two components (Kristensen et al., 2005; Hu and Schaufeli, 2011) because emotions dealing with personal mental resources are evaluative responses to environmental stimuli (Frijda, 1988) whereas the rest are consequences of exhaustion.

Our framework is based on the existential approach of burnout (Pines, 1993) which asserts that emotional exhaustion is a consequence of dealing with uncertainty. When migrant workers move to a new environment, they experience discrepancies between reality and the ideal-self/life. Such discrepancies or disappointments deplete one's personal mental resources. Integrating this approach with the job demand–resource model (JD–R) and social identity complexity (SIC) theory, we propose and test two pathways that lead to emotional exhaustion among migrant workers. First, in relation to job-resource, dual-identity holders who have the fortitude to tolerate organizational challenges and trust themselves to deliver complex work products in order to attain their goals view their organizations in a more positive light and then have lower emotional exhaustion. We empirically tested this idea by using the construct "internal CSR efforts" which refers to practices that care about the welfare of internal workforce (i.e., employees) (Hameed et al., 2016). Internal CSR has relatively broader meanings (Farooq et al., 2017) and we in this paper operationalized it based on the content of SA8000 which is an international certification standard that helps protect human rights in the workplace (Li et al., 2012). Second, in relation to job demand, dual-identity holders who engage in more workplace sense-making will perceive higher job complexity and then experience higher emotional exhaustion.

Our second objective is to examine the moderating effects of HRM strength, which is an organizational boundary condition that limits the differences between dual-identity holders and non-dual-identity holders. *HRM strength* is defined as employees' shared perceptions of the organizational HRM system (Bowen and Ostroff, 2004; Ostroff and Bowen, 2016). Organizations with high HRM strength can be seen to be more clear-cut and consistent in HR implementation, thereby creating more predictability rather than uncertainty in workplaces. HRM strength is expected to mitigate the differences between dual-identity holders and others. Our research framework is summarized in **Figure 1**.

The tensions of overlapping and conflicting identities must be handled within larger social or institutional contexts (Barker, 2017; Huff et al., 2017). To test the research model in this paper, we analyzed a large sample of migrant workers in China, which is institutionally divided into rural and urban regions. Many people migrate from rural to urban areas to pursue better lives. Accordingly, dual-identity holders in this research stand for migrant workers who simultaneously identify with the urban and the rural. China is a suitable context in which to test the theoretical model, but it is not a China-specific theoretical model. Our findings should illuminate the work experience of migrant workforces in general.

This paper makes three contributions. First, we integrate the literature regarding multiple identities and the existential approach to burnout to test a detailed path model focusing on migrant workers' identities and work perceptions. We demonstrate that migrant workers vary their work states with differing perceptions regarding their identities. Holding dual identities can be both beneficial and detrimental. Although dual-identity holders may have more positive personal perspectives, their diffused efforts may render them more susceptible to burnout. Second, we contribute to the emotional exhaustion literature by incorporating the identity perspective. Employee interpretation of organizational ethics and jobs is known to influence resources and subsequent exhaustion (Schwepker and Hartline, 2005; Mulki et al., 2008) and we extend this line of research by shedding light on how those interpretations are related to the self-concepts of migrant workers. Third, we contribute to the HRM literature by further demonstrating that HRM strength influences an organization by affecting migrant workers work perceptions and emotions. These findings provide practical implications for organizational policymakers to better harness workforce diversity.

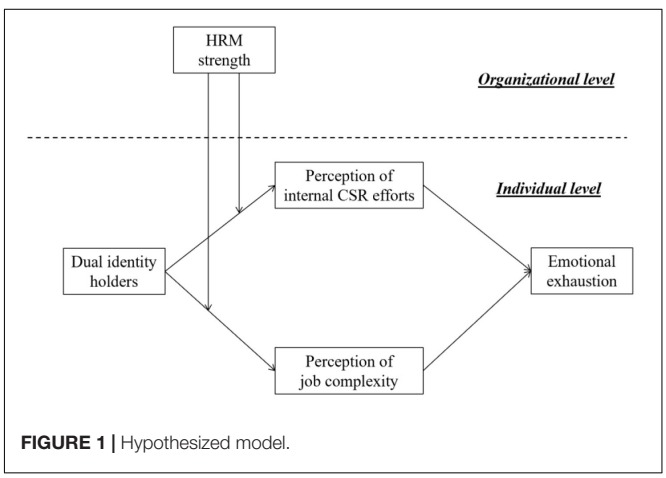

FIGURE 1 | Hypothesized model.

Theory and Hypothesis Development

Dual-Identity Holders

According to social identity complexity (SIC) theory (Roccas and Brewer, 2002) migrant workers can be conceptualized as high SIC individuals. People often engage with multiple groups associated with various characteristics, beliefs, values, resources, and rituals (Roccas and Amit, 2011). When moving to a new place individuals may maintain their original identities by sustaining contact with associates and families in their home community, and at the same time develop a new identity by creating contacts with new friends and colleagues in the host community (Berry et al., 2006, p. 72). The process of acculturation enables individuals to understand the cultures of each group, while changing the original cultural patterns of both. SIC theory (Roccas and Brewer, 2002) posits that the reconciliation process may cause psychological dissonance, and the result depends on whether individuals are aware of the identity differences and the methods by which to integrate them. High-SIC individuals can recognize and/or reconcile the inconsistencies among identities through high open-mindedness (Hong, 2010) by emphasizing overall value priorities (Roccas and Brewer, 2002) and by developing dialectical self-beliefs (Zhang et al., 2017). Dual-identity holders are those who are able to construct perceptions of different communities such that potentially competing and inconsistent definitions of the social self are reconciled. In contrast, non-dual-identity holders often suppress either home or host community identity to maintain cognitive consistency. They adhere to a singular description of the self and subjectively deny or suppress certain identities to avoid internal conflicts and disconnections (Gil et al., 1994). These people have the tendency to identify with a single group, which they perceive to be superior, exalted, and more favorable to their self-concepts (Zimnermann et al., 2003) or as more commonly represented in their own contexts (Croucher, 2011).

Contextualizing Dual-Identity Holders Among Chinese Migrant Workers

Migrants in China comprise a large population that usually moves from rural to urban regions. These two regions are institutionally and culturally different and represent contrasting values and lifestyles. Furthermore, they compete for public resources. The conflicts are largely ascribed to the *hukou* (household registration) system, which grants urban *hukou* social status and privileges for job hunting, education, and medical care (Démurger et al., 2009). This is in stark contrast to the plight of the rural *hukou*, which are usually confined to arduous and unsafe jobs that come with long working hours and low pay (Zhang et al., 2010). Despite recent government reforms, rural citizens find it difficult to acquire urban *hukou* registration. In the organizational context, migrant workers may be mistreated according to job type, salary level, and interpersonal interaction (Frenkel and Yu, 2015). Indigenous sociology studies have demonstrated that urban and rural regions have widened social distances, thus increasing the psychological divide (Guo and Chu, 2004; Lei, 2012).

Despite conflicts between rural and urban regions, Chinese migrant workers may integrate rural and urban identity if they perceive that these identities can be blended, overlapped, and coexist harmoniously (Nguyen and Benet-Martínez, 2013). Rural and urban identities can be integrated because they satisfy varying needs of different life periods. For example, with regard to urban identity, migrant workers can identify with urban life to enhance their personal or career development, gain financially, and escape unfavorable rural living conditions (Meijering and van Hoven, 2003). Furthermore, the economic disparity in China encourages migrant workers to foster an urban identity to render their lives meaningful (i.e., better prospects for themselves and their children) and enhance self-esteem (i.e., expanding their urban social network and acquiring new knowledge and skills to enable them to outperform their hometown counterparts) (Wong, 2011). Meanwhile, they maintain their rural identity, stay connected with their past, and remain connected with family and friends, thereby offering self-consistency and a sense of belonging. We expect dual-identity holders to have varying organizational experiences when compared with non-dual-identity holders.

Dual-Identity Holders and Emotional Exhaustion: The Existential Approach to Burnout

We use the existential approach to burnout and the JD-R model to develop our hypotheses concerning the relationships of dual-identity holders, perceptions of the organization and job, and emotional exhaustion. On the basis of our approach, dual-identity holders access the objective world and deal with uncertainty differently. Thus, they acquire varying evaluative ideas regarding reality, and they experience different levels of emotional burnout.

The existential approach to burnout

The existential approach to burnout (Pines and Maslach, 1978; Pines, 1993) highlights two discrepancies that threaten to generate burnout. First is *life uncertainty*. That is to say, objective life experiences sometimes deviate from the ideal life, leading to feelings of emptiness and meaninglessness and energy consumption. Second is *self-concept uncertainty*. In other words, personal experience may deviate from the ideal/ought self and lead to guilt and shame, thereby depleting personal strength (Crane et al., 2008).

People may experience distant burnout as they are not always conscious of these discrepancies. Identities, which describe self-concepts (e.g., questions about who am I) and are used to interpret the environment (e.g., question about what the world is like), enable people to become aware of distant burnout threats and further proximal anxiety through interactions with specific social contexts. Empirical studies of this approach have usually been identity-specific, assuming that identity plays a defining role in influencing emotions, such as with the burnout experiences of women (Grossi et al., 2003) security guards (Rosenbloom et al., 2016) and professionals (Etzion and Pines, 1986; Schaufeli et al., 1993).

In the context of workplace, the JD-R model has become one of the most popular frameworks explaining the relationships

between work environment and employee burnout (Demerouti et al., 2001; Bakker et al., 2004). The central idea of the JD-R model is that working conditions can generally be categorized as job demands or job resources, which have influences on employee well-being (Bakker and Demerouti, 2017). Job resources means "physical, social, or organizational aspects of the job that may be functional in achieving work goals, reduce job demands, and its related costs or stimulate personal growth and development" (Demerouti et al., 2001, p. 501). On the contrary, job demands refers to "physical, social, or organizational aspects of the job that require sustained physical or mental efforts" (Demerouti et al., 2001, p. 501). Emotion exhaustion can be seen as a consequence of extended exposure to specific job demands. High job demands increase the risk for burnout, while job resources play a motivating role that reduces exhaustion and stimulate engagement. In the following, it is argued, compared to the non-dual-identity holders, dual identity holders have different work perceptions that embody different types of job resources and demands and in turn affect migrant workers' levels of burnout.

Dual-identity holders, the perception of internal CSR efforts, and emotional exhaustion

Employees make sense of their organizations on the basis of their experiences with company practices, policies, procedures, and rewards (Schneider et al., 2000; Bowen and Ostroff, 2004). They pay attention to their employers' *internal CSR efforts* that include fair treatment; developmental opportunities through training (Peterson, 2004; Brammer et al., 2007; Flammer and Luo, 2017) and ethical practices, procedures, and values (Schwepker, 2001). Migrant workers attempt to interpret these practices in order to reduce work uncertainty because they may ensure that, to a great extent, employees receive the rewards they expect (Barnett and Vaicys, 2000). Migrant workers, who are more likely to suffer unfair treatment, are perhaps particularly aware of internal CSR. During the past two decades, although migrant workers have increasingly gained awareness of their social rights, these rights are still substantially infringed (Frenkel and Yu, 2015). Those workers may unwillingly experience unethical treatment, such as specific identification-card checks, hazardous work environments, unfair interpersonal interactions, and delayed salary payments (Wong, 2011).

Compared with non-dual-identity holders, dual-identity holders are more likely to perceive positive CSR treatment and evaluate organizations positively because of they owning different perspectives. Identities provide guidelines to filter and organize received information in a self-referent manner (Rogers et al., 1977). Dual-identity holders can shift their locus of identity between groups and thus the environment becomes less threatening (Roccas and Brewer, 2002). Their acceptance of two identities allows them to draw on the values of one group when they subconsciously sense threats to the other (Mok and Morris, 2010). For example, when they experience or see seemingly injust interapersonal interaction or working in a stick condition such as ID card check, dual-identity holders are often more tolerant and assume a more positive perspective toward organizational practices (Brewer and Pierce, 2005; Roccas and Amit, 2011). In addition, cross-cultural studies show that people who connect their culturally discrepant identities are more tolerant to interpersonal encounters (Huff et al., 2017) therefore they are more likely to have greater interpersonal (i.e., with migrant or local employees) support, which makes them see the environment in a more supportive manner. This leads us to our first hypothesis:

> ***H1:*** *Compared with non-dual-identity holders, dual-identity holders will have higher perceptions of internal CSR efforts.*

As noted earlier, the JD–R model explains how employees' perceptions of emotional exhaustion are determined by the levels of resources at their disposal (Demerouti et al., 2001). When migrant workers see organizational with high internal CSR, they are likely to have more financial resources which are largely determined by the reward and compensation system, and emotional and information resources as a result of strengthened employee communications. When they are work in a supportive environment where safety is ensured, they may acquire deep insights into the inner workings of personnel, procedures, and resources. Thus, they are able to develop a more well-rounded view of their work and detect/explore more opportunities. This offers them the awareness of, and access to organizational resources to achieve personal success. In short, internal CSR provides resources that motivate migrant workers, thereby decreasing their emotional exhaustion. However, the perception that their employer is unethical, unfair, or unsupportive might make migrant workers feel emotional exhaustion because of the discrepancies between their life expectations and their workplace actualities (Chi and Liang, 2013). The lack of job resources and negative ethical evaluations of organizations have been known to be linked to emotional exhaustion (Bakker et al., 2004; Mulki et al., 2008; Fernet et al., 2012; Bennett et al., 2018) and workplace stress (Schwepker and Hartline, 2005). Thus, we hypothesize that,

> ***H2:*** *Compared with non-dual-identity holders, dual-identity holders will have lower emotional exhaustion as a result of higher perceptions of internal CSR efforts.*

Dual-identity holders, the perception of job complexity, and emotional exhaustion

Employees perceive job complexity when they believe that "the tasks on a job are complex and difficult to perform. . . require the use of numerous high-level skills and are more mentally demanding and challenging" (Morgeson and Humphrey, 2006, p. 1323). Complex jobs require the mobilization of various resources; the ability to consider various work plans and procedures; the utilization of important knowledge, skills, and abilities (KSAs); and collaboration with internal and external stakeholders (Man and Lam, 2003; Zacher and Frese, 2011).

When compared with non-dual-identity holders, dual-identity holders are more likely to perceive their jobs as being complex because they interact with more people, know more about jobs, deal with more information/collaboration, and draw feedback from multiple sources. They tend to be more experimental in view of their investing more time in KSAs to achieve work goals, which may lead to increased role and work uncertainty (Rizzo et al., 1970). Although they

have multicultural schemas to understand their work, they may encounter difficulties in being recognized as being equal to locals, and they suffer when negotiating and balancing resources and interests with either group. Consequently, they always face challenges reconciling potentially conflicting identities (Ellemers, 2012). This brings us to the third hypothesis:

H3: *Compared with non-dual-identity holders, dual-identity holders will have higher perceptions of job complexity.*

Although job complexity positively affects work motivation, satisfaction, and performance (Hackman and Oldham, 1976; Frese, 1982; Morgeson and Humphrey, 2006), we contend that it also leads to higher uncertainty and discrepancy between ideals and reality. Employees may suffer burnout when they feel overextended at their jobs (Maslach and Jackson, 1981). Migrant workers' perceptions of job complexity include typical job demands such as role conflict, work pressures, and high workload that involve sustained physical and psychological efforts. According to the JD–R model, these demands in turn will deplete mental resources and impair health (Demerouti et al., 2001). Thus, job demands are positively linked to emotional exhaustion (Bakker et al., 2004; Fernet et al., 2012) and we propose the following hypothesis:

H4: *Compared with non-dual-identity holders, dual-identity holders will have higher emotional exhaustion as a result of higher perceptions of job complexity.*

The Moderating Effects of HRM Strength

Effective HRM practices send signals to employees on the organizational values, goals, and expectations codified and adhered to by the company, through extensive training programs, reward systems, and promotion criteria (Bowen and Ostroff, 2004; Li et al., 2011). Strong HRM systems have three features: distinctive and clear HR messages defined by the organizations; consistent HR messages that are signaled through different practices across time and contexts; and coherent HR implementation processes within key implementers, including HR and line managers (Sanders et al., 2014). Strong HRM systems ensure that employees understand connections between their behavior/performance and rewards and that they understand how working conditions and work relationships are organized to achieve business goals. In contrast, weak HRM systems evoke uncertainty regarding connections among job requirements, performance, organizational policies, and procedures.

We contend that strong HRM systems can weaken the differences between dual- and non-dual-identity migrants because strong systems ensure predictability of organizational treatment, rewards, behavior/performance, and job expectations. Moreover, strong systems reduce opportunities to explore different interpretations of organizations and methods of work. Therefore, we arrive at the following hypotheses:

H5: *Compared with non-dual-identity holders, dual-identity holders are more likely to have higher perceptions of internal CSR efforts when HRM strength is low.*

H6: *Compared with non-dual-identity holders, dual-identity holders are more likely to have higher perceptions of job complexity when HRM strength is low.*

METHOD

Participants and Procedures

Our sample included 1,985 migrant workers at 141 firms in Guangdong province, which is one of the biggest gathering places for migrant workers in China, and therefore is a representative and appropriate place to conduct this research. We firstly selected and contacted 180 firms from 1,000 firms on a list provided by the local governments based on their availability to get the supports from the firms. These firms voluntarily joined our research without any coersion and a total of 158 firms (87.78%) agreed to participate finally. The sampled firms included private firms, state-owned firms, and foreign-invested firms, and covered in both manufacturing industry and the service industry. They were located in different towns and cities in Guangdong province and were randomly selected based on the locations. Thus, although our sample may not be best representative, we have tried our best to control the sampling process and the sample used was not significantly biased. Consequently, our results could be generalized to most migrant workers in China.

We distributed manager questionnaires to the HR managers and employee questionnaires to each employee. We excluded 17 firms that provided low response rates or invalid data. The excluded firms were not significantly different from the remaining 141 sample firms with respect to basic firm information, such as industry ($t = 0.20$, $p > 0.10$) and firm size ($t = 0.55$, $p > 0.10$). The remaining firms were mostly from the manufacturing industry (*Mean* = 0.87, *SD* = 0.34), with an average of 1,538 employees (*Mean* = 1,537.98, *SD* = 2,363.93).

Employee questionnaires were distributed to 10–20 randomly selected employees at each firm. We received 1,985 valid responses accounting for about 14 valid respondents in each firm (*Mean* = 14.08, *SD* = 4.82). Men (coded 1) and women (coded 0) were equally distributed (*Mean* = 0.47, *SD* = 0.50). Their age averaged 24.98 years (*SD* = 5.62). They worked 8.98 hours daily (*SD* = 1.49). Most worked on an assembly line; about 15% had technical jobs (*Mean* = 0.15, *SD* = 0.35).

Measures

All measures were adapted from validated scales. To ensure that the scales were valid in our research context and that migrant workers could easily understand each item, we followed translation/back-translation procedures to convert the English scales into Chinese (Brislin, 1980) and conducted 20 preliminary interviews with migrant workers before finalizing and distributing the questionnaires.

Dual-Identity Holders

Dual-identity holders are individuals who have high levels of urban and rural identity simultaneously. Urban identity and rural identity both were measured by five-item, five-point scales

(1 = *completely disagree*, 5 = *completely agree*) adapted from Chinese migrant worker research (Guo and Li, 2009). An example of an urban identity item reads, "I consider Guangdong to be my second hometown" (α = 0.71), and a rural identity item reads, "I am still a rural person, even if have stayed in Guangdong for a long period" (α = 0.74). The full measures are listed in the **Appendix**. We used the median-split method (Tsui et al., 1997) to identify the dual-identity holders whose scores of both urban and rural identities were above the median. We coded the dual-identity holders as 1 and the other migrant workers as 0.

Perception of Internal CSR Efforts

Perceptions of internal CSR efforts were measured using a six-item scale (Li et al., 2012) based on the Social Accountability 8000 (SA8000) scale. Although CSR concerns multiple stakeholders, this scale specifically emphasizes labor protection. We consider the scale to be a proper measurement because our research question is related to employee perception of the workplace, and the preliminary interviews indicated SA8000 to be a well-accepted standard to evaluate internal CSR among sample firms. In particular, we asked respondents to evaluate whether the statements fit their actual situations, from 1 = *completely unfit* to 5 = *completely fit*. Examples include, "our firm has tried to make the workplace safe" and "our firm has tried to make the workplace comfortable" (α = 0.89). The full measure is listed in the **Appendix**.

Perception of Job Complexity

Perceptions of job complexity were measured using a three-item scale (Shaw and Gupta, 2004). Respondents indicated their agreement (1 = *strongly disagree* to 5 = *strongly agree*) with statements such as "my job is very complex" (α = 0.76).

Emotional Exhaustion

Emotional exhaustion was measured using a three-item scale (Karasek, 1979). Respondents indicated their agreement (1 = *strongly disagree* to 5 = *strongly agree*) with statements such as "I am continually tired during the day" (α = 0.83).

HRM Strength

Following Li et al. (2011), HRM strength was measured as the inverse standard deviation of employee perception of HRM at the unit level, using a seven-point scale developed by Delery and Doty (1996) and adapted to Chinese research (Zhang and Li, 2009). The profit-sharing dimension was excluded because it was irrelevant for a study of migrant workers. The measure includes six dimensions: four items for training (e.g., "extensive training programs are provided for individuals in this job"); four items for participation (e.g., "employees in this job are allowed to make many decisions"); four items for job description (e.g., "the duties of this job are clearly defined"); three items for internal career opportunity (e.g., "employees in this job who desire promotion have more than one potential position they could be promoted to"); three items for employment security (e.g., "employees in this job can expect to stay in the organization for as long as they wish"); and two items for result-oriented performance appraisals (e.g., "performance appraisals are based on objective, quantifiable results"). The total of 20 items had an overall alpha coefficient of 0.95.

Control Variables

We controlled for demographic information (e.g., age and gender) because younger employees (Brewer and Shapard, 2004) and women tended to indicate slightly more emotional exhaustion (Purvanova and Muros, 2010). Working time was also a key variable that led to emotional exhaustion. Therefore, we controlled for age, gender, and daily working hours when emotional exhaustion was the dependent variable. Demographic information can also influence information processing (Arcand and Nantel, 2012) in such a way that migrant workers of different ages or genders would have different perceptions of internal CSR efforts and job complexity. Perceptions of job complexity also depend on objective characteristics of the job, employee cognitive level, and employee job proficiency (Ganzach and Pazy, 2001). Therefore, we controlled for age and gender when the perception of internal CSR efforts was the dependent variable, and we further controlled for job position, education level, and job performance when the perception of job complexity was the dependent variable. Technical jobs were coded 1; non-technical jobs were coded 0. Education levels were measured as primary-school-or-below, junior-high-school, high-school, and college-or-above. Job performance was measured using a self-reported four-point scale with the following item: "I meet performance expectations" (Lepine and Van Dyne, 1998). Cronbach's alpha was 0.84. We also controlled for basic firm information provided by the HR managers, including HR practices, industry, and firm size to control for between-firm noises. The manufacturing industry was coded as 1; others were coded as 0. Firm size was measured as the natural logarithm of the number of employees. HR practices were measured by the same scale that was previously used to calculate HRM strength.

Analytic Strategy

Our research design included two levels, into which employees were nested within organizations, and the moderator (*HRM strength*) was a level-2 variable. Therefore, we used the multilevel path-analytical model involving a level-2 moderator in Mplus 7.4 (Muthen and Muthen, 1998) to test our hypotheses. The level-1 variable included dual-identity, perceptions of internal CSR efforts, perceptions of job complexity, and emotional exhaustion. The level-2 variable included HRM strength (**Figure 1**). Following Koopman et al. (2016) we used random slopes for level-1 variables and allowed for two mediators to covary: perceptions of internal CSR efforts and those of job complexity. Control variables were modeled with fixed slopes. For the mediation hypotheses, we conducted Monte Carlo simulations with 20,000 replications and computed 95% confidence intervals (CI) to test the significance of the indirect effects of dual-identity on emotional exhaustion in dual-identity holders via perceptions of internal CSR efforts and those of job complexity (Selig and Preacher, 2008). We also centered the predictors to alleviate potential multicollinearity (Hofmann and Gavin, 1998).

RESULTS

Descriptive Results

We first performed Harman (1976) one-single-factor test to determine whether one general factor explained the most variance, considering that we collected individual-level variables from a single source. Thus, common-method variance potentially prevented the drawing of convincing conclusions. The model included all the scale-measured variables: rural identity, urban identity, perceptions of HR practices, perceptions of CSR and job complexity, and emotional exhaustion. The one-factor confirmatory factor analysis results suggested a poor fit with the data (χ^2 = 14,605.42, d.f. = 819; CFI = 0.57; RMSEA = 0.09; SRMR = 0.09) (Hu and Bentler, 1995). Therefore, common-method variance was not a major issue.

Table 1 shows the descriptive statistics and correlations matrix for variables at both levels. Dual-identity holders constituted approximately 23% of the sample (*Mean* = 0.23, *SD* = 0.42). They were comparatively more likely to perceive higher levels of internal CSR efforts (r = 0.18, $p < 0.01$) and job complexity (r = 0.13, $p < 0.01$) but were not more likely to feel exhausted (r = 0.02, $p > 0.10$). Older migrant workers were more likely to perceive higher internal CSR efforts (r = 0.09, $p < 0.01$) and job complexity (r = 0.09, $p < 0.01$). Women were more likely to perceive lower levels of internal CSR efforts ($r = -0.06$, $p < 0.05$) but were less likely to perceive higher job complexity (r = 0.11, $p < 0.01$). Employees who perceived high internal CSR efforts were less likely to feel exhausted ($r = -0.23$, $p < 0.01$); however, those who perceived higher job complexity were more likely to feel exhausted (r = 0.18, $p < 0.01$).

Test of Hypotheses

Before testing the hypotheses, we first estimated null models in which no predictors were specified at either level to examine whether significant between-group variance occurred in the areas of emotional exhaustion and perceptions of internal CSR efforts and job complexity. Results indicated significant between-group variance for the dependent variables: *emotional exhaustion*, σ^2 = 1.03, τ^{00} = 0.08, x^2 = 120.11, $p < 0.01$; *perceptions of internal CSR efforts*, σ^2 = 0.65, τ^{00} = 0.08, x^2 = 25.53, $p < 0.01$; and *perceptions of job complexity*, σ^2 = 0.70, τ^{00} = 0.04, x^2 = 88.18, $p < 0.01$.

As **Figure 2** shows, dual-identity holder was positively associated with perceptions of internal CSR efforts (γ = 0.35, $p < 0.01$), supporting Hypothesis 1. Hypothesis 2, which predicted the perception of internal CSR efforts as mediating the relationship between the dual-identity holder and emotional exhaustion, was supported because as Hypothesis 1 suggested, dual-identity holder was positively associated with the perception of internal CSR efforts. Furthermore, while controlling for the dual-identity holders, the perception of internal CSR efforts was negatively associated with emotional exhaustion ($\gamma = -0.25$, $p < 0.01$), and the 95% CI for the indirect effect did not include 0 (indirect effect = −0.09, 95% CI = [−0.12, −0.06].

Similarly, Hypothesis 3 was supported. Dual-identity was positively associated with the perception of job complexity (γ = 0.31, $p < 0.01$). Hypothesis 4 was supported because as suggested by Hypothesis 3, dual-identity holders were was positively associated with the perception of job complexity. Controlling for the dual-identity holders, the perception of job complexity was positively associated with emotional exhaustion (γ = 0.18, $p < 0.01$). The 95% CI for this indirect effect did not include zero (indirect effect = 0.06, 95% CI = [0.04, 0.09].

Hypothesis 5, regarding cross-level moderation, was supported ($\gamma = -0.42$, $p < 0.05$). Under weak HRM, dual-identity holders were more likely to have comparatively higher perceptions of internal CSR efforts (**Figure 3**). In particular, dual-identity holder was positively associated with perceptions

TABLE 1 | Means, standard deviations, and inter-correlations.

Variable Names		Mean	*SD*	1	2	3	4	5	6	7	8	9
Level 1												
1	Emotional exhaustion	2.85	1.09									
2	Perception of internal CSR efforts	3.46	0.86	−0.23**								
3	Perception of job complexity	2.79	0.89	0.18**	0.11**							
4	Dual-identity holders	0.23	0.42	0.02	0.18**	0.13**						
5	Gender	0.47	0.50	0.01	−0.06*	0.11**	−0.05*					
6	Age	24.98	5.62	−0.13**	0.09**	0.09**	0.01	0.15**				
7	Education	2.66	0.70	−0.03	−0.02	0.03	−0.04	0.04	−0.14**			
8	Job position	0.15	0.35	0.02	−0.01	0.19**	−0.01	0.26**	0.07**	0.09**		
9	Performance	3.87	0.71	0.02	0.18**	0.14**	0.11**	−0.00	0.06**	0.14**	0.04	
10	Working hours	8.98	1.49	0.23**	−0.17**	0.08**	−0.01	0.07**	−0.06**	−0.12**	0.04	−0.03
Level 2												
1	HRM strength	1.54	0.31									
2	Firm HR practices	5.34	1.07	0.01								
3	Industry	0.87	0.34	0.14	0.04							
4	Firm size	6.59	1.21	0.17*	0.24**	0.39**						

*Gender: 1 = man, 0 = woman; Job position: 1 = technical job, 0 = other jobs; Industry: 1 = manufacturing industry, 0 = others; firm size is measured as natural logarithm of the number of the employees; *p < 0.05; *p < 0.01.*

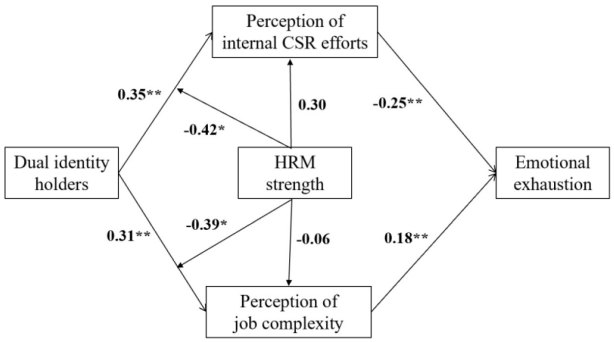

FIGURE 2 | Results testing all hypotheses.

of internal CSR efforts under low (β = 0.48, $p < 0.01$) and high (β = 0.22, $p < 0.01$) HRM strengths. However, the relationship was significantly stronger under weak HRM. Similarly, Hypothesis 6 was supported (γ = −0.39, $p < 0.05$). Under weak HRM, dual-identity holders were more likely to have comparatively higher perceptions of job complexity (**Figure 4**). Particularly, dual-identity holders were positively associated with perceptions of job complexity under low (β = 0.38, $p < 0.01$) and high (β = 0.20, $p < 0.01$) HRM strength. However, the relationship was stronger under weak HRM.

Supplemental Analyses

We also examined the moderated mediation hypotheses in terms of whether HRM strength moderated the mediated relationships in Hypotheses 2 and 4. As **Table 2** shows, dual-identity holder was significantly associated with emotional exhaustion via the perception of internal CSR efforts under low (indirect effect = −0.12, 95% CI = [−0.17, −0.06]) and high HRM strengths (indirect effect = −0.06, 95% CI = [−0.10, −0.02]). The difference was significant (diff = 0.06, 95% CI = [0.01, 0.11]). Dual-identity was significantly associated with emotional exhaustion via the perception of job complexity under low (indirect effect = 0.08, 95% CI = [0.04, 0.11]) and high HRM strength (indirect effect = 0.04, 95% CI = [0.01, 0.06]), and

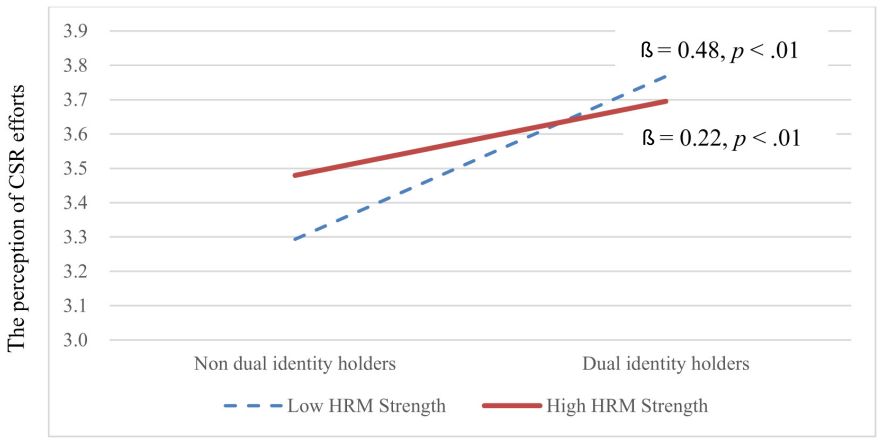

FIGURE 3 | Cross-level moderating effect of HRM strength on the relationship between dual-identity holders and the perception of internal CSR efforts.

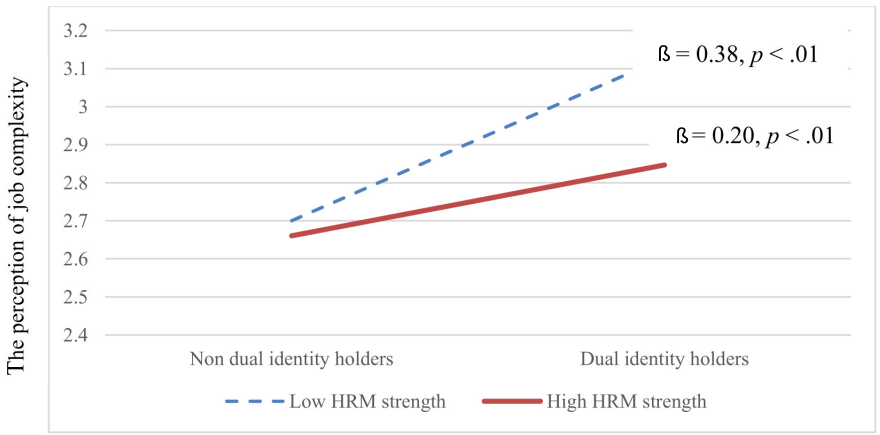

FIGURE 4 | Cross-level moderating effect of HRM strength on the relationship between dual-identity holders and the perception of job complexity.

TABLE 2 | Supplemental moderated mediation results.

	High		Lower		Difference	
Mediators	**Lower**	**Upper**	**Lower**	**Upper**	**Lower**	**High**
Internal CSR efforts	−0.10	−0.02	−0.17	−0.06	0.01	0.11
Job complexity	0.01	0.06	0.04	0.11	−0.08	0.00

the difference was marginally significant (diff = −0.04, 95% CI = [−0.08, 0.00], 90% CI = [−0.08, −0.01]).

DISCUSSION

This study investigated how dual-identity holders can hold different perceptions toward their organizations and jobs, which further leads to different levels of emotional exhaustion. Using a sample of 1,985 migrant workers from 141 organizations, we found two parallel paths to explain whether dual-identity holders were more or less likely to feel emotional exhaustion. First, the motivational path indicated that dual-identity migrant workers experienced less emotional exhaustion because of their higher perceptions of internal CSR efforts. Second, the health-impairment path indicates that dual-identity migrant workers experience more emotional exhaustion because of their higher perceptions of job complexity. Furthermore, we found that HRM strength indicated a more predictable workplace and thus weakened the differences in work perceptions between dual-identity holders and non-dual-identity holders.

Theoretical Implications

Our findings provide preliminary evidence that dual-identity holders may differ from other migrant workers in terms of workplace experiences. Although scholars such as Ang et al. (2003) and Nielsen et al. (2011) have demonstrated that migrant workers, differentiated on the basis of nationality and *hukou* status, harbored different work perceptions and reported well-being, our study was among the first to use two dimensions of identity (i.e., home community vs. host community) to differentiate migrant workers and further examine the effects of identities in a more refined manner. Our findings align with SIC, and biculturalism literature suggesting that people who embrace multiple identities are more likely to have positive perceptions, interact with different people, and seek more options and resources to achieve their goals. Future research may extend this logic and line of enquiry by examining more work-related perceptions, such as organizational justice and support, to enable the establishment of systematic comparisons between dual-identity holders and their migrant counterparts. Furthermore, our studies focus on migrant workers from rurals to urban areas in China, which means, they are in general receive low or moderate levels of education, and unskilled in workplace (Syed, 2008). Future studies may also consider skill levels and cultural or value orientations as potential moderators when examining migrant workers' work-related perceptions.

Our study adds relevant understanding to the academic discussions of workplace interpretations (Weick, 1995). We integrated the rationalizing literature with SIC, identity integration/biculturalism, and acculturation to better understand how migrant workers, particularly dual-identity holders, acclimatize to, and come to form a perception of, the workplace. Specifically, dual-identity holders appear to be experimental in reconnoitering and coming to grips with the environment (Good et al., 2016). They are less likely to use the past-experience-based ego to interpret external stimuli, thus being less threatened by negative workplaces (Glomb et al., 2011). Future research should explore more perspectives to comprehensively understand how migrant workers interpret the workplace (Lucas et al., 2013; Thomson and Jones, 2017).

Our findings are consistent with the JD–R literature. We identify that perceptions of job complexity can generate burnout although job complexity has been shown to indicate opportunity, thereby increasing personal initiative (Fay and Kamps, 2006; Zacher and Frese, 2011). These mixed findings indicate other moderators in the job complexity–burnout relationship. We suggest that other moderators might include inferior status, cultural orientation regarding self-enhancement values, and coordination capabilities (Marques-Quinteiro et al., 2013). Therefore, further job complexity research is needed.

We showed that HRM strength greatly affects migrant workers' workplace perceptions. When HR agents consistently and coherently convey messages regarding HRM systems, employees form shared understandings regarding organizational values, expectations, and rewards (Li et al., 2011). Consequently, they showed fewer exploratory or opportunistic interactions and behaviors, and their job-related perceptions were more closely aligned with organizational values. To expand upon this idea, future research should test more individual-level relationships with HRM strength as a conditional variable defining organizational predictability.

Practical Implications

Our study has practical implications for migrant workers. That is to say, they must realize the significance of managing their social identities. Embracing multiple identities can have advantages in widening perceptions, expanding contacts, and finding opportunities and resources to achieve personal goals. Key disadvantages include lost time, the energy expended to experiment with different options, and the energy required in order to deal with potential conflicts. These motivational and health-impairment elements coexist every workday and can deplete energy. Workers must balance their personal resources with their self-concepts regarding the ideal and the actual self and the organizational environment. To balance these self-concepts, migrant workers are advised to learn from dialectical thinking style, which employs a unique perspective on change (Peng and Nisbett, 1999). Dialectical thinkers see things in a dynamic world and are always changing, which allows them to see contractionary propositions can coexist in a harmonious way. This approach may reduce dual-identity holders' exhaustion when experiencing conflicts. Further, they can also be active to contact friends and family members in and outside the firms to gain social support, which is an important source for psychological resources to reduce work-related stress.

Our study also has practical implications for managers and organizations. That is to say, they should realize that migrant workers will have varying perceptions of internal CSR efforts and job complexity levels. Policies and practices must be explicated clearly and consistently to ensure employee understanding of organizational goals and the means to achieve these goals. Employees should be shown the manner in which to link organizational goals to their personal goals. Diversity programs should be proactively introduced to legitimize and support the coexistence of multiple identities (Cole and Salimath, 2013) and to make employees feel supported, included, and hopeful.

Limitations

This study has three major limitations. First, we conducted a one-time survey. Thus, causality may be an issue. As discussed, reverse causality is unlikely for several reasons. First, identity complexity is determined by value orientation and fundamental personal belief rather than workplace perceptions and emotional statuses. Second, the Hackman one-factor test suggested a low fit between our data and the one-factor measurement structure. Third, we based our theory on an existential approach that called for burnout to be influenced by occasional subconscious identities and cognitive representations of the world. In addition, consistent with the JD–R model, we concluded that reverse relationships between emotion exhaustion and work perceptions were unlikely.

The second limitation concerns the measure of dual-identity holders. The literature has provided several measures. In the acculturation literature, measures focused on migrants' attitudes, motivations, and behaviors toward individuals with home or host origins (Berry, 1990, 2009). In the biculturalism literature, identity integration measured the focus on the blendedness and harmony of two cultures (Benet-Martínez et al., 2002; Ng et al., 2010; Huff et al., 2017). However, our conceptualization of dual-identity was consistent with SIC theory. Dual-identity holders integrate different identities and switch from one to another in different contexts. Future research should seek out a better proxy variable or measures to align with SIC theory.

The third limitation is related to the sample. Migrant workers in China have their own social and cultural backgrounds. Nevertheless, just as with migrant workers everywhere, they have inferior statuses both inside and outside the workplace (Syed, 2008; Ciupijus, 2010). Future studies are in order for exploring whether the theoretical model can be supported in other contexts.

CONCLUSION

In this article, we provided insights into the work experiences of migrant workers. We surveyed 1,985 employees at 141 firms and found that migrant workers experienced emotional exhaustion upon perceiving that their employers failed to provide CSR support and that their jobs were highly complex. Dual-identity holders, in contrast, were given to perceive stronger CSR support and thus experienced less emotional exhaustion; however, their health was sometimes impaired by higher perceptions of job complexity. Strong HRM services weakened those relationships. These findings are expected to have far-reaching implications for migrant workers and for highly diverse organizations.

DATA AVAILABILITY STATEMENT

The datasets generated for this study are available on request to the corresponding author.

ETHICS STATEMENT

The studies involving human participants were reviewed and approved by the Guanghua School of Management, Peking University. Written informed consent for participation was not required for this study in accordance with the national legislation and the institutional requirements.

AUTHOR CONTRIBUTIONS

XL, HZ, and JZ designed the study together and revised the draft together. HZ and JZ collected the data. XL drafted the theory. HZ drafted the method and results.

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APPENDIX

Urban Identity, Rural Identity, and Perception of Internal CSR Efforts Scale Items

Urban identity

(1) I consider Guangdong to be my second hometown.
(2) I have gotten used to urban life and feel uncomfortable when I return to the rural area I come from.
(3) I would strongly regret leaving the city if I had to.
(4) I am part of the community here.
(5) I feel that I am connected with the city.

Rural identity

(1) I am still a rural person even if have stayed in Guangdong for a long period.
(2) I find it very difficult to leave my hometown for Guangdong.
(3) I often miss my previous life in my hometown.
(4) I often call people in my hometown to learn about what happens there.
(5) I have many close friends in my hometown.

Perception of internal CSR efforts

(1) Our firm has tried to make the workplace safe
(2) Our firm has tried to make the workplace comfortable.
(3) Our firm has tried to make the reward and punishment system reasonable.
(4) Our firm has tried to improve compensation.
(5) Our firm has tried to reduce labor intensity.
(6) Our firm has tried to strengthen communications with employees.

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The Positive Effect of Workplace Accommodation on Creative Performance of Employees With and Without Disabilities

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The issue of workplace accommodation is vital to employees with and without disabilities, as well as employers and organizations. Drawing on the self-efficacy theory, this paper examines the mechanism and contingency of the relationship between workplace accommodation and employee creative performance. Specifically, we argue that creative self-efficacy is the key factor through which workplace accommodation promotes employee creative performance. Aligning with the identity-blind diversity management, we hold a continuous view of disability that everyone has a certain level of disability ranging from zero to a high level of disability severity. Disability severity moderates the relationship between workplace accommodation and creative self-efficacy, and the aforementioned indirect effect, such that the positive relationship and the indirect effect are stronger for employees with a lower level of disability severity. Data collected from a multi-wave multisource field study with 300 participants provide general support for our hypotheses. This research contributes to the literature by (a) providing empirical support for the identity-blind diversity management, (b) extending the research on the psychological well-being and performance of employees with disabilities, and (c) enlarging the nomological network of workplace creativity. Practically, our research provides insights for practitioners to promote workplace accommodation practices, as workplace accommodation is not only essential for including employees with disabilities but also helpful in boosting the creative performance of all employees.

Keywords: workplace accommodation, employees with disabilities, employees without disabilities, creative performance, disability

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INTRODUCTION

With an aging workforce and the equal opportunities workplace movement, an increasing number of people with disabilities (PWD) enter workplaces (Zhu et al., 2019). As an important diversity attribute in the workplace, the employer diversity management strategies regarding disability have been stagnant at the identity-conscious approach for a long time (Gould et al., 2020). The identity-

conscious approach of diversity management toward PWD labels certain employees with disability identities and designs corresponding management programs, such as workplace accommodation, to take care of their needs. A workplace accommodation is defined as "modifications in the job, work environment, work process, or conditions of work that reduce physical and social barriers so that people with disabilities experience equal opportunity in a competitive work environment" (Colella and Bruyère, 2011, p. 478). Taking the identity-conscious perspective, employers assume that employees with disabilities are of lower status in the organization and are victims of discrimination and stigmatization. They reactively adopt reasonable accommodations for PWD to fulfill the legal requirement and minimize the inferior status of employees with disabilities.

While workplace accommodation is deemed as a key organizational practice to realize the full employment and equal opportunity for PWD (Baldridge and Swift, 2013), its sole focus on PWD with the identity-conscious approach impedes the knowledge of its effects on other important stakeholders such as their coworkers without disabilities. Scholars begin to call for a transition from the sole focus on PWD with the identity-conscious approach to a broader focus on all employees with the identity-blind approach (Schur et al., 2014). The identity-blind approach posits that organizations should focus more on the integration of all diverse groups to provide them with equal and inclusive environments. Following this approach, Schur et al. (2014) argue that workplace accommodation can be viewed "in the broader context of accommodating all employee needs." In the workplace, not only employees with disabilities ask for workplace accommodation to better perform in the job but also the older workers, pregnant women, and employees with religious needs and with family responsibilities need workplace accommodations such as flexible working schedules and family-friendly programs. However, most of the current studies have been focused on the positive effects of workplace accommodation for PWD solely or the cost–benefit analysis for employers (see Nevala et al., 2015, for a systematic review) and less explored the positive effects of workplace accommodation for employees without disabilities. This lack of knowledge prohibits the promotion of workplace accommodation in organizations and limits the utilization and development of the human capital of employees with and without disabilities.

In light of this problem, this paper adopts the identity-blind approach and investigates the effect of workplace accommodation on all employees regardless of their disability identities. Following the pioneering research of Schur et al. (2014) on the broader definition of workplace accommodation and the current trend of focusing on identity-blind employee inclusion, we define workplace accommodation as modifications in the job, work environment, work process, or conditions of work that reduce physical and social barriers for all the employees. We choose creative performance as our key dependent variable because creativity has been confirmed as a major benefit brought by diversity (e.g., Kurtzberg, 2005; Miron-Spektor et al., 2011), and disability is regarded as an important domain of diversity (Dovidio et al., 2011; Moore et al., 2011; Dwertmann, 2016). Drawing on the self-efficacy theory (Bandura, 1977), we elaborate on how workplace accommodation influences employee creative performance through creative self-efficacy.

Following the Law of the People's Republic of China on Protection of Disabled Persons (2008) which is consistent with the definition of the United Nations Convention on the Rights of Persons with Disabilities, we define disability as "loss or abnormality of a certain organ or function, psychologically or physiologically, or in anatomical structure and lost wholly or in part the ability to perform an activity in a normal way" (Zhu et al., 2019, p. 22). People with disabilities refer to those who fulfill the above definition and hold the government-issued disability certificate in China. The certificate issued by the government also indicates the disability severity of a certain type of disability, ranging from a low-level disability severity (25–50% functional loss) to a high-level disability severity (above 50% functional loss). Based on a continuous view of disability that everyone has a certain level of disability ranging from zero to a high level of disability severity, we further propose that disability severity will moderate the relationship between workplace accommodation and creative self-efficacy, as well as the indirect effect of workplace accommodation on creative performance through creative self-efficacy. **Figure 1** presents our conceptual model.

Our study attempts to make two major contributions to the extant literature. First, we contribute to the current workplace accommodation literature by redefining it from the identity-blind approach. With the identity-conscious approach, the use of workplace accommodation for PWD leads researchers to narrowly focus on its positive effect for PWD (e.g., Cleveland et al., 1997; Nevala et al., 2015), overlooking its potential benefits to others. By developing and validating a new workplace accommodation scale for both employees with and without disabilities, this study tries to demonstrate the positive effect of workplace accommodation on the creative performance of all employees. By doing so, this study expands the positive effect of workplace accommodation for a broader scope of employees rather than merely PWD.

Second, our study contributes to diversity management literature by framing workplace accommodation as an identity-blind strategy and investigating its effect. Compared with traditional identity-conscious diversity management strategies (e.g., affirmative actions; see Leslie et al., 2014, for a review), it is still unclear how identity-blind diversity management strategies operate. Without a good understanding of the mechanism, practitioners would doubt the effectiveness of identity-blind

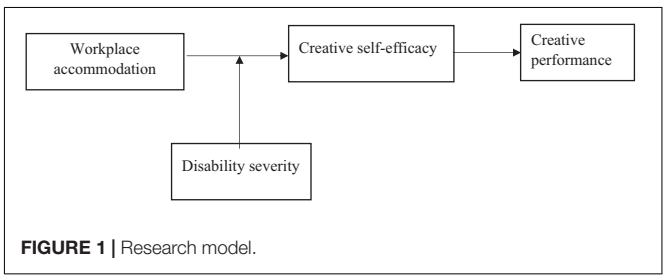

FIGURE 1 | Research model.

diversity management. In line with this practical demand, our study tries to reveal how workplace accommodation, as a kind of identity-blind diversity management initiative, increases the creative performance of all employees from the self-efficacy perspective.

THEORY AND HYPOTHESES

Workplace Accommodation and Creative Performance

In this paper, we define workplace accommodation as modifications in the job, work environment, work process, or conditions of work that reduce physical and social barriers for all employees. When employees perceive a high level of workplace accommodation in the organization, they are able to participate in most formal and informal organizational activities, and they contribute their talents such as creativity, thereby realize their self-worth in the organization.

We argue that workplace accommodation research should follow the switch from an identity-conscious to identity-blind orientation in the diversity literature (Konrad and Linnehan, 1995; Roberson, 2006). An identity-conscious approach to diversity refers to the orientation that minorities with different identities should be cared for, and special organizational practices should be designed to tailor for the special needs of these employees. Under this approach, affirmative action programs would be initiated to protect the benefits and well-being of minority groups in the organization.

However, as Thomas (1990) put it, affirmative action is dying out as a natural death. He believed that organizations should affirm diversity rather than affirm their actions toward minorities. This is referred to as the identity-blind approach to employee diversity. The identity-blind approach emphasizes that the same human resource management policy should be imposed on all employees, regardless of their identities and characteristics (Richard and Johnson, 2001). Diversity should be considered as an asset to the organization. Managers only need to care that all employees are equally included and assimilated in their organization while maintaining their identities. Thus, following this idea, we argue that workplace accommodation should be adopted toward all the employees and it can help organizations harvest the benefits of diversity.

We argue that workplace accommodation can increase employee creative performance. Creativity is defined as the production of novel and useful ideas by an individual or small group of individuals working together (Amabile, 1988, p. 124). Following Amabile (1988) and Zhou and George (2001), we define creative performance as the generation of novel and useful ideas concerning organizational products, services, and other issues that are beneficial to the organizations. Amabile (1983, 1988) componential model of individual creativity, which is the most influential framework to examine the factors affecting creativity, outlined three major components necessary for individual creativity in any given domain: motivational components such as intrinsic task motivation, domain-relevant skills (expertise, resources), and creativity-relevant skills (techniques). As stressed by Amabile (1996), the most important premise of this theory is that work environments have an impact on creativity by affecting the motivational and skill-related components (task-relevant and creativity-relevant skills) that contribute to individual creativity. Amounts of empirical evidence have been shown to support the componential model of individual creativity, and the role of a motivational component of the individual creativity theory has received a greater weight of investigation than the other two (Shalley et al., 2004; Zhou and Shalley, 2010; Anderson et al., 2014). There is also some empirical evidence showing that a favorable work environment can enhance creative performance (e.g., Zhou and George, 2001). Following this logic, we argue that workplace accommodation, which creates a more favorable work environment, can increase employee creative performance at work.

Hypothesis 1. Workplace accommodation is positively associated with creative performance.

The Mediating Role of Creative Self-Efficacy

While workplace accommodation should be generally preferable to an organization, little is known about the mechanism through which workplace accommodation would affect employee outcomes. It is the purpose of this study to investigate how workplace accommodation would affect the creative performance of employees. We argue that creative self-efficacy might be the major mechanism.

Based on the self-efficacy theory (Bandura, 1997) and the literature of creative self-efficacy (Tierney and Farmer, 2002), creative self-efficacy, as a specific, state-like self-efficacy, is defined as an employee's confidence in the ability to complete the creative tasks or complete the job creatively (Tierney and Farmer, 2002). It is a key motivation in achieving creative performance (Ford, 1996; Bandura, 1997; Tierney and Farmer, 2002). Moreover, creative self-efficacy is widely proved to be positively related to creative performance in the previous literature (e.g., Gong et al., 2009; Tierney and Farmer, 2011).

Drawing from self-efficacy theory (Bandura, 1977), we argue that workplace accommodation is positively associated with creative self-efficacy, thus it can increase creative performance through increased creative self-efficacy. Self-efficacy theory stated that self-efficacy is constructed from four principal sources of information: enactive mastery experience, vicarious modeling, verbal persuasion, and arousal. We argue that workplace accommodation is related to all four mechanisms of creative self-efficacy development, thus leading to a high creative self-efficacy. By modifying the job, work environment, work process, or conditions of work, workplace accommodation can reduce physical and social barriers and create more learning opportunities in the work environment, increasing enactive mastery, vicarious modeling, verbal persuasion, and arousal.

First, workplace accommodation can promote enactive mastery experience. Employees who are well accommodated will get more resources and support to help them complete creative

job tasks successfully, which in turn will bring more enactive mastery experience to strengthen creative self-efficacy. Second, workplace accommodation offers the chance for vicarious modeling. Employees who are well accommodated will have better opportunities to observe successful role models, especially those who are similar to them. This is especially true for those workgroup members who are exposed to multiple skillful coworkers (Bandura, 1997). The opportunity to learn from different coworkers as role models offered by the inclusive environment will enhance the confidence in team members' efficacy. Third, getting exposure to the social interactions in the organization will facilitate more social persuasion as a source to increase creative self-efficacy. When employees are well accommodated in the organization, they will feel free to speak and listen, and more feedback and encouragement will be given to them to help boost their creative self-efficacy. Finally, workplace accommodation can activate positive physiological and affective states to enhance creative self-efficacy. When employees feel well accommodated, they feel included and connected with the groups without losing their uniqueness. They will feel safer and less anxious, and hence their creative self-efficacy will be enhanced. Based on the above, we hypothesize the following:

> *Hypothesis 2. Workplace accommodation has a positive indirect effect on creative performance through creative self-efficacy, such that workplace accommodation is positively related to creative self-efficacy, and creative self-efficacy is positively associated with creative performance.*

The Moderating Role of Disability Severity

While the four sources (enactive mastery, vicarious modeling, verbal persuasion, and arousal) to enhance efficacy provided by workplace accommodation will lead to the increase of creative self-efficacy in general, they may not be used equally well to construe creative self-efficacy by employees. Employees process the sources of efficacy selectively, depending on their attributes and the specific situations in which they are embedded (Gist and Mitchell, 1992). Following the self-efficacy theory's person–environment interaction argument that self-efficacy is predicted from both aspects of the social environment and individual differences (Bandura, 1977, 1997), we posit that the positive effect of workplace accommodation on creative self-efficacy is moderated by disability severity. We argue that employees with a less severe disability will benefit more from the positive effect of workplace accommodation on creative self-efficacy through the four sources of self-efficacy.

First, employees with a lower level of disability severity will have more enactive mastery experiences triggered by workplace accommodation. Previous research found that employees without disabilities have more knowledge exposure and more job self-efficacy in general than employees with disabilities (Stone and Colella, 1996; Colella and Bruyère, 2011; Zhu et al., 2019). In this paper, we hold a continuous view of disability and view employees without disabilities as a low level of disability severity. For employees with a lower level of disability severity, who start with more knowledge exposure and self-efficacy than those with a higher level, workplace accommodation will let them know more information about the task and clearer beliefs of what level of difficulties they can achieve. We argue that workplace accommodation for employees with a lower level of disability severity would result in more mastery experiences to build their efficacy than others with a higher level of disability severity.

Second, employees with a lower level of disability severity will have more vicarious modeling experiences provided by workplace accommodation. Workplace accommodation can provide all the employees with an inclusive environment to acquire, share, and integrate the knowledge of coworkers, reinforcing their beliefs in the magnitude of their efficacy through vicarious learning. Self-efficacy theory stated that the learning outcome is affected by the attributes of the observers, the model, and the learning situations such as the similarity between observer and model (Bandura, 1977, 1997). Employees with disabilities are usually stigmatized and have a low status in the workplace, and there are less successful models for employees with disabilities than employees without disabilities (Zhu et al., 2019). Thus, the lack of numbers of successful models and the dissimilarity between the learner and model diminishes the learning effectiveness of employees with a high disability severity.

Moreover, employees with a lower level of disability severity will also get more social persuasion and generate more positive physiological and affective states provided by workplace accommodation. There is a long-existing low competence stereotype toward PWD (Fiske et al., 1999). Employees with a lower level of disability will suffer less from this negative stereotype and thus get more social persuasion from others when they get well accommodated in the workplace. Meanwhile, employees with disabilities also tend to have self-stigma of low competence due to discrimination from others (Zhu et al., 2019). Employees with a higher level of disabilities will likely be less thriving at work and have less positive physiological and affective states to foster self-efficacy beliefs. Based on these arguments, we hypothesize that:

> *Hypothesis 3. Disability severity moderates the relationship between workplace accommodation and creative self-efficacy, such that the positive relationship is stronger for employees with a lower level of disability severity.*

With previous hypotheses in place, we propose a moderated mediation model whereby workplace accommodation influences employee creative performance *via* creative self-efficacy, with disability severity moderating the first-stage relationship. We argue that workplace accommodation enhances creative self-efficacy, and creative self-efficacy, in turn, increases creative performance. As employees with lower levels of disability severity have more resources to get the enactive mastery, vicarious modeling, verbal persuasion, and arousal sources to build creative self-efficacy, we expect that this positive indirect effect would be stronger for employees with a lower level of disability severity. Thus, we propose:

> *Hypothesis 4. Disability severity moderates the indirect effect of workplace accommodation on creative performance through creative self-efficacy, such that the positive indirect*

effect is stronger for employees with a lower level of disability severity.

STUDY 1: SCALE DEVELOPMENT OF WORKPLACE ACCOMMODATION

Item Generation

We generated the items of workplace accommodation based on an intensive literature review and an in-depth interview with the human resource (HR) manager in the pilot company. First, there is no established workplace accommodation scale for all the employees. Based on Colella and Bruyère's (2011) classification of different categories of workplace accommodation, we interviewed the HR manager in the pilot study and discussed the most common practices in the company to guarantee our content validity. Integrating the content of Colella and Bruyère (2011) workplace accommodation classification and the feedback of the HR manager, we finally generated five items for workplace accommodation. The five items were "the entrance of the company has a ramp or automatic doors to facilitate all employees," "the company has sufficient internal accessibility to facilitate all employees," "I can use the adaptive tools such as ergonomic table and chair in my work," "When necessary, I can flexibly adjust working hours according to my physical condition," "I think the current work environment for me is barrier-free and convenient."

Pilot Sample

To validate the scale, we conducted a pilot study in a sample similar to those who would be included in the hypothesis testing study. The sample was from a manufacturing company located in northern China. We surveyed 293 participants on their perceived workplace accommodation (on a seven-point Likert-type scale) and demographic background. Among the participants, 164 were with disabilities and the other 129 were without disabilities; 51% were male; the average age was 32.11 years (SD = 7.14); the average tenure was 62.54 months (SD = 28.03).

Exploratory Factor Analysis

To utilize the pilot data efficiently, we randomly split the 293 participants into two subsamples, one with 140 participants for conducting exploratory factor analysis (EFA), and the other 153 participants for conducting confirmatory factor analysis (CFA).

An EFA (N = 140) of workplace accommodation items using varimax rotation produced one factor, and all item loadings were greater than 0.73 (as shown in **Table 1**), indicating a good factor structure (Tabachnick and Fidell, 2007). The factor explained 64.04% of the variance. The Cronbach's alpha coefficient for the scale was 0.85, and all the inter-item correlations were above 0.38, indicating satisfactory reliability. Moreover, as shown in **Table 1**, the factor loadings of the items did not differ significantly across employees with and without disabilities. As indicated by Schur et al. (2014), the types of accommodation needs and requests of employees with and without disabilities were similar in the workplace. Thus, the scale has a satisfactory level of ecological validity.

Confirmatory Factor Analysis

We conducted CFA using another subsample (N = 153) to provide further evidence of the scale of workplace accommodation. In this sample, the Cronbach's alpha coefficient was 0.85, indicating good reliability. In the CFA, we loaded five items onto one latent factor, the model indicated a satisfactory fit: $\chi^2[5] = 42.05$, comparative fit index (CFI) = 0.90, standardized root mean square residual (SRMR) = 0.065, the root mean square error of approximation (RMSEA) = 0.22. Given that our model is a small degree of freedom (df) model with a small sample size, CFI is more appropriate to estimate the model fit than RMSEA (Kenny et al., 2015).

STUDY 2: HYPOTHESIS TESTING

Participants and Procedures

We collected data from a medical equipment company in northern China. This company was chosen because it was recognized as a disability-friendly company and provides employees with workplace accommodation. With the help from the human resource department of the company, survey questionnaires were distributed in person to all the 464 employees. There are 78 employees holding licenses of disability, accounting for 16.8% of all the 464 employees in the company. Our research was approved by the research ethics committee in our universities, and the research participants provided their written informed consent to take part in the study.

We collected data from both employees and supervisors in three waves to control for the common method variance (Podsakoff et al., 2003). In the first wave, we collected data on workplace accommodation and demographic data including

TABLE 1 | EFA factor loadings of perceived accommodation items[a].

Item	Full sample	Sample with disabilities	Sample without disabilities
The entrance of the company has a ramp or automatic doors to facilitate all employees.	0.79	0.83	0.74
The company has sufficient internal accessibility to facilitate all employees.	0.81	0.77	0.87
I can use the adaptive tools such as ergonomic table and chair in my work.	0.83	0.81	0.86
When necessary, I can flexibly adjust working hours according to my physical condition.	0.73	0.75	0.74
I think the current work environment for me is barrier-free and convenient.	0.83	0.80	0.87

[a]*n = 140. EFA, exploratory factor analysis.*

disability severity, gender, age, tenure, and education from the employees. Two weeks later, we collected data on creative self-efficacy from the employees. In the final wave (2 weeks after the second wave data collection), we collected creative performance rated by supervisors. After each wave of the survey, each participant received a small gift as a token of appreciation.

Out of 464 respondents, 300 employees provided complete data for analyses after listwise deletion. We only included the completed and matched data in our final sample. Out of the 300 participants, 78% were female, 65% were educated in middle school or below, and 19% were employees with disabilities. The average age was 28.94 years (SD = 6.59), and the average organization tenure was 32.21 months (SD = 33.43).

Measures

Workplace Accommodation

We measured workplace accommodation by a five-item scale created for this study. The scale was used on a 7-point Likert-type scale, and the Cronbach's alpha coefficient was 0.75.

Disability Severity

We coded disability severity in a continuous way (0–4) according to whether the investigated employees have a certificate issued by local government and indicates the disability severity of a certain type of disability. Here, 4 represents the highest level of disability, whereas 0 represents no disability.

Creative Self-Efficacy

We measured creative self-efficacy using a three-item scale developed by Tierney and Farmer (2002) on a 7-point Likert-type scale. An example item was, "I have confidence in my ability to solve problems creatively." Cronbach's alpha coefficient for this scale was 0.87.

Creative Performance

We used the 13-item creativity scale developed by Zhou and George (2001) to measure individual creative performance. Employees' supervisors rated their creative performance using a 7-point Likert-type scale. An example item was, "this employee suggests new ways to increase quality." Cronbach's alpha coefficient for this scale was 0.97.

Control Variables

We also measured gender (0 = male, 1 = female), age (in years), tenure (in months), education (1 = junior middle school and below, 2 = senior middle school, 3 = college, university, and above) of the employees as control variables.

Descriptive Statistics

Table 2 presents the means, standard deviations, and zero-order Pearson correlations of studied variables. As shown in the table, workplace accommodation was positively correlated with creative self-efficacy (r = 0.12, $p < 0.05$) and not significantly correlated with creative performance [r = –0.03, not significant (*n.s.*)]. In addition, creative self-efficacy was positively correlated with creative performance (r = 0.19, $p < 0.01$).

Testing the Main and Indirect Effects

We conducted hierarchical multiple regression analysis to test the Hypotheses, entering the control variables, the independent variable (workplace accommodation), moderator (disability severity), mediator (creative self-efficacy), and the interaction term on separate steps. Hypothesis 1 predicts that workplace accommodation is positively associated with creative performance; as shown in **Table 3** (Model 2), the regression coefficient of creative performance on workplace accommodation was not significant (β = –0.03, *n.s.*). Thus, Hypothesis 1 was not supported. Hypothesis 2 predicts that workplace accommodation has a positive indirect effect on creative performance through creative self-efficacy; as shown in **Table 3** (Model 4), workplace accommodation was not significantly related to creative performance (β = –0.06, *n.s.*), with creative self-efficacy included in the regression model, which was significantly associated with creative performance (β = 0.17, $p < 0.05$). We used bootstrap analyses to test the indirect effect (Edwards and Lambert, 2007), generating 1,000 samples and computing bias-corrected confidence intervals. The results indicated a significant indirect effect of workplace accommodation on creative performance *via* creative self-efficacy [*indirect effect* = 0.02; the 95% confidence interval of the indirect effect was (0.001, 0.054)]. Thus, Hypothesis 2 was supported.

TABLE 2 | Means, standard deviations, and correlations[a].

	Variables	Mean	SD	Skewness	Kurtosis	1	2	3	4	5	6	7
1.	Age (years)	28.94	6.59	0.24	−0.38							
2.	Tenure (months)	32.21	33.43	1.56	2.65	0.37**						
3.	Education[b]	1.50	0.73	0.74	−0.81	−0.18**	−0.11					
4.	Gender[c]	0.78	0.41	−1.37	−0.14	0.14*	−0.20**	−0.13*				
5.	Workplace accommodation	5.43	1.02	−0.55	0.05	−0.06	−0.08	0.12*	−0.02			
6.	Disability severity	0.39	0.91	2.55	5.58	−0.02	0.25**	−0.15*	−0.31**	0.04		
7.	Creative self-efficacy	5.03	1.05	−0.22	0.35	0.26**	0.11	0.21**	−0.10	0.12*	-0.07	
8.	Creative Performance	4.46	1.15	−0.29	−0.10	0.13*	0.16**	0.12*	−0.12*	−0.03	0.08	0.19**

*[a]n = 300; values in parentheses on the diagonal are Cronbach's alpha coefficients. [b]Education coded as 1 = Junior Middle School and Below, 2 = Senior Middle School, 3 = College, University, and Above. [c]Gender coded as 0 = Male, 1 = Female. *p < 0.05, **p < 0.01, two-tailed tests.*

TABLE 3 | Hierarchical multiple regression results predicting creative performance[a].

Variables	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Control							
Age (years)	0.02	0.02	0.01	0.01	0.02*	0.02*	0.02
Tenure (months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Education[b]	0.21*	0.22*	0.16	0.17	0.23*	0.24*	0.19*
Gender[c]	−0.26	−0.26	−0.22	−0.22	−0.20	−0.21	−0.15
Independent							
Perceived workplace accommodation		−0.03		−0.05	−0.03	−0.04	−0.06
Moderator							
Disability severity					0.16	0.14	0.16
Interaction							
Perceived workplace accommodation × Disability severity						0.10	0.13
Mediator							
Creative self-efficacy			0.14*	0.15*			0.17*
R^2	0.06	0.06	0.07	0.08	0.06	0.07	0.09
ΔR^2	0.06**	0.00	0.02*	0.02*	0.00	0.01	0.02*
F	4.69**	3.79**	4.73**	4.03**	3.28**	3.15**	3.60**
ΔF	4.69**	0.25	4.62*	4.94*	0.72	2.29	6.36*

*[a]n = 300; unstandardized coefficients are reported. [b]Education coded as 1 = Junior Middle School and Below, 2 = Senior Middle School, 3 = College, University, and Above. [c]Gender coded as 0 = Male, 1 = Female. *p < 0.05, **p < 0.01, two-tailed tests.*

Testing the Moderation and Moderated Mediation

Hypothesis 3 predicts that disability severity moderates the relationship between workplace accommodation and creative self-efficacy such that the relationship is positive and stronger for employees with a lower level of disability severity. As shown in **Table 4** (Model 4), the interaction between workplace accommodation and disability severity was negatively related to creative self-efficacy (β = −0.14, $p < 0.05$). We then plotted the interaction effects using Aiken and West (1991)'s procedure, computing slopes for employees with a low disability severity (+1 SD; severity = 0) and a high disability severity (−1 SD; severity = 1.30). **Figure 2** shows the interaction pattern. Specifically, workplace accommodation was positively related to creative self-efficacy for employees with a low level of disability severity (β = 0.17, $p < 0.01$) but was unrelated to creative self-efficacy for employees with a high level of disability severity (β = −0.00, *n.s.*). Thus, Hypothesis 3 was supported.

TABLE 4 | Hierarchical multiple regression results predicting creative self-efficacy[a].

Variables	Model 1	Model 2	Model 3	Model 4
Control				
Age (years)	0.05**	0.05**	0.05**	0.05**
Tenure (years)	−0.00	0.00	0.00	0.00
Education[b]	0.36**	0.34**	0.32**	0.32**
Gender[c]	−0.28	−0.27	−0.33*	−0.31*
Independent				
Perceived workplace accommodation		0.11*	0.12*	0.12*
Moderator				
Disability severity			−0.10	−0.06
Interaction				
Perceived workplace accommodation × Disability severity				−0.14*
R^2	0.15	0.16	0.16	0.18
ΔR^2	0.15**	0.01*	0.00	0.02*
F	12.70**	11.07**	9.59**	9.06**
ΔF	12.70**	4.06*	1.99	5.09*

*[a]n = 300; unstandardized coefficients are reported. [b]Education coded as 1 = Junior Middle School and Below, 2 = Senior Middle School, 3 = College, University, and Above. [c]Gender coded as 0 = Male, 1 = Female. *p < 0.05, **p < 0.01, two-tailed tests.*

The moderated mediation prediction in Hypothesis 4 requires tests of whether the indirect effect of workplace accommodation on creative performance varies as a function of disability severity. We tested this moderated mediation hypothesis using moderated path analysis (Edwards and Lambert, 2007). As shown in **Table 5**, the size of the difference in the indirect effect of workplace accommodation on creative performance was 0.03 ($p < 0.05$), with the 95% confidence intervals computed using the bootstrap estimates excluding zero. Specifically, the indirect effect of workplace accommodation on creative performance was positive for employees with a low disability severity (*indirect effect* = 0.03, $p < 0.05$) while not significant for employees with a high disability severity (*indirect effect* = −0.00, *n.s.*). Therefore, the indirect effect was significantly stronger for employees with a low disability severity. Thus, Hypothesis 4 was supported.

DISCUSSION

The present study adopted the identity-blind approach of diversity management and investigated the effect of workplace accommodation on the creative performance of employees with a full range of disability severity. Using a sample of 300 employees in China, we found that workplace accommodation

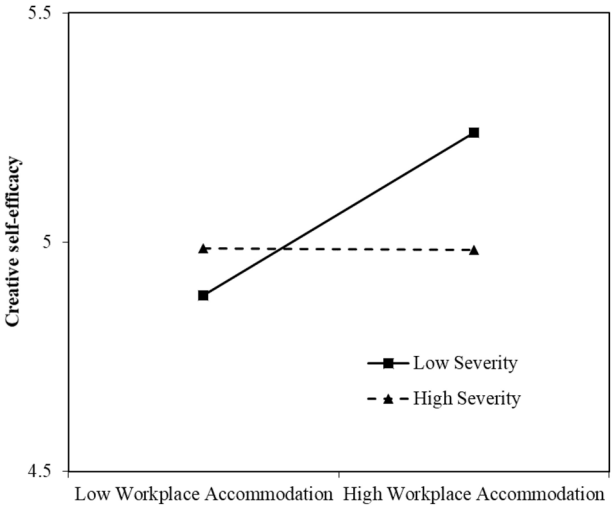

FIGURE 2 | Plot of interaction predicting creative self-efficacy from workplace accommodation and disability severity.

promotes employee creative performance by increasing their creative self-efficacy. Our research confirmed that employee creative self-efficacy is a key intervening mechanism linking employee perceived workplace accommodation and their creative performance. The results of our study also implied that disability severity moderated the relationship between workplace accommodation and creative self-efficacy, such that the relationship is stronger for employees with a lower level of disability severity.

Theoretical Implications

Our findings provide new insights into the relationships among workplace accommodation, creative performance, creative self-efficacy, and disability severity, thus having several theoretical implications. First, in particular, our study shows that using an identity-blind diversity management strategy can yield positive workplace outcomes. Specifically, workplace accommodation helps boost employee creative performance by enhancing creative self-efficacy. This finding reveals how and why workplace accommodation benefits the organization, providing empirical support for the identity-blind approach in understanding and promoting workplace diversity and inclusion.

Second, in response to the call for learning more about employees with disabilities experience to help them increase their psychological well-being and performance in organizations (Colella and Varma, 2001; Colella and Bruyère, 2011), we examine whether the effects of workplace accommodation is contingent on employees' disability levels. We find that disability severity moderates the positive relationship between workplace accommodation and creative self-efficacy, such that the relationship is stronger for employees with a lower level of disability severity. By focusing on the psychological experience of employees with different levels of disability severity, we bring a new internal and identity-blind perspective to future studies on the influence of organizational practices toward the treatment of all the employees in the workplace with disability diversity.

Third, this study also contributes to creativity literature by introducing workplace accommodation as a possible facilitator. Our findings demonstrate the positive indirect effect of workplace accommodation through creative self-efficacy, expanding our knowledge of environmental factors that would facilitate the employee creative performance. Moreover, Amabile (1983, 1988, 1996) componential framework of creativity sets the stage for investigating individual creativity in the motivational approach which attracts most research attention in organizational creativity compared to the other approaches such as cognitive approach and affective approach (Zhou and Shalley, 2010). Our study demonstrates that the motivational factor creative self-efficacy is a key mechanism linking the environment variable (workplace accommodation) and creativity outcome (creative performance). Furthermore, our study finds that there is no significant direct effect of workplace accommodation on creative performance, indicating there may be other oppression mechanisms underlying this relationship.

Practical Implications

Our study provides several practical implications for the emerging practices of promoting workplace accommodation strategies in managing diversity. First, our findings offer practitioners evidence for the real effect of the identity-blind management of diversity. With a sound understanding of the operating mechanisms of workplace accommodation, the current movement of identity-blind diversity management practices in organizations may be propagated, especially in developing areas such as China.

TABLE 5 | Moderated path analysis results[a].

	Workplace accommodation (X) → creative self-efficacy (M) → creative performance (Y)				
Paths[b]	**First stage P_{MX}**	**Second stage P_{YM}**	**Direct effects P_{YX}**	**Indirect effects P_{YM} P_{MX}**	**Total effects $P_{YX} + P_{YM}$ P_{MX}**
Severity = 0	0.12*	0.17*	−0.11	0.03*	−0.08
Severity = 1.30	−0.06	0.17*	0.05	−0.00	0.05
Differences	0.18*	0.00	−0.16	0.03*	−0.13

*[a] n = 300; tests of differences for the indirect and total effects were based on bias-corrected confidence intervals derived from bootstrap estimates. [b] P_{MX} is the path from workplace accommodation to creative self-efficacy; P_{YM} is the path from creative self-efficacy to creative performance; P_{YX} is the path from workplace accommodation to creative performance. *$p < 0.05$, two-tailed tests.*

The issue of workplace accommodation has generated a great deal of attention in the past few years after the passage of the Americans with Disabilities Act (ADA) in 1990. Most current workplace accommodation research and practices are western-based. In 2006, the United Nations adopted the Convention on the Rights of Persons with Disabilities (CRPD) to promote reasonable accommodation including workplace accommodation for PWD across the world (CRPD, Article 2). China is among the first countries which signed CRPD. However, the Chinese government has not defined workplace accommodation officially and has not added any accommodation requirements in the law. Thus, the current practices and research in China are far behind and mainly follow the western and UN's definitions and practices of workplace accommodation. By investigating the effect of workplace accommodation for employees in China, this paper hopefully can facilitate proactive workplace accommodation in China.

Second, our findings imply that there may be some pitfalls in identity-blind diversity management practices. Echoed with Leslie's model of unintended consequences of diversity initiatives (Leslie, 2019), we demonstrate that workplace accommodation benefit employees with lower levels of disability severity more than those with higher levels of disability severity. This is due to the creative self-efficacy difference between the groups. Thus, organizations should pay attention to close this creative self-efficacy gap through decreasing the discrimination toward employees with high levels of disability (Colella et al., 2017) and cultivating a more favorable climate for inclusion (Nishii, 2013). Moreover, the creative self-efficacy gap may be enlarged by the difference in the training for self-efficacy as self-efficacy can be fostered through appropriate training programs (Gist and Mitchell, 1992; McNatt and Judge, 2008; Reeves et al., 2011). Thus, employees, especially those with high levels of disability severity, should be provided with training which directly enhances through the utilization of mastery, modeling, and persuasion experiences of their capabilities or understanding of how to use skills successfully in dealing with workplace accommodation issues (McAuley et al., 1999; Grey, 2013; Ouweneel et al., 2013).

Limitations and Suggestions for Future Research

Despite the consistency found in our tested model, our study has several limitations. In drawing attention to these limitations, we are also suggesting directions for future research. First, although we collect our independent variable 1 month before the dependent variable, causal relationships cannot be inferred because of the cross-sectional nature of our studies. Rigorous causal relationship research design such as experiment and longitudinal studies are encouraged to verify the causal relationship in our model. Second, although we adopted some methods to reduce the odds for common method bias to influence the study results, such as temporally separated the measurement of the independent variable and the moderator from that of the dependent variable, collected data from different sources (employees and supervisors), there are still some statistical concerns which may harm our statistical validity. For example, our sample is relatively small, and our finding is only based on the sample collected in one single country. As the widely existing cross-cultural difference, more evidence from different countries should be shown to support the generalizability of our results. Finally, future studies should analyze curvilinear relationships and consider other potential moderating variables to further develop our model. For example, mindfulness may play a role in moderating the effects of the organizational environment such as workplace accommodation (e.g., Montani et al., 2019).

CONCLUSION

The issue of workplace accommodation is vital to employees with and without disabilities, as well as employers and organizations. Drawing on the self-efficacy theory, this study explored the connections between workplace accommodation and employee creative performance. By applying a novel and broader view of workplace accommodation to predict its effects on employees with a full range of disability severity, we believe that our study demonstrates the availability and importance of workplace accommodation as an identity-blind diversity management strategy. We hope our work will lead to a broader exploration of workplace accommodation in the diversity management research and contribute to the promotion of workplace accommodation practices, maximizing the utilization of all employees' talents and abilities.

DATA AVAILABILITY STATEMENT

The datasets generated for this study are available on request to the corresponding author.

ETHICS STATEMENT

The studies involving human participants were reviewed and approved by The research ethics committee in CUFE Business School. The patients/participants provided their written informed consent to participate in this study.

AUTHOR CONTRIBUTIONS

All authors contributed to the manuscript and approved the submitted version.

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Public Service Motivation and Turnover Intention: Testing the Mediating Effects of Job Attitudes

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Research on the role of public service motivation (PSM) relating to work performance has been a significant topic in recent years; however, the relationship between PSM and job performance remains mixed. To investigate whether job attitudes mediate the effect of PSM on public employees' turnover intention, this study integrated job satisfaction and organizational commitment into a single model. Based on a sample of 587 full-time Chinese public employees, our findings revealed that job satisfaction and organizational commitment, respectively, mediated the negative association between PSM and employees' turnover intention. Multiple mediation analysis indicated that job satisfaction and organizational commitment sequentially mediated the effects of PSM on turnover intention. As a result, our findings suggested that public employees with high PSM levels preferred to stay in the public organizations. The theoretical and practical implications of our findings are discussed.

Keywords: public service motivation, job attitudes, turnover intention, public sector, public employee

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INTRODUCTION

Perry and Wise (1990) argued that individuals with high levels of public service motivation preferred to seek a job within the public sector and to perform better in public sector work. Subsequently, a stream of empirical studies has focused on the relationship between PSM and job performance (Kim, 2012; Shim et al., 2017; Choi and Chun, 2018; Jin et al., 2018; Miao et al., 2019; Caillier, 2020). A substantial amount of literature has laid stress on the significance of PSM in boosting job performance, but "the role of intermediate variables, mediating the relationship between PSM and performance, is still unclear" (Perry et al., 2010). In PSM literature, there are two research perspectives on whether individual PSM is negatively related to their intentions to stay in the public sector. Some studies have explored the direct effect of PSM on employees' turnover intention (Alonso and Lewis, 2001; Andersen and Søren, 2012; Choi and Chun, 2018), but more recent research has shed light on the link between PSM and turnover intention which was mediated by intermediate variables, including the person-organization fit (Bright, 2008; Kim, 2012; Gould-Williams et al., 2015), organizational commitment (Vandenabeele, 2009; Jin et al., 2018), organizational identification (Miao et al., 2019), social impact potential (van Loon et al., 2018) and meaningfulness of work (Zheng et al., 2020). However, the causality between PSM and turnover intention remains highly disputed. For example, findings by Bright (2008) confirmed a non-significant association between PSM and employees' turnover intention, which was consistent with the results of Alonso and Lewis (2001). In contrast to Bright, some recent results have revealed that

the relationship between PSM and employees' job performance is significant when some mediators (e.g., P-O fit or organizational commitment) are taken into account (Kim, 2012; Gould-Williams et al., 2015; Jin et al., 2018).

In a word, most of the existing PSM literature does not provide strong evidence for the association between PSM and turnover intention. Furthermore, prior scholars have stressed the dominant role of P-O fit in the connection between PSM and employees' work-related outcomes (Kim, 2012; Gould-Williams et al., 2015; Jin et al., 2018), but they have largely ignored the effects of other mediating variables, such as work attitudes and behavior (Vandenabeele, 2009). Mathieu et al. (2016) noted that despite the critical role of job satisfaction and organizational commitment in explaining turnover intention that has increasingly attracted attention in recent years, few studies have considered job satisfaction and organizational commitment together when presenting a structure turnover model. Therefore, it is essential to clarify the direct and indirect effects of PSM on employees' turnover intention by incorporating mediators—job satisfaction and organizational commitment—into a single research model.

Our study aims to explore the effects of PSM on public employees' turnover intention. The negative association between PSM and employees' turnover intention has received little attention and demonstrated mixed findings (Bright, 2008; Kim, 2012; Jin et al., 2018). To investigate the inconsistent findings between PSM and employees' turnover intention, researchers have laid stress on the cross-cultural comparison using diverse samples from different cultural context (Kim, 2017). Our study provides a new insight into the empirical research related to the links between PSM and turnover intention by shedding light on work-related behavior of Chinese public employees. As such, by focusing on Chinese public employees, our study extends the previous research that has been conducted with samples from Western countries. Another goal of the present study is to explore how public employees' job attitudes mediate the effects of PSM on their turnover intention. To our knowledge, the current empirical findings revealed that the association between PSM and employees' turnover intention was significantly mediated by employees' P-O fit (Gould-Williams et al., 2015; Jin et al., 2018). However, researchers have rarely taken into account the role of other mediators (e.g., job satisfaction and organizational commitment) when discussing employees' turnover intention in the public sector (Vandenabeele, 2009). Thus, we propose a turnover model that integrates job satisfaction, organizational commitment, as well as turnover intention. In doing so, our findings stress the importance of mediating role of public employees' job attitudes in predicting the impact of PSM on turnover intention.

LITERATURE REVIEW

PSM and Turnover Intention

The concept of PSM that originated from Perry and Wise (1990) refers to "an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions or organization." The work of Perry and Hondeghem (2008) shows that individuals with a high level of PSM will select jobs in the public sector for the sake of public benefits. Alternatively, Vandenabeele (2007) saw PSM as "belief, value, and attitudes that go beyond self-interest and organizational interest, that concern the interest of a larger political entity and that motivate individuals to act accordingly whenever appropriate." Furthermore, PSM can be viewed "as a specific type of prosocial motivation" or intrinsic motivation for public employees (Georgellis and Tabvuma, 2010; Ritz et al., 2020). Importantly, the concept of PSM has been discussed and used outside the public sector, because PSM is found in commercial settings (O'Leary, 2019). Therefore, scholars proposed more generalized concepts of PSM. For example, Rainey and Steinbauer (1999) defined PSM as a "general, altruistic motivation to serve the interests of a community of people, a state, a nation or humankind." While PSM is originally viewed as a prosocial motivation to do good for others and the society within public sector (Perry and Wise, 1990; Hondeghem and Perry, 2009), it has been an increasing recognition that PSM has been a growing concern in various areas and is further discussed outside the public sector (Bozeman and Su, 2015; O'Leary, 2019).

As such, PSM can be described as "autonomous types of motivation" (Houston, 2011) that will play a key role in affecting individual work-related behaviors. These views indicate that both internal motives and external context play a vital role in determining individual work-related behaviors, such as job performance, work effort, and organizational performance (Bright, 2007; van Loon, 2017). Previous empirical studies have found that work-related attitudes and behaviors of public employees are closely connected with PSM (Perry and Wise, 1990; Bright, 2007; Leisink and Steijn, 2008). Generally speaking, many believe that individuals tend to work in the public organizations and report high job satisfaction, job performance, and organizational commitment when they have high PSM levels (Perry, 1996; Moynihan and Pandey, 2007). With a large sample of employees in the Italian National Health Service, Belle (2013) argued that PSM significantly increased job performance among public employees. More recently, the work of Levitats and Vigoda-Gadot (2017) showed that PSM was positively linked with public employees' job outcomes, such as job satisfaction, affective commitment, and service quality.

Generally speaking, turnover intention refers to "probability of employees leaving their organization" (Wynen et al., 2013). Although previous studies have suggested that employees' turnover intention is largely determined by economic, individual, and organizational factors (Moynihan and Landuyt, 2008), PSM theory fundamentally assumes that those people with high PSM levels prefer to "seek membership in a public organization" to obtain opportunities to promote public interests (Perry and Wise, 1990; Vandenabeele, 2008). Some earlier studies have found that PSM has no direct and significant impact on turnover intention (Kim and Lee, 2007; Bright, 2008); however, most recent empirical findings have confirmed the negative relationship between PSM and turnover intention in the public sector (Leisink and Steijn, 2008; Shim et al., 2017; Choi and Chun, 2018). Based on a sample of 4,974 street-level

bureaucrats, Shim et al. (2017) revealed that the direct effect of PSM on employees' turnover intention was negative and significant. Similarly, Choi and Chun (2018) concluded that individuals who attach importance to social equity and altruism were not likely to quit a job within the public sector. Actually, the negative effect of red tape on employees' turnover intention can be mitigated by PSM because public employees with high PSM levels have less intention to leave their jobs within the public sector (Quratulain and Khan, 2015). However, the empirical study of Liu et al. (2011) revealed that "only a self-sacrifice dimension of PSM was positively related to occupational intention" to seek membership in a public organization. Based on the previous discussions, we expect that PSM will play a vital role in employees' turnover intention because public employees with high-PSM are more willing to contribute to the interests of others and society. Thus, it leads to the following hypothesis:

Hypothesis 1: PSM is negatively correlated with public employees' turnover intention.

The Mediating Role of Job Satisfaction

According to Locke (1976), job satisfaction can be seen as "a pleasure or positive emotional state resulting from the appraisal of one's job or job experience." An enormous amount of empirical research has explored the significance of job satisfaction and its consequences. According to the organizational equilibrium theory, employees intend to change jobs when they perceive that they have received less inducement from their organizations than their contributions to their job. Indeed, research has confirmed that employees' job dissatisfaction increase their desirability to leave and, thereby, leads to a greater intent to leave (Huang et al., 2017; Zeffane and Melhem, 2017). With regard to its potential influence on organizations, job satisfaction generally has played a significant role in the decision of employees' intention to quit, because it has been one of the "most critical predictors of turnover intention" (Choi and Chiu, 2017). At the organizational level, job satisfaction is closely related to the degree of absenteeism, job performance, turnover intention, and organizational citizenship behavior (Wright and Bonett, 2007). At the individual level, some empirical research revealed that job satisfaction had a positive relationship with individual life satisfaction, well-being, or mental health, but it also has a negative relationship with anxiety and depression (Christian et al., 2011; Zalewska, 2011). In the context of value pluralism, employees' intention to leave the job not only is associated with work-relate factors, but it also is linked to personal cognition, such as career orientation, organizational identity, or job pressure. However, as an emotional state that resulted from job experience, job satisfaction plays an important role in work-related behaviors. To be specific, Khan and Aleem (2014) identified that job satisfaction was affected by salary, promotion opportunities, job security, or job demands and, thus, resulted in negative influences on an employee's intention to leave the job. Obviously, employees will tend to change jobs when they are dissatisfied with the present jobs.

Although numerous work-related relevant factors can bring about job satisfaction, the relationship between PSM and job satisfaction has gained increased research attention in recent years (Wright and Pandey, 2008; Liu et al., 2015; Choi and Chun, 2018; Kjeldsen and Hansen, 2018). These results are based on the assumption that public organizations provide opportunities for those employees with high PSM levels to do good for others and society, which meets their altruistic needs and, subsequently, leads to higher job satisfaction (Perry et al., 2010; Andersen and Kjeldsen, 2013). Furthermore, the work of Kjeldsen and Andersen (2013) revealed that PSM is positively correlated with job satisfaction when employees perceive that "their jobs are useful to society and other people." Consistent with Balfour and Wechsler's earlier proposition, PSM has been identified as being directly and indirectly related to job satisfaction through the moderation of P-O fit (Liu et al., 2015; Kim, 2012). To be specific, based on empirical data collected in Chinese public sector, Liu et al. (2015) suggested that the impact of PSM on job satisfaction was significant if both P-O fit and needs-supplies fit were low. Similarly, using a sample of civil servants employed by local governments in Korea, Kim (2012) revealed that PSM was not only an important independent factor in job satisfaction, but it also had "an indirect effect on job satisfaction and organizational commitment through its influence on P-O fit."

However, some earlier empirical research shows mixed findings regarding the association between PSM and job satisfaction. For example, Bright (2008) and Steijn (2008) argued that PSM has direct impact on work-related outcomes when P-O fit was considered. This was supported by Wright and Pandey (2008) who also claimed that PSM did not directly affect employees' job satisfaction if P-O fit was integrated into the research model as a mediator. Nevertheless, most scholars argued that the effects of PSM on work-related outcomes could not be fully explained through P-O fit theory, because PSM theory had been widely validated within both public and private organizations (Christensen and Wright, 2011; Choi and Chun, 2018; Andersen and Kjeldsen, 2013). More recently, Taylor (2014) suggested that public employees "with high PSM levels tend to be more satisfied with their job than those with low PSM levels." Further, Andersen and Kjeldsen (2013) findings also confirmed that the direct and positive effect of PSM on job satisfaction was significant in both public sector and private sector.

As one of the consequences of PSM in the public sector, job satisfaction may play a critical role in bringing about better performance, such as low intention to quit a job within the public sector, especially when individuals hold an altruistic need to serve others and the community. Although P-O fit is more commonly considered as an important mediator in the PSM-job performance relationship (Bright, 2008; Kim, 2012; Gould-Williams et al., 2015; Jin et al., 2018), job satisfaction may act as a possible mediating variable in the link. For instance, the findings by Vandenabeele (2009) revealed that PSM had an indirect impact on individual performance through normative and affective organizational commitment. In other words, an individual with high PSM levels is expected to experience a high level of job satisfaction, which, in turn, results in lower turnover intention. In sum, based on these arguments with regard to

the significant relationships among PSM, job satisfaction and turnover intention, we propose that individuals with high levels of PSM will be satisfied with their job, and this increased job satisfaction will contribute to explain the relationship between PSM and employees' turnover intention.

Hypothesis 2: Job satisfaction is negatively correlated with employees' turnover intention.

Hypothesis 3: Job satisfaction mediates the negative link between employees' PSM and their turnover intention.

The Mediating Role of Organizational Commitment

Broadly speaking, organizational commitment is described as "a psychological state that characterizes the employee's relationship with the organization" (Meyer et al., 1993). Allen and Meyer (1993) suggested that organizational commitment was an important predictor of turnover intention, because "it has implications for the decision to continue or discontinue membership in the organization." A considerable number of studies have demonstrated that employees' organizational commitment has a negative relationship with their intention to leave their organizations (Islam et al., 2015; Lambert et al., 2015; Yousaf et al., 2015; Gatling et al., 2016; Wombacher and Felfe, 2017). For instance, Wombacher and Felfe (2017) revealed that affective organizational commitment and team commitment reduced employees' target-specific turnover intention and, therefore, committed employees were more likely to remain in their organizations, especially if their levels of team commitment were high. Actually, when employees' desires and expectations are satisfied, they will shape more psychological attachment toward their organizations and are less likely to change jobs (Nazir et al., 2016). In line with this view, we believe that affective and normative commitment is negatively related to employees' turnover intention in a Chinese organizational context. In the Chinese context, empirical studies showed that employees' turnover intention was not only related to organizational commitment (Tian, 2014; Li et al., 2018) but negatively connected with the work environment (Wang, 2015), organizational culture (Ma et al., 2015), emotional exhaustion (Li et al., 2018), or psychological contract (Tang et al., 2017). As Li et al. (2018) pointed out, only affective commitment is a significant predictor of Chinese employees' turnover intention. However, Tian (2014) argued that all components of organizational commitment were negatively related to employees' turnover intention. Generally speaking, employees would like to maintain a durable attachment to their organizations and to show less intention to leave their organizations when they have higher organizational commitment.

Furthermore, as "a psychological state" to a particular organization (Allen and Meyer, 1993), organizational commitment has several significant antecedents, such as career identification, value congruence, PSM, and so on. The original basis of PSM theory suggests that individuals are motivated to do good for public service for particular reasons, among which the most important is "commitment to the public interest" (Perry, 1996). In general, PSM acts as the antecedent of organizational commitment, which indicates that PSM is positively associated with organizational commitment (Taylor, 2008; Vandenabeele, 2009; Kim, 2012; Caillier, 2016; Levitats and Vigoda-Gadot, 2017). According to Kim (2012), "as the levels of PSM in public employees increase, their loyalty and emotional identification with the organization that seeks public interests will also increase." Potipiroon and Ford (2017) supported scholars' arguments that ethical leadership and high-intrinsic motivation mediated the positive association between PSM and public employees' organizational commitment. Similarly, Jin et al. (2018) suggested that the effect of PSM on organizational commitment was positive and significant, which in turn led to more positive attitudes and commitment toward the employees' work.

Yet, other studies showed that the effect of PSM on organizational commitment depended on the intermediate variables to some extent (Kim et al., 2015). Kim et al. (2015), for example, found that "when employees' affective commitment is high in a context where their values are consistent with their organization's goals or missions, their level of PSM will increase." That is to say, the levels of affective commitment among public employees will reinforce their pro-social behaviors and positive work value, which leads to more motivation to serve others and the public. In addition, grounded in P-O fit perspective, many scholars indicate that the relationship between PSM and work-related outcomes (e.g., organizational commitment) was partially mediated by P-O fit (Kim, 2012; Jin et al., 2018). As such, we can expect that public employees will exhibit more commitment to their organizations when they have high levels of PSM (Kim et al., 2013), because they can obtain opportunities in the public organization to contribute to the public (Luu, 2018).

Taken together, this stream of studies has suggested that PSM contributes to increase employees' loyalty and affective identification to their organizations and, in turn, employees will prefer to stay in their organizations because a strong desire to remain in their job demonstrated commitment to the organization. As Vandenabeele (2009) described, both normative organizational commitment and affective organizational commitment mediated the association between PSM and individual work-related outcome. Similarly, Caillier (2015) also argued that organizational commitment mediated the association between PSM and government employees' organizational citizenship behavior (e.g., whistle-blowing attitudes) in the United States. In line with these opinions, Jin et al. (2018) also argued that organizational commitment partially mediated the relationship between PSM and individual performance (e.g., organizational citizenship, institutional service) in public higher education. Although the negative effect of organizational commitment on turnover intention has been confirmed by extensive previous research, few studies have explore the association between PSM and employees' turnover intention by examining the mediating role of organizational commitment. According to the previous research (Wright and Pandey, 2008; Vandenabeele, 2009; Jin et al., 2018), it is possible that PSM has indirect impact on work-related attitudes and behaviors through

organizational commitment. As such, it is worthwhile to validate whether organizational commitment reinforces the ability of PSM to reduce employees' turnover intention in the public sector. To test it, we propose the following hypotheses.

Hypothesis 4: Organizational commitment is negatively correlated with employees' turnover intention.

Hypothesis 5: Organizational commitment mediates the negative link between employees' PSM and their turnover intention.

The Chain-Mediating Role of Job Satisfaction and Organizational Commitment

Although it is widely acknowledged that the causal link between job satisfaction and organizational commitment is still highly disputed, the psychological contract theory suggests that job satisfaction can strongly predict organizational commitment (Pandey, 2010). For instance, employees' with high job satisfaction may develop a strong sense of loyalty and mutual commitment soon after understanding and accepting organizational goals and values (Bufquin et al., 2017; Chordiya et al., 2017; Kim et al., 2017). Thus, it seems more plausible that the organizational commitment of public employees can be influenced at least in part by the levels of their job satisfaction. That is, public employees with high levels of satisfaction with their jobs will more likely become committed to their work and organizations. According to psychological contract theory, when employees are satisfied with their pay, work autonomy, career training, and career development, they will become more committed to the organization, which in turn brings about positive performance behavior.

As mentioned above, a large body of research has confirmed that employees' turnover intention can be significantly predicted by both job satisfaction and organizational commitment (Karatepe and Kilic, 2007; Kang et al., 2014; Mathieu et al., 2016; Wombacher and Felfe, 2017). For example, according to Vandenabeele (2009), job satisfaction and organizational commitment by state civil servants acted as mediators in the PSM–performance relationship. These results were further supported by Jin et al. (2018), who argued that P-O fit and organizational commitment mediated the link between PSM and organizational citizenship behavior. Furthermore, some empirical studies proposed structural turnover models that incorporated both job satisfaction and organizational commitment in a single model (Mathieu et al., 2016; Redondo et al., 2019). Therefore, based on the aforementioned discussions and hypotheses, we expect that job satisfaction and organizational commitment will play a chain-mediating role between PSM and turnover intention. Namely, PSM will help increase employees' levels of job satisfaction first, which, in turn, has a positive effect on employees' loyalty and organizational commitment, and then the positive work-related attitudes can effectively decrease employees' intention to quit their jobs. Therefore, it leads to the following hypothesis.

Hypothesis 6: Job satisfaction and organizational commitment mediates the association between PSM and employees' turnover intention sequentially.

MATERIALS AND METHODS

Samples and Procedure

Data for this study were collected from MPA (master of public administration) students of two prestigious universities in Yunnan province, China, from August to September in 2019. Before the survey, we contacted the director of MPA Education Center of each university to obtain the total number of MPA students. With the help of staff of MPA Education Centers, we successively distributed survey questionnaires to 600 MPA students who are full-time public employees in various government departments. Each participant was asked to fill out the self-reported questionnaire voluntarily and anonymously. After deleting 13 questionnaires with missing data, we obtained a diverse sample of 587 participants who were full-time civil servants employed by local governments at all levels across Yunnan province. Of the participants, 306 (52.1%) were men and 281 (47.9%) were women; 42.2% of the participants were 30 years old or under and 13.1% were over 50 years old. For educational background, 74.8% held at least a bachelor's degree, while 25.2% had an associate degree or less. In terms of length of employment, 31.2% worked for under 5 years, 23.5% worked for 6–10 years, 8.7% worked for 11–15 years, 7% worked for 16–20 years, and 29.6% worked for more than 21 years.

Measures

Public Service Motivation

Public service motivation was measured with a translated version of five items developed by Perry (1996), which was widely used in various cultural contexts (Christensen and Wright, 2011; Qi and Wang, 2018). This 5-item scale was used to capture four aspects of individual PSM which included self-sacrifice (two items), commitment to public interests (one item), compassion (one item), and social justice (one item). A sample item was "Making a difference in society means more to me than personal achievements." Each item is measured on a 5-point Likert scale that ranged from 1 (*strongly disagree*) to 5 (*strongly agree*). The Cronbach's alpha was 0.835.

Job Satisfaction

Job satisfaction was evaluated with Boateng and Hsieh (2019) scale, including 4 items. Sample items included such statements as "No matter what, I will not leave my current job" and "Overall, I am satisfied with my current job." Participants answered items on a 5-point Likert scale that ranged from 1 (*strongly disagree*) to 5 (*strongly agree*). The Cronbach's alpha was 0.839.

Organizational Commitment

Organizational commitment was measured by Meyer et al. (1993) scale. We adopted four items to evaluate public employees' organizational commitment. Sample items included "I feel emotionally attached to my organization." All items are rated on

a 5-point Likert scale that ranged from 1 (*strongly disagree*) to 5 (*strongly agree*). The Cronbach's alpha was 0.884.

Turnover Intention

Turnover intention was assessed using the 4-item scale validated by Kim et al. (1996). Sample items included "I intend to leave my organization" and "I intend to stay in my present organization as long as possible." Each item is rated on a 5-point Likert scale that ranged from 1 (*strongly disagree*) to 5 (*strongly agree*). The Cronbach's alpha was 0.858.

Analytical Strategy

We conducted data analyses using SPSS and AMOS version 24. The missing values were handled by using the full information maximum likelihood method before our analysis. According to the recommendation of Anderson and Gerbing (1988), a 2-step analytical strategy was used to conduct data analysis. First, to determine whether all study variables were distinguishable in the present study, we tested and compared the model fit of four models using confirmatory factory analysis (CFA). We assessed the hypothesized model compared with alternative models through confirmatory factory analysis. In addition, to avoid a risk of common method bias from as self-administered survey, the common method bias was tested by using Harman's single-factor analysis.

Second, to test the hypotheses, structural equation modeling in AMOS 24 was performed to verify whether the relationship between PSM and turnover intention was mediated by job satisfaction or organizational commitment. Before testing the mediating effects, we first tested the direct effect of PSM on employee' turnover intention without inclusion of the mediators in a structural equation model. Then, we used the biased-corrected bootstrapping method of the mediation test to analyze the indirect effects and mediated effects. As suggested by Preacher and Hayes (2008), the mediating effects are statistically significant when zero does not lie in the confidence interval range.

RESULTS

Descriptive Analysis

The descriptive, correlations, and reliability for all study variables were shown in **Table 1**. According to the correlation matrix, PSM was negatively correlated with turnover intention ($r = -0.370$, $p < 0.01$), thus Hypothesis 1 was supported. In addition, PSM was positively related to job satisfaction ($r = 0.437$, $p < 0.01$) and also to organizational commitment ($r = 0.418$, $p < 0.01$), thus supporting Hypotheses 2 and 5. Both organizational commitment ($r = -0.701$, $p < 0.01$) and job satisfaction ($r = -0.662$, $p < 0.01$) were all negatively related to turnover intention, which supported Hypotheses 6 and 3. In addition, the construct coefficient alphas were above the minimum threshold value of 0.70, which ranged from 0.835 to 0.858, and suggested high reliability of the study scale.

Confirmatory Factor Analysis

The goodness fit of the four-factor model was examined using confirmatory factor analysis (CFA). The model fit was assessed using three fit indices, including CFI (comparative fit index), TLI (Tucker-Lewis index), and RMSEA (root mean square error of approximation). We proposed five alternative model conceptualizations (**Table 2**). Compared with the five alternative models, the four-factor model resulted in a more acceptable fit [χ^2 (113) = 281.432, $p < 0.001$; CFI = 0.970, TLI = 0.963, and RMSEA = 0.05]. For example, the fit indices in the two-factor model demonstrated that the model did not provide an adequate fit [χ^2 (118) = 1433.392, $p < 0.001$; CFI = 0.753, TLI = 0.727, and RMSEA = 0.138] as well as the hypothesized four-factor model. The one-factor model provided a less adequate fit [χ^2 (119) = 1580.686, $p < 0.001$; CFI = 0.736, TLI = 0.699, and RMSEA = 0.145]. Thus, the hypothesized four-factor model exhibited excellent construct distinctiveness in the present study.

Testing of Common Method Bias (CMB)

Because the self-reported data was mainly collected from a single source, there was a risk of common method bias, such as social desirability and consistency motif (Podaskoff et al., 2003). To minimize the potential for common method bias, we adopted measures from previous studies and conducted a pre-test. Moreover, all respondents were informed to finish the questionnaire anonymously, which reduced the possibility of social desirability. To examine whether common method variance (CMV) bias was a concern, we assess the extent of common method bias in the present study by using a Harman's single-factor test. The result indicated that 33.98% of the variance was explained by the first factor, which suggested the common method variance bias was not a problem in the present study. Furthermore, our results indicated a very poor fit in the one-factor model [χ^2 (119) = 1580.686, $p < 0.001$; CFI = 0.736, TLI = 0.699, and RMSEA = 0.145]. Therefore, it also indicated that the common method bias was an unlikely interpretation of our findings.

Hypothesis Testing

To test the study hypotheses, the fit of the data was tested using structural equation modeling (SEM). First, we tested the direct effect of PSM on turnover intention without inclusion of the mediators in the path structural equation model. PSM had a direct, negative effect on turnover intention (PSM→TI; $p < 0.001$, standardized estimate = 0.407), which supported hypothesis 1. Also, 54% of the variance in turnover intention ($R^2 = 0.54$) was explained by PSM. This finding was consistent with the previous studies of samples from street-level bureaucrats in South Korea (Shim et al., 2017) and high school employees in the United States (Choi and Chun, 2018).

Then, we constructed a proposed model (**Figure 1**), which included the mediators. The results of the hypothesized model were shown in **Table 3** and **Figure 2** which provided standardized parameters and R^2 coefficients. The results in **Figure 2** showed that the fit indices for the hypothesized model were excellent [χ^2 (111) = 246.104, $p < 0.001$;

TABLE 1 | Means, standard deviations, correlations, and Cronbach's Alpha Values among the study variables.

Variables	1	2	3	4	5	6	7	8
1. Gender	1							
2. Age	0.088*	1						
3. Education	0.044	0.073	1					
4. Tenure	0.108**	0.688**	0.289**	1				
5. PSM	0.079	0.029	0.012	−0.039	(0.835)			
6. JS	−0.064	−0.125**	−0.068	−0.282**	0.437**	(0.839)		
7. OC	−0.069	−0.117**	−0.077	−0.286**	0.418**	0.698**	(0.884)	
8. TI	0.119**	0.170**	0.050	0.334**	−0.370**	−0.662**	−0.701**	(0.858)
Mean	0.521	2.847	3.106	2.804	3.703	3.469	3.592	2.477
SD	0.5	1.081	0.759	1.644	0.633	0.726	0.776	0.764

*N = 587, *p < 0.05, **p < 0.01. SD, standard deviation; PSM, public service motivation; JS, job satisfaction; OC, organizational commitment; TI, turnover intention. Figures in the bracket represent Cronbach's Alpha Values.*

TABLE 2 | Comparison of measurement models for variables studied.

Model	χ^2	df	CFI	TLI	RMSEA	$\Delta\chi^2(\Delta df)$
Hypothesized four-factor model:	281.432	113	0.970	0.963	0.050	
Three-factor model						
Combining PSM with JS	1069.962	116	0.828	0.798	0.118	788.53(3)
Combining PSM with OC	1133.752	116	0.817	0.785	0.122	852.32(3)
Combining PSM with TI	1224.628	116	0.800	0.766	0.128	943.196(3)
Two-factor model (combining PSM, JS, and OC)	1433.392	118	0.753	0.727	0.138	1151.96(5)
One-factor model (combining all constructs)	1580.686	119	0.736	0.699	0.145	1299.254(6)

N = 587. TLI, Tucker-Lewis index; CFI, comparative fit index; RMSEA, root mean square error of approximation.

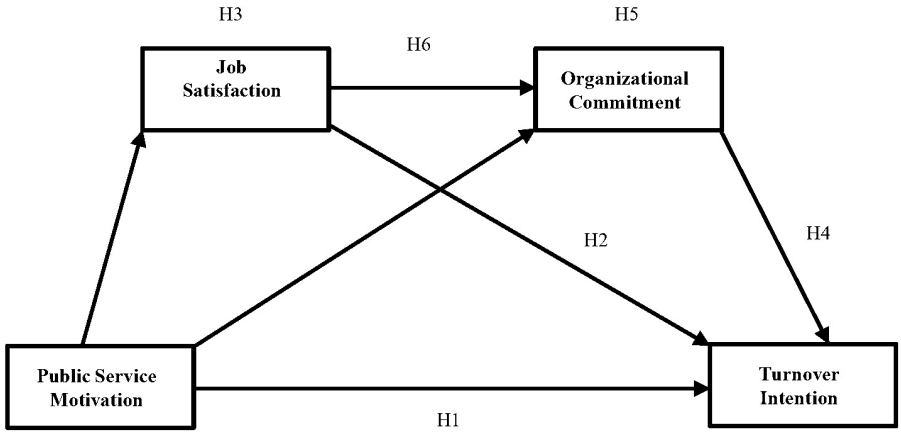

FIGURE 1 | Research framework and hypotheses.

CFI = 0.976, TLI = 0.970, and RMSEA = 0.046], because CFI and TLI all are above 0.9, and RMSEA was at or below 0.06. As displayed, PSM had a direct, positive effect on job satisfaction (PSM→JS; $p < 0.001$, standardized estimate = 0.504) and organizational commitment (PSM→JS; $p < 0.05$, standardized estimate = 0.086). Furthermore, the direct effects of job satisfaction (JS→TI; $p < 0.001$, standardized estimate = −0.381) and organizational commitment (OC→TI; $p < 0.001$, standardized estimate = −0.507) on turnover intention were all negative and significant, which supported Hypotheses 2 and 4. In addition, job satisfaction positively affected organizational commitment (JS→OC; $p < 0.001$, standardized estimate = 0.782). However, PSM had no direct effect on employees' turnover intention (standardized estimate = −0.018, $p > 0.05$) when the mediators were included in the hypothesized model.

To detect the indirect effects, a bootstrapping method was performed to test the indirect effects and mediating effects in the path structural equation model. As can be seen from **Table 3** and **Figure 2**, the indirect impact of PSM

TABLE 3 | Direct and indirect effects from structural model.

	Direct effect			Indirect effect		
	→ JS	→ OC	→ TI	Estimate	95% Confidence interval	
					Lower	Upper
PSM	0.504*** (0.042)	0.086* (0.050)	−0.018 (0.040)			
JS		0.782*** (0.038)	−0.381*** (0.093)			
OC			−0.507*** (0.092)			
PSM → JS → TI				−0.192	−0.970	−0.314
PSM → OC → TI				−0.043	−0.303	−0.010
JS → OC → TI				−0.397	−0.552	−0.242
PSM → JS → OC → TI				−0.120	−1.119	−0.442
R^2	0.25	0.69	0.70			

*N = 587, *p < 0.05, ***p < 0.001. PSM, public service motivation, JS, job satisfaction, OC, organizational commitment, TI, turnover intention.*

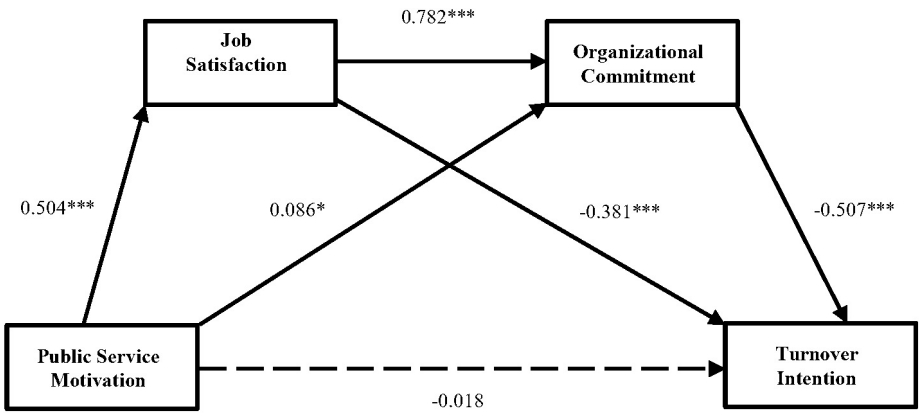

FIGURE 2 | The mediation analysis of job attitudes between PSM and turnover intention (dotted lines represent relationships which are not significant in the full model), *$p < 0.05$, ***$p < 0.001$.

on turnover intention through job satisfaction (PS→JS→TI) was statistically significant (standardized estimate = −0.192, CI = −0.970, −0.314), since the confidence interval range did not contain zero. Thus, job satisfaction fully mediated the negative relationship between PSM and turnover intention, which supported Hypothesis 3. Likewise, the indirect effect of PSM on turnover intention through organizational commitment (PSM→OC→TI) was statistically significant (standardized estimate = −0.043, CI = −0.303, −0.010), which indicated the mediating effect of organizational commitment in the association between PSM and employees' intention to quit their jobs. Accordingly, Hypothesis 5 was supported. The bootstrapping test also presented an interesting finding that the indirect impact of job satisfaction on turnover intention through organizational commitment (JS→OC→TI) was significant (standardized estimate = −0.397, CI = −0.552, −0.242). This result indicated that the association between employees' job satisfaction and their turnover intention was partially mediated by organizational commitment.

Finally, we tested whether employees' job satisfaction and organizational commitment will sequentially mediate the path between PSM and turnover intention. As expected, the indirect effects of PSM on turnover intention through job satisfaction and organizational commitment (PSM→JS→OC→TI) was also statistically significant (standardized estimate = −0.120, CI = −1.119, −0.442), which confirmed that PSM negatively affected turnover intention through job satisfaction and organizational commitment in serial. Hence, Hypothesis 6 was supported.

DISCUSSION

In the present study, we examined how PSM influenced employees' turnover intention in the public sector. The present study aimed to analyze the associations among PSM and the work-related variables that included job satisfaction, organizational commitment, and turnover intention. We also

tested how employees' job attitudes mediated the link between PSM and employees' turnover intention.

First, employees' with high PSM levels were less likely to leave their job within the public sector. In fact, the high-PSM employees were more likely to work in the public sector. A possible reason why public employees with high PSM levels can markedly lower the levels of turnover intention is because public employees with high PSM levels prefer to do these jobs that help others, serve the community of people and correct social inequity. Previous research has shown that public employee with high PSM levels place more importance on their jobs and showed more pro-social behaviors (Vandenabeele, 2008; Choi and Chun, 2018). Our results supported previous findings that public employees' PSM had a direct, negative effect on their turnover intention (Perry and Wise, 1990; Shim et al., 2017).

However, the results suggested that employees' PSM could not directly affect their turnover intention when job satisfaction and organizational commitment were taken into account. Consequently, our results supported a similar finding proposed by Bright (2008) that PSM had no direct, significant effect on employees' turnover intention after mediators (e.g., P-O fit) were considered. Furthermore, our results were also similar to those suggested by Vandenabeele (2009), where job satisfaction, normative organizational commitment, and affective organizational commitment played a partial or full mediating role in the links between PSM and individual performance. Although some scholars stressed the significant direct effects of PSM on job attitudes, such as job satisfaction, and work-related behaviors (Kim, 2012; Jin et al., 2018), the indirect effect of PSM on turnover intention remains mixed when mediators are taken into account. The inconsistent association between PSM and turnover intention may depend on cultural context, which might be related to individuals' PSM. More specifically, employees in collectivistic countries (e.g., China and Japan) would be more inclined to over-report their levels of PSM (Kim and Kim, 2016), because they are likely to hide their true intention to leave their job due to the profound influence of Confucianism.

Second, our study confirmed that the association between PSM and turnover intention was fully mediated by both job satisfaction and organizational commitment. Wright and Pandey (2008) demonstrated that the direct influence of PSM on work-related attitudes was mixed, so mediating variables were needed to explain this. As the results revealed, the effect of employees' PSM on turnover intention was fully mediated by job satisfaction. In other words, employees with high PSM level experienced high level of job satisfaction, which led them to lower their intention to leave the public sector. Such findings are consistent with some previous results, which found that the positive PSM-job satisfaction association decreased employees' intention to leave the public sector (Choi and Chun, 2018; Kjeldsen and Hansen, 2018). Therefore, jobs in the public sector may bring more satisfaction and ultimately lower their turnover intention for those employees with high levels of PSM. Likewise, organizational commitment played a fully mediating role between employees' PSM and their turnover intention. Previous research revealed that "PSM had a direct, positive effect on organizational commitment" (Kim, 2012; Austen and Zacny, 2015; Caillier, 2016), thus, employees with high PSM levels showed strong commitment and loyalty to their organizations.

Third, one interesting finding was that organizational commitment partially mediated the negative association between employees' job satisfaction and their turnover intention. Our result showed that job satisfaction indirectly affected employees' turnover intention through organizational commitment. Actually, some previous studies have shown that job satisfaction significantly predicts organizational commitment (Bufquin et al., 2017); thus, we concluded that job satisfaction showed an indirect impact on turnover intention through its influence on organizational commitment. Our results suggested that employees with high levels of job satisfaction showed greater commitment than others to their public organizations, and they chose not to leave their current job within the public sector.

Lastly, our results showed that job satisfaction and organizational commitment played multiple mediating effects in a negative association between PSM and employees' intention to quit. In prior studies, work-related attitudes and behaviors are regarded as independent intervening variables in the link between PSM and job performance (Kim, 2012; Jin et al., 2018), but few studies have incorporated job satisfaction and organizational commitment into a single turnover model. Therefore, our study provided more comprehensive analysis of the process of the direct and indirect effects of PSM on public employees' turnover intention, and it offered further evidence for turnover model including job satisfaction and organizational commitment, which supported the findings of Vandenabeele (2008). More specifically, individuals with high PSM level tend to be more satisfied with their job, work environment, and organizations. Then, this type of job satisfaction gradually increases employees' commitment to their organizations, thereby lowering the intention to change jobs within the public sector.

Theoretical Implications

Our study contributes to the previous literature concerning the mixed link between PSM and turnover intention. First, our study contributes to understanding the disputed association between PSM and turnover intention by extending the existing PSM literature in the Chinese context. Although previous studies have revealed an inconsistent relationship between PSM and turnover intention (Bright, 2008; Kim, 2012; Shim et al., 2017), there is no denying that individual levels of PSM differ across nations and cultures that are viewed as an antecedent of PSM (Ritz and Brewer, 2013; Anderfuhren-Biget et al., 2014; Kim, 2017). Most previous studies verified the causal effect of PSM on turnover intention with samples from Western countries, but few studies were conducted in Asian countries with a Confucian culture, especially in China where such studies are virtually non-existent. Indeed, recent findings have confirmed the significant effects of national culture on individual levels of PSM in collectivistic countries (Ritz and Brewer, 2013; Kim, 2017). As a result of the influence of Confucian culture, Chinese public employees may tend to over-evaluate their levels of PSM, but they may hide their true intention to quit a job to the extent possible. As such, our study not only confirmed whether the

effect of PSM on turnover intention was significant in a Chinese context, but it also tested the generalizability of Perry's PSM theory. Given that cultural and institutional context play an important role in shaping individual levels of PSM, the reason for the complex links between PSM and turnover intention or other work-related behaviors might be interpreted from a cross-cultural perspective. Consequently, in addition to examining the association between PSM and individual work-related behavior, scholars might explore further how the overall relationship found in our study varies across cultural and institutional contexts. In a word, our study broadens previous research on the mixed association between PSM and turnover intention in a cultural context. The fact that our study took into consideration the cultural context in explaining the effects of PSM on work-related behaviors also offers a more comprehensive insight for understanding PSM theory.

Second, our study integrated job satisfaction and organizational commitment into a single turnover model, which resulted in a better understanding of the relation between PSM and turnover intention. To our knowledge, only three empirical studies in the literature have proposed a turnover model that incorporated both job satisfaction and organizational commitment (Williams and Hazer, 1986; Mathieu et al., 2016; Redondo et al., 2019). As mentioned above, most scholars have explained the causality between PSM and work-related performance using P-O fit theory (Gould-Williams et al., 2015; Jin et al., 2018), but few studies have attempted to include both job satisfaction and organizational commitment in a single turnover model. Perry et al. (2010) pointed out that scholars should pay careful attention to the roles of intervening variables with regard to the complicated PSM-performance relationships (Perry et al., 2010). In addition, some scholars have pointed out that PSM acts as a generic antecedent of job satisfaction and organizational commitment (Judge et al., 2001). Thus, we argued in this study, however, that the mediating role of public employees' job attitudes in a turnover model should not be ignored. By doing so, our study theoretically broadens the mechanism through which PSM affects public employees' turnover intention and might shed more light on the theoretical approaches to the disputed link between PSM and work-related behaviors.

Practical Implications

Beyond the theoretical contribution to PSM theory, the present study offers significant insights for public organizations. First, since job applicants with high-PSM have a preference for the jobs within the public sector and are less likely to quit their job (Carpenter et al., 2012; Choi and Chun, 2018), our study indicates that job applicants with high PSM levels should be valued during the recruitment and selection procedures. To be more specific, the PSM index may be "used as one of the criteria in the employee selection process" (Lee and Choi, 2016) because it is urgent for public organizations to attract more individuals with the spirit of public concern and community values.

More importantly, the policy makers in the public organizations should pay close attention to the cultivation and promotion of employees' levels of PSM through formal training and occupational socialization. Lee and Choi (2016) argued that PSM could be cultivated and increased through a variety of devices, therefore, the policy makers in the public organizations could adopt some effective ways to imbue public employees with underlying organizational values (Kim, 2012). In particular, in view of various cultural backgrounds of new public employees, a kind of effective formal training might cause them to appreciate organizational values and expectations that embody public interests and public service values (Paarlberg et al., 2008).

Furthermore, our findings also suggest that job satisfaction significantly predicts public employees' turnover intention and, thus, it might provide some reasons for policy makers in public organizations to increase public employees' salary and improve their treatment on the job. Actually, our results showed that job satisfaction was positively associated with employees' organizational commitment and, in turn, led to employees' intention to stay in the public sector. Therefore, one important revelation is that a kind of diversified incentive mechanism should be established in the public organization to enhance public employee's job satisfaction. These incentive mechanisms could include not only material excitation means, but some non-material motivating measures, such as job promotion, career development, skills training, and job autonomy (Ni and Wu, 2013; Tang et al., 2017).

Limitations and Future Research

As with any research, our study also has some limitations that should be taken into account in the future research. First, our study relied on a cross-sectional design that cannot allow us to make causal statements with certainty. Some recent studies have explored how employees' turnover intention changes in accordance with affective commitment and job satisfaction based on longitudinal data (Chen et al., 2011; Vandenberghe et al., 2011). As such, future research should be based on longitudinal data that can further validate the causality between PSM and turnover intention. In particular, future studies should focus on how the trajectories of individual changes in PSM affect employees' turnover intention and other work-related behaviors.

Second, we adopted a shortened version of Perry's PSM scale, so the results of our study should be interpreted with caution. Although previous studies have widely verified the reliability of a shortened version of Perry's PSM scale (Pandey et al., 2008; Wright and Pandey, 2008; Coursey et al., 2012), it would be worthwhile to develop an original PSM measure based on the Chinese context in future studies. As Liu (2009) argued, one of the PSM subdimensions—compassion dimension—could not be supported in the Chinese context. Future studies, therefore, are needed to propose and to validate a PSM scale consistent with Chinese cultural and institutional contexts.

Third, the data in the present study were collected from a single source, which means there was a risk of common method variance. In particular, it was possible that public employees answered questions in a similar way due to the influence of "official-oriented" thought and social desirability. In addition, because our data were derived from a sample collected from

public employees in a single Chinese area, the sample of this survey does not completely match the characteristics of public employees' nationwide. Therefore, although the common method bias is not a concern in our study, it needed to collected data from multiple sources in order to reduce potential common method bias.

Finally, given that PSM might change across cultures (Kim, 2017; Lee et al., 2020), it must be cautious to generalize the findings from one region (e.g., Yunnan province) to other regions of China. It is quite probable that individuals' PSM levels might vary with region because each region of China has diversified ethnic culture. It may be worthwhile to explore whether our finding can be generalized in other regions of China with different ethnic culture and institution context. Thus, future research should verify the generalization of our findings with empirical data collected from different regions.

CONCLUSION

Our study aimed to explore the mediating role of job satisfaction and organizational commitment to explain the association between public employees' PSM and their turnover intention. Although public management scholars have confirmed the critical role of PSM in shaping individual work-related behavior (Shim et al., 2017; Choi and Chun, 2018; Jin et al., 2018), the results remains mixed regarding the relationship between PSM and turnover intention. This study provides additional insight into the link between PSM and turnover intention by proposing a chain moderating role of job satisfaction and organizational commitment. Our findings revealed that public employees' PSM had no direct effect on their turnover intention when job satisfaction and organizational commitment were considered simultaneously. In addition, the present study stressed the importance of exploring the mediating role of job satisfaction and organizational commitment to predict the effects of PSM on public employees' turnover intention. Our findings also indicated that organizational commitment played a mediating role in the association between public employees' job satisfaction and their turnover intention. Furthermore, PSM indirectly affected employees' turnover intention through its influence on job satisfaction and organizational commitment in the causal chain.

Although our findings are not completely consistent with some previous studies (Vandenabeele, 2009; Kim, 2012; Jin et al., 2018), it is important to recognize that the causality of the PSM-turnover intention link might depend on various mediators and different cultural and institutional contexts. Actually, without considering the influence of particular cultural and institutional backgrounds, it is impossible to understand the inconsistent results of the causal link between PSM and turnover intention. In particular, PSM and job satisfaction within the public sector should be regarded as significant psychological resources for the enhancement of employees' organizational commitment and reduction of their turnover intention. As such, we expect that this type of research will not only help test the generalization of PSM theory by undertaking cross-cultural studies, but it will underscore the need for public sector organizations to attach importance to public employees' PSM and job satisfaction.

DATA AVAILABILITY STATEMENT

All datasets generated for this study are included in the article/**Supplementary Material**.

ETHICS STATEMENT

This study was conducted with oral informed consent from all participants. All participants were informed to complete the survey confidentially and anonymously. Based on this assumption, ethical review and approval was not required for this kind of study in China.

AUTHOR CONTRIBUTIONS

YL and QW collected the data and performed the data analyses. K-PG drafted and revised the manuscript. All authors contributed to the final version of manuscript and approved it for publication.

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SUPPLEMENTARY MATERIAL

The Supplementary Material for this article can be found online at: https://www.frontiersin.org/articles/10.3389/fpsyg.2020.01289/full#supplementary-material

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Zero-Sum Construal of Workplace Success Promotes Initial Work Role Behavior by Activating Prevention Focus: Evidence From Chinese College and University Graduates

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Given that the population of Chinese college and university graduates has become larger and larger year by year since 1999, the problem of individual graduate's employment and workplace adaptability has captured widespread social concern and interest from both scholars and practitioners. Initial work role behavior is essential to an individual graduate's successful adaptation to the workplace and sustainable career development as a new employee. Based on social cognition theory, sense-making theory, and regulatory focus theory, we argue that the individual graduate's zero-sum construal of workplace success is a key factor influencing his or her initial workplace adaptability, which not only directly augments initial work role behavior but also elicits the new employee's inclination toward prevention focus, which in turn enhances initial work role behavior in the context of China's present steady economic development. Moreover, the individual graduate's average pay level moderates the mediating effect of prevention focus, such that the higher the average pay level is, the stronger the positive effect of zero-sum construal on initial work role behavior via prevention focus becomes. Two-stage survey data from 258 Chinese university graduates who have already entered organizations as full-time employees and their direct supervisors provided evidence consistent with our hypothesized first-stage moderated mediation model. Implications, limitations, and future research suggestions are also discussed.

Keywords: zero-sum construal of workplace success, initial work role behavior, prevention focus, pay level, Chinese college and university graduates

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INTRODUCTION

Since the expansion of enrollment into Chinese colleges and universities in 1999, the problem of individual graduate's adaptability to employment and the workplace has always been a hot topic and has drawn widespread attention around China. On January 16, 2019, the Ministry of Human Resources and Social Security of the People's Republic of China stated that the number of college and university graduates would reach 8.34 million in 2019, which goes beyond the 8.2 million of 2018 and creates a new record. Meanwhile, an investigation from LinkedIn indicated

a sharp decline trend among different generations in their average on-job time in their first job, such that employees born in the periods 1970–1979, 1980–1989, 1990–1994, and 1995–present, respectively persisted in their first job for 51, 43, 19, and 7 months, on average. On the one hand, a huge number of graduates are flocking into human resource market continuously, which in turn leads to unprecedentedly fierce job-seeking competition in China; on the other hand, many new employees hastily leave organizations and re-enter the competitive job-hunting market, mainly because of a lack of adaptability in their initial work role behavior. Both of these factors exacerbate the severity of the employment environment for Chinese college and university graduates, hamper their organizational socialization, and threaten their sustainable career development. Consequently, how to unravel the adaptability mechanism of individual graduate's initial work role behavior as a new employee and how to put forward effective strategies to enhance his or her initial work role behavior have become increasingly severe, urgent, and significant problems in the eyes of both scholars and practitioners in China.

There is no doubt that numerous factors affect individual graduate's initial job choices, work role behavior decisions, and turnover intention, such as social values and employment culture (Agarwala, 2008), unemployment ratio and job prospects (Athanasou, 2003), pay level and pay dispersion (He et al., 2016), leader-member relationship (Bauer et al., 2006), growth and career opportunities (Azizzadeh et al., 2003), work environment (Katherine et al., 2012), family time (Katherine et al., 2012), or the skills, competencies, and abilities of the individual (Agarwala, 2008). However, based on social cognition theory (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992) and sense-making theory (Weick, 1995), what effect the above factors (and other potential factors not mentioned here) will exert on individual employee's daily workplace behavior and turnover decisions largely depends on his or her general cognitive construal of them. We are very interested in individual graduate's initial adaptability to work as a new employee in the context of China's present steady economic development. Hence, our research seeks to unravel the adaptability mechanism from the perspective of zero-sum construal of workplace success and prevention focus.

"Zero-sum construal of workplace success" is a fundamental cognitive interpretation of workplace success that refers to an individual employee's general sense-making of whether employee A's success signifies Bs' failure or loss in the workplace (Foster, 1965; Esses et al., 1998). Sirola and Pitesa (2017) found that when an individual employee was deciding whether to engage in helping behavior in the workplace, his or her zero-sum construal of success arising from economic downturns would generate a heavy negative influence, such that the stronger individual employee's zero-sum construal of success was, the less likelihood there was that he or she would help a coworker(s), whereas, when an individual employee was inclined to construe success as a win–win or a positive-sum game, he or she tended to provide help in the workplace. Compared to Sirola and Pitesa (2017)'s research, our research has two important distinctions. First, we aim at unraveling the adaptability mechanism of an individual graduate's initial work role behavior as a new employee in the context of China's present unprecedentedly fierce job-seeking competition during a steady economic development period rather than a difficult economic period. When an economic downturn takes place, the worsening of the economy causes the chances of either getting jobs or raising wealth to fall sharply on average, which in turn may make an individual's zero-sum construal of success salient and reduce his or her likelihood to help others. In the context of China's present steady economic development, however, a large number of vacant posts need to be filled urgently. In this situation, the large population of job seekers in China is the main reason for the fierce job-seeking competition. Therefore, only candidates with strong abilities, knowledge, and skills can win and obtain jobs or other workplace success. In brief, in China's present context with plenty of job opportunities, an individual's zero-sum construal of success, which substantially arises from the fierce job-seeking competition due to the huge numbers of graduates, is very different from that mainly coming from the much lower likelihood of getting jobs or raising wealth during a difficult economic period. Second, we focus on initial work role behavior rather than workplace helping behavior. Initial work role behavior emphasizes the new employee's adaptability to the workplace, which reflects the extent to which the new employee copes with, responds to, and supports changes that influence his or her work roles, which are usually specified by the job description or supervisors' expectations. In essence, it is often attributed to in-role behavior, which, to some extent, could be regarded as a kind of egoistic behavior. Workplace helping behavior, however, is essentially a kind of organizational citizenship behavior focusing on voluntarily assisting coworkers (Sparrowe and Kraimer, 2006), which is often considered as typical altruistic behavior. Accordingly, the outcome variable we are interested in is very different from that in Sirola and Pitesa (2017)'s research.

We wonder, compared to the negative influences confirmed by Sirola and Pitesa (2017), whether the above two important distinctions could cause individual graduate's zero-sum construal of workplace success to demonstrate different influences on his or her initial workplace adaptability in China's context, why, and under what boundary condition. On the basis of social cognition theory (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992) and sense-making theory (Weick, 1995), we speculate that individual graduate's zero-sum construal of workplace success in China's context may have "positive" effects. Unfortunately, most of the extant literature tends to emphasize the "negative" roles of zero-sum construal (Foster, 1965; Esses et al., 1998; Norton and Sommers, 2011; Sirola and Pitesa, 2017), with little attention and few efforts dedicated to examining the potential "positive" roles, which is not conducive to our comprehensive understanding of zero-sum construal. Accordingly, our study aims to explore "what effect" individual graduate's zero-sum construal of workplace success actually exerts on his or her initial work role behavior as a new employee, "why," and "under what boundary condition."

We seek to unravel the black box of the mechanism of individual graduate's initial workplace adaptability in view of

prevention focus based on regulatory focus theory (Higgins, 1997; Higgins, 1998). Prevention focus, one of the two basic self-regulation systems and motives of human beings, primarily concentrates on prevention goals and punishment-avoidance (Kark and Van Dijk, 2007). It is found that situational factors are the main triggers of an individual's inclination toward prevention focus (Higgins, 1997, 1998). Though zero-sum construal of workplace success is not a kind of situation, it is exactly the individual graduate's general cognition of situations where workplace success events take place. Once shaped, the individual's zero-sum construal of workplace success will efficiently guide his or her workplace behavior in a less time- and energy-consuming way (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992; Weick, 1995), as it is impossible and generally non-economic to exhaustively scrutinize every situation where workplace success occurs (Macrae et al., 1994). Further, a zero-sum construal of workplace success emphasizes that employee A's workplace success is the workplace loss or failure of other employees, which is exactly consistent with prevention focus's main concern with prevention goals and punishment-avoidance. Thus, individual graduate's zero-sum construal of workplace success may be one triggering factor that elicits his or her prevention focus inclination. After being activated by the individual graduate's zero-sum construal of workplace success, prevention focus is more likely to motivate the new employee to concentrate on what he or she "should" do in the initial workplace to avoid potential loss or failure, since this is the main concern and goal of an individual employee who operates primarily within a stronger prevention focus inclination. The individual graduate's initial work role behavior as a new employee, which could reflect his or her workplace adaptability, is just what he or she "should" do in the workplace. Thereby, the individual graduate's prevention focus evoked by his or her zero-sum construal of workplace success may promote his or her initial work role behavior as a new employee. The findings of the extant literature that an individual's prevention focus is positively related to his or her in-role performance (Neubert et al., 2008) could provide direct evidence for this inference. Taking the above two inferences together, we identify prevention focus as one of the potential mediators in the relationship between an individual graduate's zero-sum construal of workplace success and his or her initial work role behavior. Moreover, as the main part of the individual graduate's opportunity cost of failure in a workplace zero-sum game, we speculate that his or her average pay level may influence prevention focus's mediation in the association between zero-sum construal of workplace success and initial work role behavior. Therefore, our study explores its possible moderation role in prevention focus's mediating process as well.

After putting forward the research problem in section "Introduction," section "Theoretical Background and Hypotheses" reviews the theoretical background and constructs a first-stage moderated mediation model. Section "Materials and Methods" depicts the research sample, data collection, measurements, and data analysis methods. Section "Results" presents the empirical findings and hypothesis testing results. Theoretical and practical implications, as well as limitations and suggestions for future research, are discussed in section "Discussion."

THEORETICAL BACKGROUND AND HYPOTHESES

Zero-Sum Construal of Workplace Success and Its Effect on Initial Work Role Behavior

According to Foster (1965) and Esses et al. (1998), "zero-sum construal of success" is defined as an individual's general cognition, interpretation, or making-sense of whether person A's success represents person Bs' loss or reduced probability of succeeding. Success here refers to a wide variety of things, such as attaining wealth, making job achievements, social status improvement, or even winning a match or contest. Based on social cognition theory (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992) and sense-making theory (Weick, 1995), we can speculate that zero-sum construal of success has two main features. First, it shows remarkable differences between individuals, such that people with different backgrounds and experiences could have distinct levels of zero-sum construal of success. For example, some people may consider social wealth just as a zero-sum system, whereas other people may view it as a non-zero-sum system that could be enlarged through technological innovation (Sirola and Pitesa, 2017). Second, as one of the individual's fundamental ways of making sense of the world, once formed, zero-sum construal of success will play a significant role in the individual's daily behavior and decision-making (Weick, 1995), since it is impossible and generally non-economic to exhaustively scrutinize every situational detail (Macrae et al., 1994). For instance, Esses et al. (1998) confirmed that zero-sum belief was a vital predictor of one's perception of competitiveness within a team, and Sirola and Pitesa (2017) found that economic downturns could lead to an individual's salient zero-sum belief of success, which thereby undermined his or her workplace helping behavior.

As for our study, we focus on Chinese college and university graduates, who are the majority of Chinese organizations' new employees, and we are particularly interested in the individual graduate's zero-sum construal of "workplace success," which is gradually shaped once he or she graduates from college or university and enters an organization as a new employee. We suppose, based on social cognition theory (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992) and sense-making theory (Weick, 1995), that the individual graduate's zero-sum construal of workplace success may be an important factor influencing his or her initial workplace adaptability. Thus, we choose "zero-sum construal of workplace success" as the independent variable and "initial work role behavior" as the dependent variable, and then infer the potential relationship between them.

By the definition of "zero-sum construal of success," individual graduate's "zero-sum construal of workplace success" refers to his or her general cognition or interpretation of whether graduate/employee A's workplace success means

graduate/employee Bs' workplace loss or lower likelihood of obtaining workplace success. As a new employee, "workplace success" usually comprises getting the desired job, successfully passing the probationary period, obtaining a job promotion, getting a pay-raise, and the like. Despite that there are plenty of job opportunities due to China's present steady economic development, a fact that cannot be ignored is that China has an extremely large job demanding population. As the population of Chinese college and university graduates has become larger and larger year by year since the enrollment expansion in 1999, the competition in the job-hunting market has become more and more fierce. According to social cognition theory (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992) and sense-making theory (Weick, 1995), however, only through individual graduate's cognition or making-sense of workplace success under the situations of the competitive job-hunting market and the new workplace, which is full of ambiguity, uncertainty, and complexity, could the situations play roles in the individual graduate's initial work role behavior. Moreover, the individual's cognitive construal based on sense-making is an effective way to cope with the ambiguity, uncertainty, and complexity around him or her, which in turn could facilitate his or her workplace adaptability (Macrae et al., 1994). Therefore, for the sake of smoothly interacting with the uncertain external working situations and quickly adapting to the new workplace, the individual graduate will unconsciously make sense of the linkage between one's behavior and outcome in the job-hunting market or in the workplace, which thereby gradually shapes his or her construal of workplace success/failure. The construal of success/failure unconsciously shaped during the sense-making process of success in the job-hunting market or in the workplace based on his or her own experience and interactions with peers (Louis, 1980) will then automatically serve to guide his or her subsequent work behavior (Weick, 1995). Specifically, based on the views of sense-making theory (Weick, 1995), if the individual graduate tends to construe workplace success in a zero-sum manner and concludes that successful job hunting, passing the probationary period smoothly, obtaining a job promotion, or getting a pay-raise by another usually implies his or her reduced probability of achieving success in these respects, this making-sense or interpretation will undoubtedly enhance his or her competition awareness in the initial workplace and lead to the formation of zero-sum construal of workplace success. In the context of China's current steady economic development, a large number of vacant posts exist and need to be filled urgently. However, as stated above, the population of job-demanding individuals in China is so large that the competition between job seekers is unprecedentedly fierce. Therefore, only candidates with strong knowledge, abilities, and skills can land jobs or achieve other workplace successes. Thus, we believe that zero-sum construal of workplace success in the context of China's present steady economic development with abundant job opportunities is very different from that mainly stemming from economic downturns (Sirola and Pitesa, 2017) and is more likely to drive the individual graduate to cherish his or her job, which was hard-won against fierce competition, and to focus on how to gain a foothold at the initial working position and then continuously strengthen his or her competitiveness in the follow-up zero-sum games, such as passing the probationary period, obtaining a job promotion, or getting a pay-raise. As a new employee, initial work role behavior is so crucial to whether a person gains a foothold at the initial working position that the individual graduate must pour himself or herself into it to quickly and effectively adapt to the new job and environment. This is just as the saying goes, "Learn to walk before you learn to run." Accordingly, we posit that an individual graduate's zero-sum construal of workplace success is likely to positively influence his or her initial work role behavior as a new employee.

Hypothesis 1: Individual graduate's zero-sum construal of workplace success has a positive effect on his or her initial work role behavior as a new employee.

Mediation Role of Prevention Focus

As workplace adaptability demands that individual graduates invest a lot of resources, including attention, time, and effort, for the fulfillment of responsibilities and obligations to gain a foothold at the initial workplace, prevention focus, which primarily concentrates on an individual's fulfillment of responsibilities and obligations, is likely to be one of the key mediators linking an individual graduate's zero-sum construal of workplace success and his or her initial work role behavior in the context of China's present competitive job-hunting market and workplace.

First, the individual graduate's zero-sum construal of workplace success may be an important factor in activating his or her prevention focus inclination. According to regulatory focus theory (Higgins, 1997, 1998), "prevention focus" and "promotion focus" are the two fundamental types of self-regulating mechanisms that depict an individual's behavioral motives to seek pleasure and avoid pain. Compared to "promotion focus," "prevention focus" pays more attention to security needs rather than growth needs, rules and responsibilities rather than ambitions, and loss/cost rather than gain. As a result, an individual within a much stronger prevention focus inclination is more sensitive to the occurrence of negative outcomes, is more alert to the fulfillment of personal responsibilities and obligations, and always tries his or her best to avoid mistakes, punishment, and failures (Neubert et al., 2008). It is found that contextual factors and clues are the important triggers of an individual's self-regulating motives (Crowe and Higgins, 1997). In detail, when the situation tends to encourage an individual to be more concerned with security needs and loss or emphasizes his or her fulfillment of responsibilities and obligations heavily, it is more likely to elicit the individual's prevention focus inclination. Actually, an individual graduate's zero-sum construal of workplace success is not a kind of situation, but it is his or her general zero-sum cognition or interpretation of winning in the fierce job-seeking competition or at the workplace, which is essentially the zero-sum construal of the job-seeking situation or workplace situation. Once the individual graduate's zero-sum construal of workplace success is shaped, it may be more important than specific situations, since it will efficiently guide his or her workplace behavior in a less

time- and energy-consuming manner and effectively promote his or her workplace adaptability (Niedenthal et al., 1985; Baldwin, 1992; Fiske, 1992; Weick, 1995). Thus, the individual graduate's zero-sum construal of workplace success may be one important factor that can activate his or her prevention focus inclination. Furthermore, as zero-sum belief emphasizes the risk and loss more than does positive-sum belief, an individual graduate's having a stronger zero-sum construal of workplace success often implies that he or she has a higher risk perception and is more sensitive to negative outcomes. This is exactly consistent with prevention focus, which is mainly concerned with prevention goals and punishment-avoidance. Accordingly, the stronger the individual graduate's zero-sum construal of workplace success is, the higher his or her prevention focus level may be. To sum up, we posit that an individual graduate's zero-sum construal of workplace success may be more likely to evoke his or her prevention focus inclination.

Second, an individual graduate's prevention focus evoked by his or her zero-sum construal of workplace success in the context of China's steady economic development and competitive human resource market may be beneficial to his or her initial work role behavior as a new employee. In general, an individual within a stronger prevention focus inclination is more sensitive to negative information and outcomes, such as mistakes, failures, punishment, cost, and loss (Higgins and Tykocinski, 1992), often pays more attention to the security, rules, duties, responsibilities, and obligations (Kark and Van Dijk, 2007), cares about what one "should" do strongly, and will do his or her best to perform his or her duties, responsibilities, and obligations in order to ensure that his or her actions are in line with expectations (Higgins, 1997, 1998). Initial work role behavior, which refers to the individual graduate's initial job duties, responsibilities, and tasks and is the crucial factor in workplace adaptability, is just what he or she "should" do in the current working position. Therefore, we predict that an individual graduate's prevention focus is more likely to promote his or her initial work role behavior, such that the stronger the prevention focus inclination is, the higher the level of initial work role behavior will become. In addition, initial work role behavior is a typical kind of in-role behavior. The extant literature has confirmed that an employee's prevention focus significantly promotes his or her in-role performance (Neubert et al., 2008), which provides direct evidence for our prediction.

Taking the above two predictions together, we hypothesize:

Hypothesis 2: The relationship between an individual graduate's zero-sum construal of workplace success and initial work role behavior is partially mediated by prevention focus.

Moderation Role of Pay Level

Higgins (2000) argued that the provision of loss information is more likely to elicit an individual's prevention focus inclination. As for our study, we believe that an individual graduate's average pay level to some extent may play a role of information provision and moderate the association between zero-sum construal and initial work role behavior via prevention focus, such that when an individual graduate tends to view workplace success as a zero-sum game, his or her average pay level often represents the opportunity cost of failure in the zero-sum game, and the higher the average pay level is, the larger the opportunity cost of failure in workplace competition will be. This situation is more likely to activate an individual's prevention actions to avoid potential loss, which in turn strengthens his or her prevention focus level and ultimately promotes initial work role behavior. Conversely, when the individual graduate's average pay level at the initial working organization is much lower, the opportunity cost of his workplace failure is generally much lower, and the new employee's prevention focus level will be lower as well, which thereby leads to a lower level of initial work role behavior. To sum up, we propose that an individual graduate's average pay level may play a moderating role in the relationship between zero-sum construal of workplace success and initial work role behavior via prevention focus.

Hypothesis 3: An individual graduate's average pay level strengthens the positive relationship between zero-sum construal of workplace success and initial work role behavior mediated by prevention focus, such that the positive mediating effect is much stronger when his or her average pay level is relatively high.

Our theoretical model is summarized in **Figure 1**.

MATERIALS AND METHODS

Sample and Procedure

We chose graduates who had studied at Jiangsu Normal University or Xuzhou University of Technology and had already entered organizations as full-time employees as our research sample. The participants were recruited by sending an email. We sent out a total of 500 emails. After one week, 300 graduates had given responses (response rate = 60%) with the provision of their direct supervisor's valid email and had agreed to take part in our formal survey, which commenced in December 2018 and ended in May 2019. To avoid the common method variance issue, we asked each participant to self-rate his or her zero-sum construal of workplace success after reporting information about gender, age, organization ownership, and major in December 2018; six months later (i.e., in May 2019), we requested each participant's direct supervisor to assess his or her initial work role behavior by directly sending an email to the direct supervisor. Meanwhile, each participant self-evaluated his or her prevention focus level and provided the average pay level by month.

We collected 298 questionnaires in all, deleted 40 mismatched ones, and ultimately obtained 258 valid questionnaires. The participants (N = 258) were 44.57% male and 55.43% female, with an average age of 23 years; 18.99% came from state-owned organizations; 45.35, 18.99, and 25.97%, respectively, majored in management and economics (major 1), engineering (major 2), and language, psychology, education, and law (major 3).

Measurement

Following the back-translation procedure (Brislin, 1986), we first translated the English items into Chinese and then

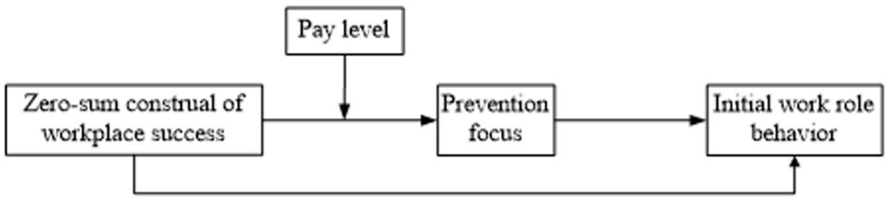

FIGURE 1 | A proposed first-stage moderated mediation model.

back-translated to English items to obtain equivalent meanings. Except for the moderator (i.e., pay level), all the items (in Chinese) measuring the three latent variables ("zero-sum construal of workplace success," "initial work role behavior," and "prevention focus") were evaluated using a five-point Likert rating method that ranges from 1 = strongly disagree to 5 = strongly agree.

Additionally, to guarantee the content validity and reliability of the three latent variables, we administered a pilot survey with an undergraduate sample who had already participated in an internship (N = 126). In the pilot survey, each participant self-rated his or her zero-sum construal of workplace success and prevention focus level and his or her direct supervisor in the internship evaluated the level of initial work role behavior. Both used a five-point Likert rating method. The specific items for measuring the three latent variables in the formal survey were retained after the pilot survey.

Zero-Sum Construal of Workplace Success

We chose three items that directly focused on to what extent the individual construed "workplace success" in a zero-sum manner from Sirola and Pitesa (2017)'s six-item scale (in which three items focus on "workplace success" and the other three items concentrate on "success" in a broad sense) to measure "zero-sum construal of workplace success." The three items are "More good jobs for some graduates signifies fewer good jobs for other graduates," "The more employees an organization employs, the more difficult it is for the extant employees to get a promotion," and "When some graduates make economic gains, the other graduates lose out economically." The reliability was 0.98.

Initial Work Role Behavior

As a new employee, adaptability is the main tenet of good initial work role behavior. We used three items focusing on individual adaptive behavior (Griffin et al., 2007) to measure initial work role behavior. The three items are "The new employee could adapt well to changes in the workplace," "The new employee could cope with changes to his or her tasks," and "The new employee could learn new skills to help him or her adapt to changes in tasks." The reliability was 0.95.

Pay Level

Pay level refers to the individual graduate's average pay level by month. It was provided by the individual graduate himself or herself. To eliminate the influence of the right-deviated distribution of raw pay data, we ran a logarithmic process before data analysis (He et al., 2016).

Prevention Focus

Prevention-focused individuals dedicate attention to security, "oughts," and loss. We chose three items that separately depicted an individual's inclination toward security, "oughts," and loss from Neubert et al. (2008)'s nine-item scale to measure the individual graduate's prevention focus. These are "Job security is an important factor for me in any job search," "Fulfilling my job duties is very important to me," and "I am careful to avoid exposing myself to potential losses at work." The reliability was 0.94.

Control Variables

We controlled for some variables that may be related to prevention focus and initial work role behavior, including gender, age, organization ownership, and major. Moreover, as pay level is found to influence employee attitudes and behaviors (He et al., 2016), we controlled for that as well.

Statistical Analysis

Other than using the three-step procedure (Baron and Kenny, 1986; Muller et al., 2005), which is mainly based on hierarchical regression analysis within SPSS software, we adopted the Sobel test and Bootstrapping approach in PROCESS (Hayes and Preacher, 2010) to test our first-stage moderated mediation model. Moreover, to ensure the discriminant validity of the three latent variables, we first did a series of confirmatory factor analyses with MPLUS software and Chi-square difference tests between each alternative model and our hypothesized three-factor model.

RESULTS

Table 1 reports the results of CFA and Chi-square difference tests.

As shown in **Table 1**, the CFA results indicate that our hypothesized three-factor model has a satisfactory fit to the empirical data: $\chi^2(24) = 75.57$, $\chi^2/df = 3.15$, RMSEA = 0.07, SRMR = 0.02, CFI = 0.98, TLI = 0.97, and the hypothesized three-factor model is much better than any of the alternative models, since the Chi-square difference test results are all significant at the 0.001 level.

Table 2 presents the means, standard deviations, correlations, and reliabilities. As shown in **Table 2**, an individual graduate's initial work role behavior is positively associated with gender (r = 0.14, $p < 0.05$), majoring in management and economics (r = 0.18, $p < 0.01$), zero-sum construal of workplace success

TABLE 1 | CFA and Chi-square difference test results (N = 258).

Model	χ^2	df	χ^2/df	RMSEA	SRMR	CFI	TLI	$\Delta\chi$ ($^2\Delta$ df)
Three-factor	75.57	24	3.15	0.07	0.02	0.98	0.97	–
Two-factor[1]	219.64	26	8.45	0.17	0.04	0.94	0.92	144.07(2)***
Two-factor[2]	931.95	26	35.84	0.36	0.10	0.72	0.61	856.38(2)***
Two-factor[3]	766.04	26	29.46	0.33	0.19	0.77	0.68	690.47(2)***
One-factor	1,095.34	27	40.57	0.39	0.11	0.66	0.55	1,019.77(3)***

$^{***}p < 0.001$. Three-factor model: zero-sum construal of workplace success; prevention focus; initial work role behavior. Two-factor[1] model: zero-sum construal of workplace success; prevention focus + initial work role behavior. Two-factor[2] model: zero-sum construal of workplace success + initial work role behavior; prevention focus. Two-factor[3] model: zero-sum construal of workplace success + prevention focus; initial work role behavior. One-factor model: zero-sum construal of workplace success + prevention focus + initial work role behavior.

TABLE 2 | Means, standard deviations, correlations, and reliabilities (N = 258).

	Mean	SD	1	2	3	4	5	6	7	8	9	10
1.C_1	0.55	0.50	1.00									
2.C_2	22.77	1.98	0.04	1.00								
3.C_3	0.19	0.39	−0.06	−0.05	1.00							
4.C_4	0.45	0.50	0.14**	0.06	−0.04	1.00						
5.C_5	0.26	0.44	0.09	−0.02	0.03	−0.54**	1.00					
6.C_6	0.19	0.39	−0.16**	−0.10	0.07	−0.44**	−0.29**	1.00				
7.M_O	8.45	0.42	−0.28**	0.02	0.01	−0.15**	0.11	−0.03	1.00			
8.X	3.08	1.20	0.03	0.04	0.06	−0.02	0.01	0.04	−0.04	(0.98)		
9.M_E	3.29	1.19	0.21**	0.10	−0.06	0.19**	−0.14*	−0.04	−0.27**	0.58**	(0.94)	
10.Y	3.34	1.07	0.14*	0.05	−0.04	0.18**	−0.17**	0.07	−0.24**	0.67**	0.84**	(0.95)

$^{*}p < 0.05$, $^{**}p < 0.01$. The reliabilities of X, M_E, and Y are on the diagonal in parentheses. C_1 means gender, 0 = male, 1 = female; C_2 means age; C_3 means organization ownership, 0 = not state-owned, 1 = state-owned; C_4 means a major in management and economics (major 1), 0 = not in management or economics, 1 = in management or economy; C_5 means a major in language, psychology, education, and law (major 2), 0 = not in language, psychology, education, or law, 1 = in language, psychology, education, or law; C_6 means a major in engineering (major 3), 0 = not in engineering, 1 = in engineering. X, M_O, M_E, and Y represent "zero-sum construal of workplace success," "pay level," "prevention focus," and "initial work role behavior," respectively. The mean and standard deviation of M_O (pay level) were calculated after a logarithmic process was run on the raw data.

(r = 0.67, $p < 0.01$), and prevention focus (r = 0.84, $p < 0.01$), whereas it is negatively related to a major in language, psychology, education, and law ($r = -0.17$, $p < 0.01$) and pay level ($r = -0.24$, $p < 0.01$). Moreover, an individual gradute's prevention focus is significantly related to gender (r = 0.21, $p < 0.01$), a major in management and economics (r = 0.19, $p < 0.01$), a major in language, psychology, education, and law ($r = -0.14$, $p < 0.05$), pay level ($r = -0.27$, $p < 0.01$), and zero-sum construal of workplace success (r = 0.58, $p < 0.01$).

Table 3 presents the results of testing the three hypotheses using hierarchical regression analysis, the Sobel test, and the Bootstrapping approach.

Hypothesis 1 posits that a significant positive relationship exists between an individual graduate's zero-sum construal of workplace success and his or her initial work role behavior. As reported in Model 5, zero-sum construal of workplace success indeed exerts a significantly positive impact on initial work role behavior (β = 0.60, $p < 0.001$), indicating that the stronger the individual graduate's zero-sum construal of workplace success is, the higher his or her level of initial work role behavior as a new employee becomes, which supports hypothesis 1.

Hypothesis 2 predicts that an individual graduate's prevention focus partially mediates the relationship between zero-sum construal of workplace success and initial work role behavior. To test this partial mediation, two approaches were adopted. First, we used hierarchical regression analysis with SPSS software to test whether the three conditions suggested by Baron and Kenny (1986) could hold. The results in **Table 3** show that (1) zero-sum construal of workplace success is significantly positive related to initial work role behavior (β = 0.60, $p < 0.001$ in Model 5), which satisfies the first condition that the independent variable (i.e., zero-sum construal of workplace success) should have a significant relationship with the dependent variable (i.e., initial work role behavior); (2) zero-sum construal of workplace success is significantly related to prevention focus (β = 0.58, $p < 0.001$ in Model 2), which meets the second condition that the independent variable (i.e., zero-sum construal of workplace success) should be significantly associated with the mediator (i.e., prevention focus); (3) after controlling for zero-sum construal, the coefficient of prevention focus on initial work role behavior is significant (β = 0.58, $p < 0.001$ in Model 6), and further, the relationship between zero-sum construal and initial work role behavior becomes weaker (from β = 0.60, $p < 0.001$ in

TABLE 3 | Hierarchical regression analysis, Sobel test, and bootstrapping results (N = 258).

	Prevention focus			Initial work role behavior				
	Model 1	**Model 2**	**Model 3**	**Model 4**	**Model 5**	**Model 6**	**Model 7**	**Model 8**
Constant	6.87 (1.75)***	6.40 (1.36)***	7.03 (1.33)***	5.87 (1.59)***	5.38 (1.11)***	1.68 (0.83)*	6.08 (1.06)***	2.27 (0.82)**
Gender	0.33 (0.15)*	0.26 (0.12)*	0.27 (0.12)*	0.18 (0.14)	0.12 (0.10)	−0.04 (0.07)	0.13 (0.09)	−0.02 (0.07)
Age	0.05 (0.04)	0.04 (0.03)	0.03 (0.03)	0.03 (0.03)	0.01 (0.02)	−0.01 (0.02)	0.00 (0.02)	−0.01 (0.02)
Organization ownership	−0.12 (0.18)	−0.23 (0.14)	−0.18 (0.14)	−0.09 (0.16)	−0.20 (0.12)	−0.06 (0.08)	−0.14 (0.11)	−0.04 (0.08)
Major 1	0.25 (0.26)	0.16 (0.20)	0.14 (0.19)	0.57 (0.23)*	0.47 (0.16)**	0.38 (0.12)**	0.45 (0.15)**	0.37 (0.11)**
Major 2	−0.17 (0.27)	−0.27 (0.21)	−0.25 (0.20)	0.12 (0.24)	0.01 (0.17)	0.17 (0.12)	0.04 (0.16)	0.17 (0.12)
Major 3	0.06 (0.28)	−0.12 (0.22)	−0.30 (0.22)	0.59 (0.26)*	0.41 (0.18)*	0.48 (0.13)***	0.21 (0.17)	0.37 (0.13)**
Pay level	−0.60 (0.18)**	−0.69 (0.14)***	−0.73 (0.14)***	−0.44 (0.16)**	−0.53 (0.11)***	−0.13 (0.08)	−0.57 (0.11)***	−0.18 (0.08)*
Zero-sum construal		0.58 (0.05)***	0.54 (0.05)***		0.60 (0.04)***	0.26 (0.04)***	0.55 (0.04)***	0.26 (0.03)***
Zero-sum construal × Pay level			0.29 (0.07)***				0.32 (0.05)***	0.16 (0.04)***
Prevention focus						0.58 (0.04)***		0.54 (0.04)***
F	5.08***	27.65***	28.15***	4.49***	39.50***	97.06***	43.44***	93.82***
Adjust R^2	0.10***	0.45***	0.49***	0.09***	0.55***	0.77***	0.60***	0.78***

The Sobel test and bootstrapping results for the mediation of prevention focus (Hypothesis 2)

	Value	**SE**	***z***	***p***
Sobel test	0.34	0.03	9.88	0.00
Bootstrapping	**Effect**	**SE**	**LL 95% CI**	**UL 95% CI**
Indirect effect	0.34	0.03	0.27	0.41
Direct effect	0.26	0.03	0.19	0.33
Total effect	0.60	0.04	0.53	0.68

First-stage moderated mediation results for initial work role behavior across different pay levels (Hypothesis 3)

Level	**Conditional indirect effect**	**SE**	**LL 95% CI**	**UL 95% CI**
Low (-0.42)	0.18	0.04	0.10	0.26
High (0.42)	0.47	0.06	0.36	0.58

**p < 0.05, **p < 0.01, ***p < 0.001. "Prevention focus" is the outcome variable of models 1, 2, and 3, whereas "Initial work role behavior" is the outcome variable of models 4, 5, 6, 7, and 8. Moreover, "major 1" represents a major in management and economics, "major 2" means a major in language, psychology, education, and law, and "major 3" represents a major in engineering. The coefficients for the hierarchical regression analysis (from Model 1 to Model 8) are unstandardized, with standard errors in parentheses. Bootstrapping sample size = 5,000, LL = lower limit, UL = upper limit, CI = confidence interval.*

Model 5 to β = 0.26, $p < 0.001$ in Model 6), which complies with the third condition that the mediator (i.e., prevention focus) should be significantly related to the dependent variable (i.e., initial work role behavior) when the equation includes the independent variable (i.e., zero-sum construal of workplace success) and the coefficient of the effect of the independent variable on the dependent variable becomes weaker (i.e., a partial mediation) or non-significant (i.e., a complete mediation). Hence, the hierarchical regression analysis results suggest that prevention focus partially mediates the relationship between zero-sum construal of workplace success and initial work role behavior, supporting hypothesis 2. Second, following Hayes and Preacher (2010)'s procedures, we verified hypothesis 2 through the Sobel test and Bootstrapping approach in PROCESS, the results of which are reported after the hierarchical regression analysis results in **Table 3**. As is shown, the indirect effect of prevention focus is significant (the indirect effect = 0.34, Sobel $z = 9.88$, $p = 0.00$), which is supported by the Bootstrapping results as well. Specifically, the 95% bias-corrected confidence interval for the indirect effect of prevention focus by bootstrapping 5,000 samples is (0.27, 0.41), not including 0. As a result, hypothesis 2 is supported.

Hypothesis 3 predicts that the indirect effect of prevention focus in the relationship between an individual graduate's zero-sum construal of workplace success and his or her initial work role behavior will be strengthened by a high pay level. First, the results of Model 3 in **Table 3** demonstrate that the effect of the interaction term (zero-sum construal × pay level) on prevention focus is significant (β = 0.29, $p < 0.001$). Following the procedures recommended by Preacher et al. (2006), we further did a simple slope analysis at 1 SD above and below the mean pay level (see **Figure 2**). As expected, the simple slope of zero-sum construal of workplace success on prevention focus is less positive (the simple slope = 0.83, $t = 11.25$, $p < 0.001$) when the individual graduate's average pay level is low (1 SD below the mean), whereas the

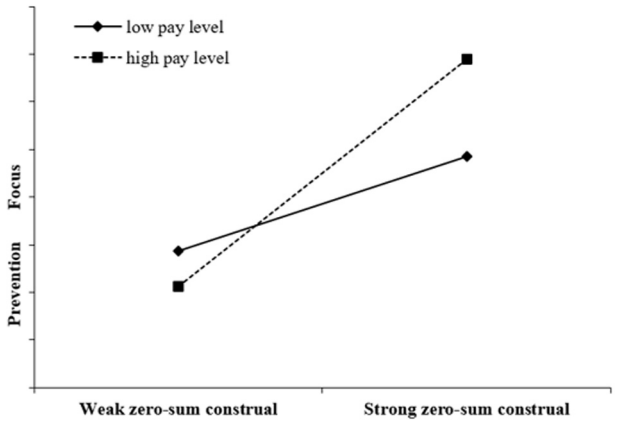

FIGURE 2 | Moderation by pay level.

simple slope of zero-sum construal of workplace success on prevention focus is more positive (the simple slope = 1.99, $t = 5.88$, $p < 0.001$) when the individual graduate's average pay level is relatively high (1 SD above the mean).

Second, the results of Model 7 in **Table 3** show that zero-sum construal is positively related to initial work role behavior ($\beta = 0.55$, $p < 0.001$). Third, the results of Model 8 in **Table 3** indicate that when controlling for zero-sum construal and the interaction item (zero-sum construal × pay level), the hypothesized mediator (prevention focus) is positively associated with the outcome variable (initial work role behavior; $\beta = 0.54$, $p < 0.001$). Therefore, according to the procedures recommended for testing a first-stage moderated mediation (Muller et al., 2005), the above three findings demonstrate that our hypothesized first-stage moderated mediation (i.e., hypothesis 3) is supported. Further, **Table 3** also presents the testing results of first-stage moderated mediation using the Bootstrapping approach in PROCESS. As expected, the indirect effect of prevention focus is conditional upon the individual graduate's average pay level. Specifically, the indirect effect of prevention focus is more positive and significant at a high pay level (the conditional indirect effect = 0.47, 95% CI ranging from 0.36 to 0.58, not including 0) whereas it is less positive and significant at a low pay level (the conditional indirect effect = 0.18, 95% CI ranging from 0.10 to 0.26, not including 0). Hence, hypothesis 3 is established.

DISCUSSION

The workplace adaptability and sustainable career development of Chinese college and university graduates as new employees have always captured widespread social concern around China. However, few efforts have been made to examine the potential role that an individual graduate's zero-sum construal of workplace success may play in his or her initial work role behavior and the underlying mechanism. To address this gap, we constructed a first-stage moderated mediation model to explain what effect, why, and under what boundary condition this may occur. Using two-stage survey data from 258 Chinese university graduates who had entered organizations as full-time employees and their direct supervisors, we found that an individual graduate's zero-sum construal of workplace success not only has a direct and positive effect on initial work role behavior but also exerts an indirect and positive impact via prevention focus. Moreover, a high pay level strengthens the positive mediating effect.

Theoretical and Practical Implications

Our study has made the following main theoretical contributions. First, it constructs a moderated mediation model to explain individual graduates' workplace adaptability in the context of China's present steady economic development, which adds Chinese evidence to the new employee adaptability research and enriches the extant theory. Second, it not only extends the antecedent of the new employee's workplace adaptability through focusing on the research gap of the potential role of zero-sum construal of workplace success in the new employee's work role behavior but also enriches research into the new employee's adaptability mechanism by unraveling the black box from the perspective of prevention focus based on social cognition theory, sense-making theory, and regulatory focus theory. Third, it confirms the "positive" influence of an individual's zero-sum construal in the context of China's present steady economic development. Moreover, it examines the moderating role of an individual graduate's average pay level in the mediating effect of prevention focus in the relationship between zero-sum construal of workplace success and initial work role behavior, which could clarify the boundary condition of the partial mediation.

Regarding the third contribution, we need to make a further explanation. Most of the extant literature tends to emphasize the negative influences of zero-sum construal (Foster, 1965; Esses et al., 1998; Norton and Sommers, 2011; Sirola and Pitesa, 2017), which may blindly cover up its potential positive roles. Undoubtedly, this is not constructive to our comprehensive understanding and correct treatment of an individual's zero-sum construal. Although we did not empirically explore the antecedent of an individual graduate's zero-sum construal of workplace success in our research, it was definitely not "cues of economic downturns" [the hypothesized antecedent of zero-sum construal of success in Sirola and Pitesa (2017)'s research], as our research took place in the context of China's present steady economic development with plenty of job opportunities. The remarkable difference in the backgrounds between Sirola and Pitesa (2017)'s research and our research may be one potential factor leading to the opposite influences of zero-sum construal. In any case, it is demonstrated that zero-sum construal does not always lead to negative effects, as, in some situations, it may have positive effects, which is very worthy of further investigation.

In terms of practical implications, our findings are helpful in solving the unadaptability issue of Chinese college and university

graduates as new employees in the workplace and facilitate their sustainable career development. First, based on the direct and indirect positive effects of an individual graduate's zero-sum construal of workplace success on his or her initial work role behavior, the employment departments of Chinese colleges and universities and the human resource managers of organizations should modify their cognition regarding zero-sum construal and accept the existence of its potential positive roles, as well taking actions to enhance the individual graduate's zero-sum construal of workplace success and level of prevention focus, such as providing detailed information about the competitive job-hunting market and presenting and emphasizing exact and specific data on loss or cost. Additionally, our study confirms the reinforcing role played by pay level in the mediating effect of prevention focus and meanwhile finds a significantly negative effect on his or her prevention focus and initial work role behavior (see in **Table 3**). Therefore, managers should weigh the average pay level carefully and reckon whether to change the universally lower average pay level of new employees.

Limitations and Future Research

First, an individual graduate's initial work role behavior is so crucial that it is of great significance to explore various kinds of factors that may influence his or her workplace adaptability in both theory and practice. Although we addressed our efforts toward examining the possible effect of "zero-sum construal of workplace success" and "prevention focus" from the perspectives of social cognition and self-regulation motives in the context of China, this is just a drop in a huge ocean. Future research should pay more attention to antecedent studies of new employees' initial work role behavior and sustainable career development from a much wider variety of perspectives. Further, to extend the external validity, the findings of our research in the context of China need to be examined in other cultural or regional contexts.

Second, we empirically unraveled the partially mediating role of "prevention focus" in the relationship between zero-sum construal of workplace success and initial work role behavior, not taking other potential mediators into consideration. For example, as discussed above, there are two basic self-regulation motives in human beings, including not only "prevention focus" but also "promotion focus." Our research only explored the potential mediation role of "prevention focus," as the "zero-sum" nature is exactly consistent with the "loss-attention-bias" of an individual within a stronger prevention focus inclination. However, in addition to "prevention focus," zero-sum construal of workplace success may influence "promotion focus" as well. Thus, we suggest that future research should consider "promotion focus" or other possible mediators, which will be beneficial for us in comprehensively understanding the underlying mechanism of new employees' workplace adaptability.

Third, we strongly recommend researchers to further explore the key factors that can bring positive influences of zero-sum construal of success. Our research has confirmed that zero-sum construal of workplace success is positively related to initial work role behavior under China's present steady economic development, which suggests the existence of positive roles for zero-sum construal. It is very necessary to comprehensively examine the influences of zero-sum construal (whether positive or negative) so as to correctly understand and treat it. Therefore, future research should pay more attention to exploring the key factors that enable zero-sum construal to bring positive effects.

Finally, future research should explore other possible factors that may moderate the relationship between zero-sum construal and prevention focus other than pay level. For example, zero-sum construal itself has a social comparison nature, so individual differences in "social comparison orientation" may influence the triggering effect of zero-sum construal of workplace success on prevention focus (Gibbons and Buunk, 1999).

DATA AVAILABILITY STATEMENT

All datasets generated for this study are included in the article.

ETHICS STATEMENT

The studies involving human participants were reviewed and approved by the Human Research Ethics Committee (HREC) at the School of Mathematics and Physical Science, Xuzhou University of Technology. Written, informed consent was inferred through the completion of the survey.

AUTHOR CONTRIBUTIONS

Both authors contributed equally to constructing the conceptual framework, collecting the empirical data, analyzing the data, and writing the manuscript.

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Conflict of Interest: The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

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B Corps: A Socioeconomic Approach for the COVID-19 Post-crisis

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The current global health and economic crisis caused by COVID-19 has opened the possibility to adopt the B Corp model and focus more on the person. Based on grounded theory, we have examined 147 organizations from 14 countries listed at the B Corp Directory for Latin America. Latin American B Corps have traits linked to family-related issues that are distinct from other B Corps located in different continents. Our main findings are that B Corps develop a more inclusive and sustainable economy to benefit society, go beyond the notion of CSR, and move away from traditional companies, as B Corps combine social development and economic growth.

Keywords: social enterprise, social purpose, community-centered, B corporations, Latam

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INTRODUCTION

The current global economic crisis caused by the SARS-CoV-2, or COVID-19, is leading toward the possibility of adapting the economy to make it more focused on the person, aligned with the general idea of the B (or Benefit) Corporations (B Corps). The B Corps are hybrid companies defined for-profit. Still, they are socially responsible beyond corporate social responsibility (CSR), as they make profits but not at the expense of stakeholders (Romi et al., 2018). B Corps use an alternative model of business to link for-profit and not-for-profit models (Castellani et al., 2016). They have incorporated a clear societal purpose into their missions, intending to achieve a positive social impact (Perkins, 2019), as they internalize their social and environmental effects (Stubbs, 2017).

The existing economic literature on the B Corps is very scarce. Studies on B Corps have so far focused on solving business organization problems (Hiller, 2013; Rawhouser et al., 2015; Wilburn and Wilburn, 2015; Stubbs, 2017; Bianchi et al., 2020), studying consumers' perceptions on the B Corps (Marquis et al., 2011; Jin, 2018), and analyzing the combination of economic, social, and ecological objectives to go beyond a CSR defined by purely economic factors (Vargas-Balaguer, 2014; Vargas-Balaguer and Caillet, 2016). However, the triple combination of economic, social, and ecological elements of the B Corps in Latin America has not been studied in detail, which constitutes our primary contribution to our work.

B Corps provide a shared collective identity for internal and external validation; they are focused on societal impact rather than maximizing profits, and they attempt to legitimate this form of sustainable entrepreneurship by influencing the business community and government officials (Stubbs, 2016). As a result, there is a strong public–private collaboration given the externalities generated during the establishment and operation of this type of company.

The public administration can issue B Corp's certifications in exchange for drawing up Annual reports, or firms can obtain private certificates (Benefit Impact Assessment, BIA) issued by B labs. These B labs measure firm's externalities on purpose (pc01), certification areas (pc02), stakeholder groups (pc03), and social contribution (pc04), as will be shown in our empirical model. Externalities

can also be certified (and re-certified every 2 years) by applying third-party independent standards (Alcorn and Alcorn, 2012; Hiller, 2013; Castellani et al., 2016; Nicholas and Sacco, 2017).

B Corps aim to be certified to attract consumers, as certified B Corps are defined by having a strong social/environmental responsibility, as they are agents of change and customers' care (Bianchi et al., 2020). Audited and certified B Corps are a third-party signal of achieving a social purpose business model innovation to help organizations to capture value above economic gains. As a result, B Corps participate in activities endowed with ethical, sustainable, or moral goals guided by five B Corp's certification paths: brand wagoner, reprioritizer, evangelist, inertial benchmarker, and reconfigurer (Moroz and Gamble, 2020).

Regarding the methodology, our study is based on grounded theory and its methods of systematization and knowledge emergence (Glaser and Strauss, 1967; Strauss and Corbin, 1990; Glaser, 1992). Grounded theory, in contrast to the approach obtained by logico-deductive methods, is theory grounded in data that has been systematically collected through social research (Goulding, 2002). We have chosen grounded theory "to conceptualize what is going on in people's lives—from their perspectives—and to propose theories that can explain and predict processes" (Nathaniel et al., 2019, p. 17). As a result, our research question deals with knowing if the B Corps satisfy social demands or whether they prefer to maximize their profit in a competitive market.

Therefore, the objective of this paper is to investigate the main motivations that lead consumers to buy products and services offered by the B Corps in Latin America (Marquis and Matthew, 2015; B Lab, 2017; Winkler et al., 2019) and how this relationship creates (or not) positive impacts in the community (Cao et al., 2017).

BACKGROUND

B Corps are a different type of companies, based on the common good (Groppa and Sluga, 2015), that operate under a model created in 2007 by the American NGO (non-governmental organization) B Lab, which developed a certification to be included under the company's logo and name. Established in several countries, System B is the organization in Latin America that coordinates B Corps and oversees by organizing corporates' communication and visibility strategies, as well as implementing training policies to expand these businesses. B Corps show steady growth from their creation (B Lab, 2017). We analyze B Corps for Latin America only, given its heterogeneity and diversity, because Latin American B Corps have traits linked to family-related issues that are distinct from other B Corps located in different continents (**Table 1**).

B Corps have points in common with the Economy of Communion (Caravaggio, 2018). Both fight against social and/or environmental problems, trade products, and services with the common good in mind and organize critical labor and ecological practices to benefit firms (Cea-Valencia et al., 2016). The origin of the Economy of Communion lies in the implementation of Christian values in the organization (Linard, 2003) by targeting the common good to achieve humanistic management of the firm (Frémeaux and Michelson, 2017). As a result, organizations work for the common good through a lucrative economic activity (Bianchi et al., 2020) but endowed of an open-minded social to benefit society. As a result, the creation of a three-fold social, economic, and ecological benefit transforms organizations into B Corps guided by high standards of transparency and accountability (Vega-Muñoz et al., 2018).

TABLE 1 | B Corps' characteristics in Latin America vs. the rest of the world.

	Latin America	Rest of the world
A tendency to cooperate internationally	No	Yes
Learning communities	Yes	Yes
Co-creation of solutions with customers only	Yes	Extended
Powerful interest groups	No	Yes
A strong relationship with family firms	Yes	No
Primarily SMEs and social entrepreneurs	Yes	No

Adapted from Jouny-Rivier and Jouny (2015), Stubbs (2017), and Zebryte and Jorquera (2017).

Besides, B Corps perform as public-owned firms (Sharma et al., 2018), because they focus on reducing socioeconomic and environmental distortions (Gueneau, 2015). Consequently, to be classified as a B Corp, organizations must meet high social, environmental, and transparency standards (Hsu and Chen, 2020). In turn, they must commit a shared decision-making procedure by considering the long-term goal of the group (Sanchis-Palacio and Campos-Climent, 2019), as B Corps guided by product newness, low competition, recent technology, and export orientation are more prone of achieving entrepreneurial growth (Carreón and Saiz-Alvarez, 2019).

B Corps work for the common good to benefit society, and the firm (Groppa and Sluga, 2015), where the economic, social, and ecological benefits generated are maximized (Bonilla-García and López-Suárez, 2016). Among these types of companies, the certified B Corps stand out. These accredited organizations are companies that have accepted voluntary third-party social participation and environmental audits conducted by B Lab, a non-profit company (Moroz et al., 2018) focused on suggesting ideas rooted in business opportunities and social work (Xin, 2005; De Smet et al., 2019). Consequently, B Corps must go through a certification process defined in four areas: environment, workers, communities, customers, and the business model (Castellani et al., 2016), and the organization is classified as a B Corp when it obtains a minimum of 80 points out of 200 (Zebryte and Jorquera, 2017). After certification, B Corps are encouraged for continuous improvement to achieving leading positions in their sectors.

Globally, this certification process involves more than 500 national and transnational NGOs (Moroz et al., 2018). External auditors measure and evaluate NGOs' activities and impacts to analyze to what extent and how audited companies incorporate socially responsible business practices in their operations. Overcoming the certification process involves new business opportunities and better access to resources (Reiser, 2012; Rawhouser et al., 2015). Certified B Corps reach a strong business reputation.

As new training and networking schemes are being designed continuously, certified B Corps improve their score every year (Moroz et al., 2018). They are in a continuous improvement process to increase job creation and the civic commitment of the firm (Masson, 2011). This organizational process creates positive externalities to benefit society, especially stakeholders. Although certified B Corps are encouraged to improve their positive impact on society and the environment endlessly, there is significant variability in how they do so (Conger et al., 2018). These hybrid organizations certify their behavior of fulfilling positive social and environmental actions, in addition to generating economic profitability to benefit their stakeholders (Abramovay et al., 2013).

Directors and managers of these hybrid companies must balance the rights of their shareholders to receive dividends with the interests of their clients, external collaborators, and workers. As a result, both the B Corp's value chain and its working environment optimize, and the communities where firms operate achieve a higher standard of living (Della Mea, 2013; Ferraro et al., 2015). Consequently, companies are increasingly committed to continuous, stakeholder-driven change toward the implementation of sustained and socially responsible business practices (Delmas and Toffel, 2008; Shepherd and Patzelt, 2011).

Some studies have found that consumers demonstrate a preference for companies that support social or environmental causes (Girling, 2012) and reward these companies by purchasing their products or services (Jin, 2018). As we know, B Corps are hybrid companies between organizations with social purposes and socially responsible firms that propose solutions to social or environmental problems (Masson, 2012). Among these problems to be solved, stand out the access to quality education and conscious consumption, and how to deal with the issues of garbage reduction, obesity and prison recidivism, access to credit, drinking water, energy, quality food, unemployment, ecosystems' regeneration, and the valuation of biodiversity (Abramovay et al., 2013). As a result, when social and environmental problems worsen, consumers increasingly prefer to buy products and services from responsible hybrid organizations (Bianchi et al., 2020). B Corps do not only operate with the logic of profit, as they increase both working and the living environments of their firms (Barton et al., 2018; Townsend, 2018). These corporate hybrids combine business attributes endowed with (or without) profit (Battilana and Lee, 2014; Rawhouser et al., 2015) to create a positive social or environmental impact to benefit their stakeholders (Chen and Kelly, 2015; Stubbs, 2017). Added to creating value for investors, workers, the community, and environment, innovative B Corps break traditional management paradigms and empower managers, as B Corps have the legal obligation to look upon other interests apart from their shareholders (Tapia and Zegers, 2014) by following a post-positivist perspective guided by subjective influences (Squires, 2009; Nurjannah et al., 2014).

METHODOLOGY

Many researchers work with grounded theory, as they relive the reality of the phenomenon to be studied (Strauss and Corbin, 1998; Birks and Mills, 2015) and review the direction and framework of their research in real time when both new findings and information emerge (Nübold et al., 2017). Grounded theory uses induction-related procedures that generate an explanatory theory of the phenomenon analyzed (Glaser and Strauss, 1967). In this study, we emphasize a conceptual and theoretical approach based on grounded theory (Boe and Torgersen, 2018), since concepts and data relationships are continuously produced and reexamined to be considered rigorous as scientific research (Strauss and Corbin, 1998). Linked to symbolic interactionism, grounded theory ensures to know what is happening and why in a social group (Strauss and Corbin, 1990) to formulate grounded theories with empirical analysis (Martin and Turner, 1986; Strauss and Corbin, 1990; Andrade-Rhor, 2019) on human behavior and the social world (Kendall, 1999). This theory is especially useful when analyzing different organizations and groups (Glaser, 1992) with relatively unstructured information (text data) and theoretical sampling (Hernández-Sampieri et al., 2014; Ilias et al., 2019).

In this work, and given the heterogeneity and diversity of Latin America as a geographical area (López, 2016; Manzano, 2016; Dini and Stumpo, 2018; Bernasconi et al., 2019; Paolasso, 2020), we have used the B Corp Directory for Latin America to contact CEOs and managers working in B Corps. We have chosen Latin America because its diversity and heterogeneity make the conclusions obtained in this study applicable to other regions and continents of the planet. Based on grounded theory, we collected and analyzed the speeches of 147 B Corps representatives from 14 countries: Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela, before being codified (Cxxx, Product/Service, Country) by using four pre-codes, as identified in the B Corps: purpose (pc01), stakeholders and interest groups (pc02), social contribution, economic growth, and human development (pc03), and certification (pc04). We complemented these pre-codes with codes (axial coding, acxx) that were interpreted as emerging and relationship functions, such as "it is associated with," "it is part of," "it is the cause of," "it contradicts," "it is one," and "it is the property of," to shape a resulting proposition (rpxx). The results are shown and discussed in the next sections.

RESULTS

From the accounts analyzed later, B Corps combine profit (economic, social, and ecological) and social development to create a production model defined by the impact of the firm on four components (or factors): purposes, stakeholders, social contribution, and certification. Business impact is monitored by standards of transparency and accountability in management (**Figure 1**).

Discourses on Purpose (pc01)

The B Corps' Latin American model is moving toward the creation of a commercial and production model for the social,

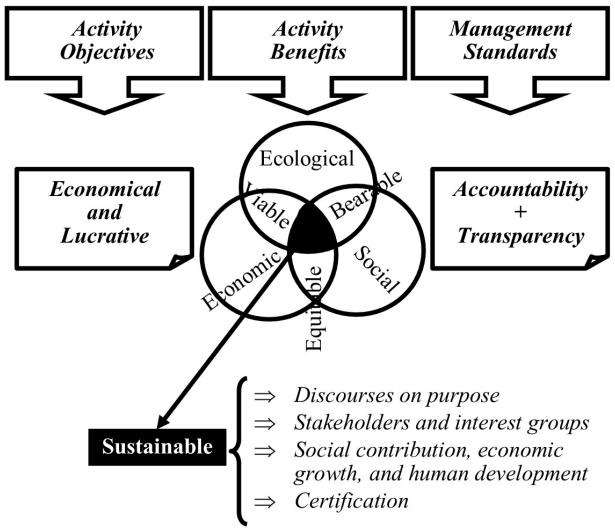

FIGURE 1 | B Corps' operating scheme.

economic, and ecological benefit of stakeholders in contact with the firm. This relationship generates positive externalities, as shown in the following statement from a Brazilian company linked to financial services:

> *"To mobilize capital for a positive socio-environmental impact by helping different actors in the financial market, such as banks, asset managers, and insurance companies, to incorporate the social, environmental, and government criteria in their decision-making investment process." (C123, S, BR).*

In general, the social and ecological purpose is mostly related to commercial firms, but the most significant economic impact is observed in the production process. This fact is found in the statement made by the following Colombian company:

> *"The first B Corp came to Colombia in the year 2000 to revolutionize the coffee industry in the country. This new business model has caused producers to receive prices almost three times above the market, but more importantly, it helped to discover exemplary producers who are producing excellent coffee." (C027, S, CO).*

Along with these economic, social, and ecological purposes, the organization includes the perspective of the client to solve the service offered in the market. This goal is achieved with customers' participation ("learning community") in the design of the production process ("co-creation of solutions") and not only with the identification of business problems, as happens in the following Mexican service company:

> *"We are a B Corp that offers consulting, advisory and training services, and designing processes to co-create solutions tailored to the challenge to be solved in a collaborative environment." (C140, S, MX).*

This triple combination of the economic, social, and ecological purposes in the production stage of the good or service offered to the market must be linked to human resources, as happens at a Peruvian company caring on its workers:

> *"Our company helps our collaborators, as we respond to their social and environmental needs through a strategic alliance signed with Traperos de Emaús. An organization ruled by the Brothers of Charity." (C007, S, PE).*

From all of the above, the B Corps' goal is associated with the generation of social, economic, and ecological benefits, only if they are sustainable, viable, bearable, or equitable (*ac01*).

Stakeholders and Interest Groups (pc02)

When the economic dimension is taken into account only, B Corps' stakeholders in Latin America tend to privilege interest groups, as they are the primary beneficiaries of the productive aspect of the good (consumer) or service (user) offered in the market. However, when the ecological, social, and economic dimensions of production are combined, interest groups tend to be less powerful. This fact happens in this B Corp of Paraguay, where interest groups benefit from the ecological dimension only, and stakeholders take advantage of the social and economic dimensions of the business model:

> *"Our company aims to offer healthy and inclusive food, to create opportunities in the world of work for people in vulnerable situations, and to solve problems related to the environmental impact generated by waste by recycling waste." (C017, P, PY).*

Likewise, stakeholders influence the State as explicitly as is recognized in the following statement made by another B Corp in Paraguay:

> *"We have strengthened the mission of private, social, and government projects. When we created our company, we realized that all the projects with purpose needed computers and reliable communication services." (C063, S, PY).*

B Corps are a model for generating scientific and technological knowledge adjusted to the challenges and dilemmas of contemporary societies. In this case, stakeholders of this Chilean B Corp exceed the margins of being social agents to benefit the community:

> *"The development of societies is closely linked to their ability to apply scientific knowledge to face the challenges of an increasingly complex and demanding world." (C041, S, CL).*

Thus, in the Latin American B Corps, stakeholders, as part of the company, are also transformed into interest groups (*ac02*).

Social Contribution, Economic Growth, and Human Development (pc03)

More significant economic development does not necessarily imply higher human development because the factors affecting human development do not equally impact on economic growth. Hence, increasing GDP per capita is not enough. Still, it is necessary to improve living conditions, respect for the environment, and increase social welfare (Amate and Guarnido, 2011). Therefore, the social contribution carried out by B

Corps contributes to impelling economic growth and human development, as seen in the following Ecuadorian B Corp:

> *"Our goal is to solve people's needs to generate well-being, good health, and quality nutrition, through true solutions by developing the agricultural and livestock sector to generate shared value through good practices and fair trade. We also apply a responsible and innovative approach to the generation of sustainable business and products to promote a healthy planet through productive practices with low environmental impact." (C049, P, EC).*

The same idea is seen in this Chilean B Corp, but now from other areas of social activity:

> *"The company promotes gender equality within the organization, ensuring equal pay for men and women to promote gender parity through the incorporation of women at the managerial level. This B Corp maximizes the potential of each member of the organization and establishes clear regulations regarding discrimination in the workplace and sexual harassment. Statutes have protected the company's social mission since its creation. Our firm has been created, first, to do good to the world and, second, to be economically profitable, and not vice versa." (C042, S, CL).*

From all of the above, the social contribution of the B Corps contributes to economic growth and human development in Latin America (*ac03*).

Certification (pc04)

B Corps are generally interested in getting a certification in any of the three areas (economy, society, and environment) to improve their corporate image, strengthen their brand in the market, and attract new clients and partners. As an example, the following statements from two B Corps in Latin America are included, the first Chilean and the second Colombian:

> *"Renewable/Clean Energies: Recognizes products/services that reduce GHG emissions by providing renewable or cleaner energy than fossil fuels; Workforce Development: Recognizes the provision of jobs with good quality standards and access to training for people in vulnerable situations." (C018, P/S, CL).*
>
> *"Companies face the challenge of remaining relevant in the new digital environment. In this process, they need to minimize their risks, optimize their opportunities, and, above all, fulfill their strategy leveraged on the appropriate technology, Choucair, through focused software testing in business. As a result of this business strategy, we have enabled and enhanced our competitive advantage in the digital transformation of firms." (C031, S, CO).*

Then, B Corps' certification focuses on achieving a triple balance (social, economic, and ecological) orientation to strengthen the business model of the firm (*ac04*).

In short, the B Corp's business model in Latin America is oriented toward achieving a triple income statement (economic, social, and ecological) that is beneficial for both the organization and society (rp01).

DISCUSSION

According to our results, the B Corp model is based on social and economic factors that reduce the centrality of the market, especially when they are combined with ecological and social dimensions. Our idea complements Sharma et al. (2018), who conducted 24 interviews with B Corps' leaders to verify that B Corps generally change their practice settings while undergoing the evaluation and reevaluation processes to achieve certification. Exogenous factors, such as the firm's size and sector, and endogenous factors, such as the nature of the firm and their business strategies pursued to maximize their impact on the society, are affected when firms transform into B Corps. B Corps adapt to the market, and they fulfill an inductively derived theoretical framework based on three building blocks: affordability, interpretability, and social references. As a result, organizations change and have a positive impact on administrations (public and private), as they can make good practices happen.

B Corps' components are not new, as they are globally recognized actions or efforts inserted into the cooperative model and the social and solidarity economy (Campos, 2016; Saiz-Álvarez, 2016; Sanchis-Palacio and Campos-Climent, 2019). Our contribution is how they combine, articulate, and contextualize. The B Corps model renews the activity of the company and explores how these activities can have external effects that stimulate social well-being beyond the limits of the organization (Stephan et al., 2016). In this way, the creation of shared value (CSV) developed by Porter and Kramer (2011) is crystallized in the search for new capitalism that transcends CSR (Muñoz-Martín, 2013). This fact opens the discussion on new forms of social resignification of business (Bocken et al., 2014; de Bakker et al., 2020).

Based on the discourses related to the business practices carried out by B Corps, the combination of productive management skills, good business reputation, and CSR policies linked to the economic, social, and ecological benefits of the firm contributes to achieving a certificate that strengthens the corporate image of the organization. Certification related to corporate identity, rather than a document that classifies the type of production and social contribution carried out by the firm. In other words, being a certified B Corp is the recognition and integration into a learning community.

Having in mind this recognition, organizations are struggling to be certified as B Corps, especially in the case of environmental-related certifications. This desire is especially intense in female entrepreneurs (Grimes et al., 2018) and supports the central theoretical argument of our research that responds to the efforts of participating in identity work by strengthening their sense of self-coherence and distinction through an authentication process to benefit B Corps.

Unlike the efforts made by traditional companies to implement business strategies to stimulate corporate policy and management based on transparency and accountability, transparency and accountability at B Corps are transversal and associated with the production process of goods and services. In this way, B Corps are a pilot experience to advance a useful model to meet social goals demanded by civil society in a socioeconomic context defined by climate change, the regular surge of economic crises, and resource depletion. Consequently, social impact is

getting increasingly important on a planet characterized by inequality and social imbalances.

CONCLUSION AND PERSPECTIVES

First, the findings provided by our research confirm, more broadly, that these firms use social-based market laws to respond to the economic, social, and environmental problems B Corps face. As a result, B Corps can develop a more inclusive and sustainable economy to benefit society. Our results are consistent with those recently identified for the Taiwan case in Huang et al. (2019).

Second, B Corps go beyond the notion of CSR. While the CSR model is focused on compensating society for part of the damage generated by the organization, or for the company's desire to benefit the community where the firm locates, the B Corps model contains, as part of its operation, both the economic contribution and the social purpose. This social purpose is a fundamental part of the production structure and not a consequence of a successful company after profit and capital accumulation.

Third, B Corps move away from traditional companies. Traditional firms continue focusing on maximizing their profits without taking care of market imperfections, social cohesion, and equity. We have shown in this paper that the main motivations that drive B Corps are based on the conviction that it is possible to combine the concepts of social development and economic growth.

This study has expanded the scarce existing research on B Corps that are beyond organizational issues (Stubbs, 2017), consumer behavior, market convenience, and responsible consumption (Bianchi et al., 2020). B Corps are now facing an adverse scenario caused by the SARS-CoV-2 (COVID 19) health crisis. They are learning from the adaptations that firms are implementing to maintain business activity in contexts of social distancing, quarantine, and teleworking. Given its economic advantages and social impact, it is foreseeable that there will be a gradual increase in the creation of B Corps, once the economic effects of this pandemic have disappeared. As a result, these socioeconomic-related firms can be one of the main pillars of the COVID-19 post-crisis.

DATA AVAILABILITY STATEMENT

Publicly available datasets were analyzed in this study. This data can be found here: https://sistemab.org/empresas-b-america-latina/.

AUTHOR CONTRIBUTIONS

ÁA-D, AV-M, and JS-Á: conceptualization. AV-M and DC: methodology design. ÁA-D: formal analysis and writing—original draft preparation. DC: validation. AV-M and JS-Á: writing—review and editing. JS-Á: translate and supervision. All authors have read and agreed to the published version of the manuscript.

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Governance for Social Purpose: Negotiating Complex Governance Practice

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Social purpose initiatives rarely take place in only one sector or policy domain. They are likely to cross sector, community, local, and national interests and, in so doing, require alternative governance arrangements that are responsive and sustainable. This article focuses on the process of forging such governance processes drawing on a case study characterized by complex cross-sector demands. The subject of the case study is a paradigm-breaking primary health and well-being initiative for a region of New Zealand with longstanding healthcare challenges, but contemporary possibilities. We were invited by the creators of this initiative to record and reflect on the challenges and successes and, from this, to identify what might be possible for future innovations. In doing so, we draw on the adaptive governance literature to frame the governance challenges and offer five paradoxes requiring collective navigation. We conclude with a series of recommendations on how such paradoxes are navigated for those needing to build governance practice in innovative social purpose initiatives and recognize the importance of engaging with indigenous scholarship in future analyses.

Keywords: governance, paradox, indigenous, adaptive, health

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INTRODUCTION

The focus of this inquiry is on collaborative, grassroots or so-called "adaptive governance" in the pursuit of social purpose outcomes which tend to cross sector, community, local, and national interests and, in so doing, require new governance arrangements to be forged and sustained. Drawing on a specific case from Aotearoa New Zealand, this article explores the possibility of configuring governance for social purpose in a way that brings community, public sector and iwi (indigenous tribal entities) groups together. We recognize that, for the latter, collective, deliberative, and decentralized decision-making has a long cultural history, but is less embedded for those immersed in a colonial-informed bureaucratic system of government. Globally, and most certainly also in Aotearoa New Zealand, many non-indigenous policy makers and governance agencies are in the early stages of understanding collective, decentralized decision-making but are becoming increasingly aware of its potential to address intractable and cross-sector challenges. The focus of this article is on a particular instance of configuring governance for social purposes driven by a collective of community groups, public sector agencies, and iwi. For non-indigenous researchers and policy practitioners, the early stages of this process often lack visibility as they can occur after initial discussions have started but before any contracting, formalized institutional agreements or funding bids occur. They also mark the phase where initiatives are at their most pliable, uncertain,

formless, and vulnerable. Careful navigating of such uncertainty up to the point where decision-making processes, structure and legitimation can be established is critical. The guiding purpose for this analysis, therefore, is to provide points of reference for those in the social purpose sector who might have begun or joined such initiatives. These points of reference can help to navigate this early phase, to "read" the cues and signs of movement, and gain a governance footing amidst genuine ambiguity, complexity and confusion.

We draw on an initiative we call *Grassroots Health*. *Grassroots Health* represents a ground-breaking and transformational social good initiative in its scope, purpose, inclusion, and process. Its purpose was to shift the direct responsibility and leadership of the health of one of New Zealand's most economically challenged regions to the community itself. Key to such a shift was achieving a fully integrated health and well-being system between primary and secondary care, creating a foundational culture shift to embrace indigenous principles and values, overturning often severe health inequities, and empowering local communities and health consumers to reclaim the power, choice, and resources necessary to enable health and well-being.

We were privileged to be invited by the creators of this initiative to record, research and reflect on the governance processes of *Grassroots Health*—an entity encompassing government agencies, District Health Boards, primary care organizations, Kaupapa Māori organizations dedicated to health services, community and iwi—over the first two-and-a-half years of its early phases[1]. We should note that the initiative had begun 6 months prior to our engagement and hence our research does not include a discussion of its genesis, formation and start-up activities aside from the origin accounts that interviewees retrospectively narrated. The research invitation to us was extended by the core governing group at the point in time when the group had agreed, written and codified governing processes and were having to negotiate how those would be enacted between them. Therefore, the primary task for us in this research project was to document, with and for, the creators of the initiative (who were our collaborators rather than subjects), the way *Grassroots Health* negotiated and co-created appropriate effective governance practices for such a venture during the initial two-and-a-half-year period. To do so, we have chosen to theorize this through "the operational unfolding of paradox" lens (Clark, 2004, p. 174) and the identification of five core paradoxes. We take the "operational" of the above excerpt seriously realizing that "to observe is to make a distinction" (Clark, 2004, p. 177) and such distinctions create competing or observational frames. Therefore, it is important to say that the construction of these paradoxes is ours as researchers. Our collaborators certainly had awareness of some or all of these five paradoxes but they were not directly articulated to us as such. Given our accountability for such a construction (McClintock et al., 2003), we shared these with, and sought feedback from, our collaborators through the dissemination of transcripts and a pre-publication report. In response, our collaborators confirmed and endorsed these five paradoxes and they were subsequently "offered back" to the community via an interactive workshop on governance, policy and evaluation for cross-sector initiatives prior to the writing of this publication. In this way we moved between researcher-narrator and researcher-facilitator roles in a commitment to research *with*, or alongside, *Grassroots Health* (McClintock et al., 2003).

This article is structured in five parts. The first discusses governance and the recent proliferation of governance research beyond its traditional, mostly corporate, board concerns. The second focuses on the health context within which this initiative is located and particularly the international, national, and local trends and challenges which inform it closely; this is followed by a section detailing the research methodology. The case study findings are fourthly presented empirically using excerpts from interviews with the core members of *Grassroots Health*, structured through the previously mentioned five core paradoxes. We conclude with a series of recommendations that aim to speak directly, not to just those who research in this area, but those practitioners who are seeking to progress effective governance for similar kinds of social good initiatives. For this significant practitioner group we hope we create visibility of the early steps of embedding a coalition of core individuals and entities who can hold the unique trajectory and complexity of such ventures upon which so much of our future societal aspirations will depend.

Before continuing, however, it is necessary for us to acknowledge our positionality. We are a team of Pākehā (European) researchers from a range of disciplines[2] . In the Māori world, as Ritchie (1992, p. 51) has noted, we Pākehā are outsiders, visitors, and we will always be so. We come from a place of privilege, both within New Zealand and within the academy. Our research with the *Grassroots Health* partners was a result of their manaakitanga, their hospitality and generosity, their invitation to visit, record and interpret; and their critical feedback on the iterations of analysis we shared[3]. We also acknowledge that, while *Grassroots Health* was underpinned by a kaupapa Māori approach in that it centered Māori cultural aspirations, values and beliefs, as Pākehā researchers, our kaupapa (purpose) has been to let those involved speak for themselves. Our engagement with western understandings of adaptive governance as applied to these conversations, has been undertaken with the permission of our collaborators, as noted above. Our ongoing aspiration as researchers is to ensure we reciprocate the manaakitanga that has been shared with us, and to recognize that our understandings of Te Ao Māori will be always be incomplete (Ritchie, 1992; see also Pihama et al., 2015; Rauika, 2020).

RETHINKING GOVERNANCE

Governance and its research are currently moving through a period of definitional ferment, divergence, and heterogeneity

[1] *Kaupapa Māori* is a philosophical doctrine, incorporating the knowledge, skills, attitudes, and values of Māori society (Māori Dictionary, 2020) and, in practice, is concerned with Māori communities achieving cultural, educational, and social liberation, thereby supporting a process of decolonization (Akama et al., 2019).

[2] *Pākehā* refers to a New Zealander of European descent.

[3] *Manaakitanga* is defined as "hospitality, kindness, generosity, support—the process of showing respect, generosity, and care for others" (Māori Dictionary, 2020).

after decades of a largely corporate bias and an overwhelmingly regulatory focus. Ansell et al. (2016, p. 4–5) identified three major impacts on governance that account for this: firstly what they describe as "dramatic and turbulent" economic and societal change; secondly, "volatile and diffuse" changes to the immediate governance context; and thirdly, the tendency of problems and challenges to arrive at the "wicked" (as opposed to the technical and tame) end of a continuum. An associated shift is from what might be described as the authoritative command and control ethos to one of stewardship (Stoker, 2018) or governance as leadership (Chait et al., 2004) where collaborative, participatory and more inclusionary modes of working are required. Given the intersection of societal change, the nature of contemporary changes and the need for new governance practice (Ison and Straw, 2020), we are seeing calls for a systemic governance approach which highlights the importance of systems thinking, systemic co-inquiry and social learning (Ison et al., 2014; Ison, 2016, 2018)[4]. The cumulative effect of such shifts reinforces the predominant research view that greater complexity and the proliferation of wicked problems call for very different processes than the top-down, hierarchical and instrumental approaches that have been at the mainstream of governance, leadership, and management to date (Martin and Guarneros-Meza, 2013; Ansell et al., 2016; Innes and Booher, 2018).

Governance for social purpose could be considered a highly fragmented field. At the corporate end is research into the relationship between governance and corporate social responsibility which is orientated at understanding how corporates might balance economic and social imperatives and contribute to social projects without jeopardizing financial bottom lines (Sahut et al., 2019). At the social enterprise end is a focus on governance challenges such as shared accountability, conflicting agendas and interests, composition of boards, and issues around survival, growth, and independence (Ebrahim et al., 2014). In between, a plethora of alternative governance forms have emerged, including the ones central to this inquiry—these are collaborative and adaptive in orientation. It is important to note here that such emergence is not merely a matter of surface-level technologies and techniques but a fundamental redefinition of governance as relational. Ison et al. (2018) theorize such relationality by returning to governance's etymological roots, "to steer," highlighting the charting of a course through continually responding to uncertainty, (re)calibrating progress in response to contextual feedback, and re-negotiating purpose, or what they call "purpose elaborating" (Ison et al., 2018).

Such a steering metaphor harkens to the indigenous metaphor of wayfinding (Spiller et al., 2015) reminding us that traditional western concepts of governance have long been contested by indigenous scholars both in Aotearoa New Zealand and around the world. Processes of colonization imposed on indigenous peoples resulted in a model and practice of governance that has proved enduring in its harm. Moreover, as researchers we need to become more engaged with indigenous models of governance which are dynamic and involve consensual discussion, respectful deliberation, and are mana-enhancing[5]. What all share is a commitment to bringing *bottom up* and *top down* governance processes into more of a duality or even dialogue with each other.

Adaptive governance is mostly associated with environmental, ecological, and resource contexts although has begun to creep into other domains such as health, disaster and crisis, and law (Chaffin et al., 2014). It can be considered an often emergent response to the interconnected complexities of change, uncertainty, and dynamism that demand a wholesale systems thinking and acting involving stakeholders across all levels of the government, community and the private and professional sectors (Chaffin et al., 2014; Ison et al., 2014). It has a number of dimensions that intersect strongly with governance for social purpose. The first would be its often lengthy incubation where networks that have largely developed separately begin to coalesce; where "windows of opportunity" (Olsson et al., 2006) open up largely from crisis related or disruptive events that provide catalyzing impetus; and where informal configurations—sometimes called "shadow governance" (Lynch and Brunner, 2010) begin to take forms often in tandem with recognized authority structures.

The second would be in adaptive governance's focus on bridging between micro conversations happening often at a local or community level and macro conversations happening in the government or institutional sphere (Brunner et al., 2005). Such a perspective redefines governance as a "pattern of practices" which demand sophisticated expertise and support for conversation, collaboration and conflict work (Brunner et al., 2005, p. 19). In a statement reminiscent of social purpose endeavors, Chaffin et al. (2014) noted that "community based initiatives often suffer from a lack of governing authority, legitimacy, funding, adequate flow of knowledge and resources, and sustained leadership" (p. 55), thus requiring diverse entities to work interdependently and converge resources and attention to overcome such lack. Adaptive governance offers a concept, process and set of practices by which such entities can come together to do exactly that.

Interdependence suggests the centrality of collaboration and participation which has become a focus in itself through what two academics refer to as "the fuzzy concept of collaborative governance" which encompasses a number of research streams including joined-up, network, interactive and participatory governance (Batory and Svensson, 2019a). Such governances are driven largely by the public administration and policy studies literatures and focus on initiatives that cross public and private spheres, thereby involving a broad diversity of stakeholders (Bingham and O'Leary, 2015). The tendency is to assume such governance is government led—something we will

[4]However, we acknowledge that these are "western" science or research paradigms and systems which cannot adequately account for Indigenous world views or Te Ao Māori concepts and practices of governance.

[5]Mana is a critical principle in the Māori world, it underpins an understanding of governance from a Te Ao Māori perspective, and there is no single word or concept in English that captures the depth of its meaning. According to the Māori Dictionary (2020) it refers to "prestige, authority, control, power, influence, status, spiritual power, and charisma. Mana is also "a supernatural force in a person, place or object" and is inherited at birth. Mana comes with seniority and gives a person the authority to lead and to make decisions regarding social and political matters (Māori Dictionary, 2020).

not assume at all for social purpose initiatives and which has pre-determined policy objectives—again something we will not assume for this study.

However, just as in adaptive governance, there are some lessons to learn for governance for social purpose. Waardenburg et al. (2020) identify three challenges in collaborative governance which they term *problem-solving*, *collaborative process*, and *multi-relational accountability* challenges that would appear to be exceedingly relevant to social purpose initiatives. The first, problem-solving, is the difficulty of even defining the core issue and its root causes and the political challenges of negotiating problem-definition and parameters. The second, challenges of collaborative process, refers to the need to work through different vested interests, values, cultures, and goals throughout the entire duration of the governance work. In the case of Aotearoa New Zealand, te Tiriti o Waitangi (the Treaty signed between Māori and the Crown)[6] is a foundational document that requires that non-indigenous stakeholders and researchers recognize the specific roles, relationships and responsibilities that come with being partners in all governance arrangements.

The final challenge, multi-relational accountability, reflects the tensions and struggles about how to set responsibility, apportion accountabilities, and address performance issues. As one would expect, there is no straightforward resolution to such challenges, but the literatures clustering around collaborative governance both make them visible and normalize their occurrence. This brings the complexities of practice to the forefront of governance which has a tendency to focus on abstract models and frameworks. Our experience and expectation is that such challenges are inevitable in social purpose endeavors.

Such challenges, of course, are not new to governance. Indigenous governance reminds us, in fact, that such challenges are age old and not indexed to Western traditions and meta-narratives but deeply embedded in history and culture and, particularly, experiences of colonization, oppression, and racial dominance (Nikolakis et al., 2019; see also Hunt and Smith, 2006; Kukutai and Taylor, 2016; Cornell, 2018). Grey and Kuokkanen (2019, p. 8) defined governance with respect to indigenous self-determination where "governance is about a people choosing, collectively, how they organize themselves to run their own affairs and make decisions; share power, authority and responsibilities" and hence encompasses "the broader processes of which institutions are a part" ranging from "informal and localized decision-making processes to complex, centralized, formal structures." Such self-governance sits at the very core of the social purpose initiative in Aotearoa New Zealand that was researched for this inquiry and, indeed, for any social purpose initiative (Joseph, 2005; Kahui and Richards, 2014).

Kamira (2007) argued that indigenous governance in Aotearoa New Zealand is complicated. While Kaitiakitanga as a concept centers around intergenerational stewardship, guardianship, collective responsibility, reciprocity and care, there are other critical principles that precede and inform kaitiakitanga, including mana (see text footnote 2) mana motuhake (independence, status, and sovereignty held by iwi), rangatiratanga (the hierarchical organization location of power and authority) and kawanatanga (political power and governance). Consequently there are deep cultural, historical, spiritual, and relational roots to the practice of governance in the Māori world. The 1840 Tiriti o Waitangi is a significant constitutional document that, when signed, was expected to support the sharing of governance between Māori and the Crown and enable indigenous self-determination and self-governance. In recent years, after over a century of breaches of its obligations, the Crown has re-engaged with the principles of equity, partnership, collective ownership, and protection. Te Tiriti o Waitangi is a living document and active framework whose principles drive any pursuit of social purpose and legitimizes shared or co-governance as the norm (Durie, 1998; Webster and Cheyne, 2017). Consequently, for non-indigenous stakeholders and researchers, it is necessary to recognize that Māori philosophies of governance are complex and connected to a worldview that understands land, life, spiritual essence, and connections across generations in a way that might not fit easily with Pākehā approaches. Māori emphasize collaboration, partnership and participation with the goal of bringing equity, inclusion and self-determination firmly into governance processes and purposes. It must be said that the ability to do this is very much a developing capacity for many stakeholders (including, and especially, the Crown) in the pursuit of social purpose that lives into the principles of Te Tiriti o Waitangi.

We would argue that any governance platform for social purpose will require dimensions from adaptive and systemic, collaborative and indigenous governance research and practice. We note that much of the research lies in the "gray literature" or the research driven by government agencies, private think-tanks and not-for-profit organizations, which brings a welcome practice and applied focus but lacks integration and connection with the research from purely academic institutions (Batory and Svensson, 2019b). What, therefore, remains underdeveloped is the theory–practice connection between these contemporary governance discourses and particularly the points of reference that provide any recognition of their negotiation. That is the purpose of this particular study. Therefore, our overarching research questions are: "*How does one negotiate the early phases of collaborative, grassroots or so-called 'adaptive governance' in the pursuit of social purpose outcomes?*" and "*What new governance practices will need to be forged and sustained in the pursuit of social purpose?*"

PRIMARY HEALTH CARE AND SYSTEMIC CHANGE

Through the Sustainable Development Goals (SDGs), the world has committed to an ambitious development agenda aimed at improving the health and well-being of all people (United Nations, 2015). The health-related SDGs, including goal 3, aimed at ensuring healthy lives and promoting well-being for all ages,

[6]The Treaty of Waitangi, New Zealand's founding document, was meant to be a partnership between Māori and the British Crown. Although intended to create unity, mis-translation and misunderstandings on the part of the Crown resulted in two versions of the Treaty that, in turn, led to significant breaches of the Crown's responsibilities to Māori over time (https://teara.govt.nz/en/treaty-of-waitangi).

can only be sustainably achieved with a stronger emphasis on Primary Health Care. Primary Health Care is a whole-of-society approach to health that aims equitably to maximize the level and distribution of health and well-being by focusing on people's needs and meetings those needs as early as possible along the continuum from health promotion and disease prevention to treatment, rehabilitation and palliative care, and as close as feasible to people's everyday environment. One of the underlying principles is that efforts to advance health and well-being are anchored in, and informed by, the community (World Health Organization (WHO) and the United Nations Children's Fund (UNICEF), 2018).

As with integrated health and social care initiatives in countries across the world, the *Grassroots Health* initiative was guided by these international aspirations, aimed at overturning health inequities, and empowering local communities to achieve and health consumers to reclaim the power and resources necessary to enable health and well-being. There is a significant body of knowledge on such integrated care and service networks internationally and substantial literature on health and social care service partnerships that inform these initiatives. Most notable is information about unconventional health and care organizations affiliated with The King's Fund in the United Kingdom. The King's Fund report on integrated care systems (see for example, Charles, 2020) aimed at developing substantively different ways of supporting clients, and provide evidence that some organizations have been successful in delivering care with limited resources and providing effective support for people with complex needs.

The New Zealand government, as the context for the *Grassroots Health* initiative, has a commitment to improving access to primary health care within a devolved regional administrative-funding framework (Health and Disability System Review/Hauora Manaaki ki Aotearoa Whānui, 2020). The launch of the Primary Health Care Strategy (PHCS) in 2001 (King, 2001), followed by the establishment of primary health organizations (PHOs), set the direction and vision for primary health care services in New Zealand: delivery of better, sooner, more convenient (BSMC) services, expected integration of primary health and secondary care, an increased range of services in community settings, and greater collaboration to address prioritized vulnerable services, and achieve efficiencies. Several academics critiqued the strategy (e.g., Abel et al., 2005; Cumming, 2017), documenting compatibility of the PHCS with service delivery and the philosophy of care, but highlighting the challenges of implementing the PHCS. This is pertinent for the case study, since the *Grassroots Health* initiative was embedded in a community with a strong (30 per cent) Māori population (see Te Tai Tokerau Iwi Chief Executives Consortium, 2015). From 2016 onward, there have been some adjustments to the strategy and to funding of primary health care, with a documented commitment to making changes to address the complex (sometimes wicked) problems plaguing the health system (Health and Disability System Review/Hauora Manaaki ki Aotearoa Whānui, 2020; see also the Public Service Act, 2020). Nevertheless, the political environment and the administrative arrangements underpinning both access and funding remain complex, and this posed a number of governance challenges for *Grassroots Health*.

Delivery of health policy and services is underpinned by a long history of bureaucratic legacies that seldom fit contemporary local landscapes. As a result, there have been shifts at local levels in the way policies are designed and delivered, where principles of co-production, co-design, partnerships and collaboration across sectors inform outputs, outcomes, and practices (Larkin et al., 2015; Blomkamp, 2018). In New Zealand, such initiatives are still fledgling, and require funding, patience, and trust-rich relationships between stakeholders and communities. The ultimate goal is to be transformational in the way core services are delivered to communities and to create system-change along the way (Akama et al., 2019; Carroll et al., 2019; Maher, 2019).

Over the next 20 years, the health needs of the population in the Northland region of New Zealand will increase as a result of population growth and aging, and growing prevalence of long-term health conditions. A comparison with national socio-economic measures suggests that significant portions of the Northland region's population are likely to experience hardship and deprivation (EHINZ, 2018), although such a comparison misses the significant community capacity, agency, resilience, and resourcefulness (Bishop et al., 2007). The forecasted future escalation in demand will mean services will need considerably increased capacity, but this cannot simply be *more of the same* if population outcomes are to improve, and inequities are to reduce (Te Tai Tokerau Iwi Chief Executives Consortium, 2015). The need for change is compounded by medium- to long-term forecasts of supply side constraints in operational and capital funding, and in the availability of workforce. Together, these factors point to the unsustainability of the health system in its current form in the Northland region. Future-proofing requires different resource-allocation patterns, and adoption of new ways of working that improve access, make better use of the available workforce, and improve service performance (Health and Disability System Review/Hauora Manaaki ki Aotearoa Whānui, 2020).

RESEARCH DESIGN: CASE STUDY APPROACH

We have chosen a case study approach for "getting close to reality" (Flyvbjerg, 2006, p. 132). By this, we mean case studies are vehicles to work with the complexity and messiness of governance practice in a social purpose context and to discover how those unfold in "real life." We note that a case study is "a choice of what is to be studied" (Stake, 2005, p. 443) or metaphorically, a "container" (Thomas, 2011, p. 12) for phenomena that "are in a constant interrelationship with one another" and "intermesh in myriad ways" (Thomas, 2011, p. 13). This closely parallels our understanding of governance presented earlier as dynamic, responsive, adaptive, relational, and responsive to uncertainty. The above means we have approached this case study, "not in the hope of proving anything, but rather in the hope of learning something" Flyvbjerg (2006, p. 224). What we hoped to learn were the practices required

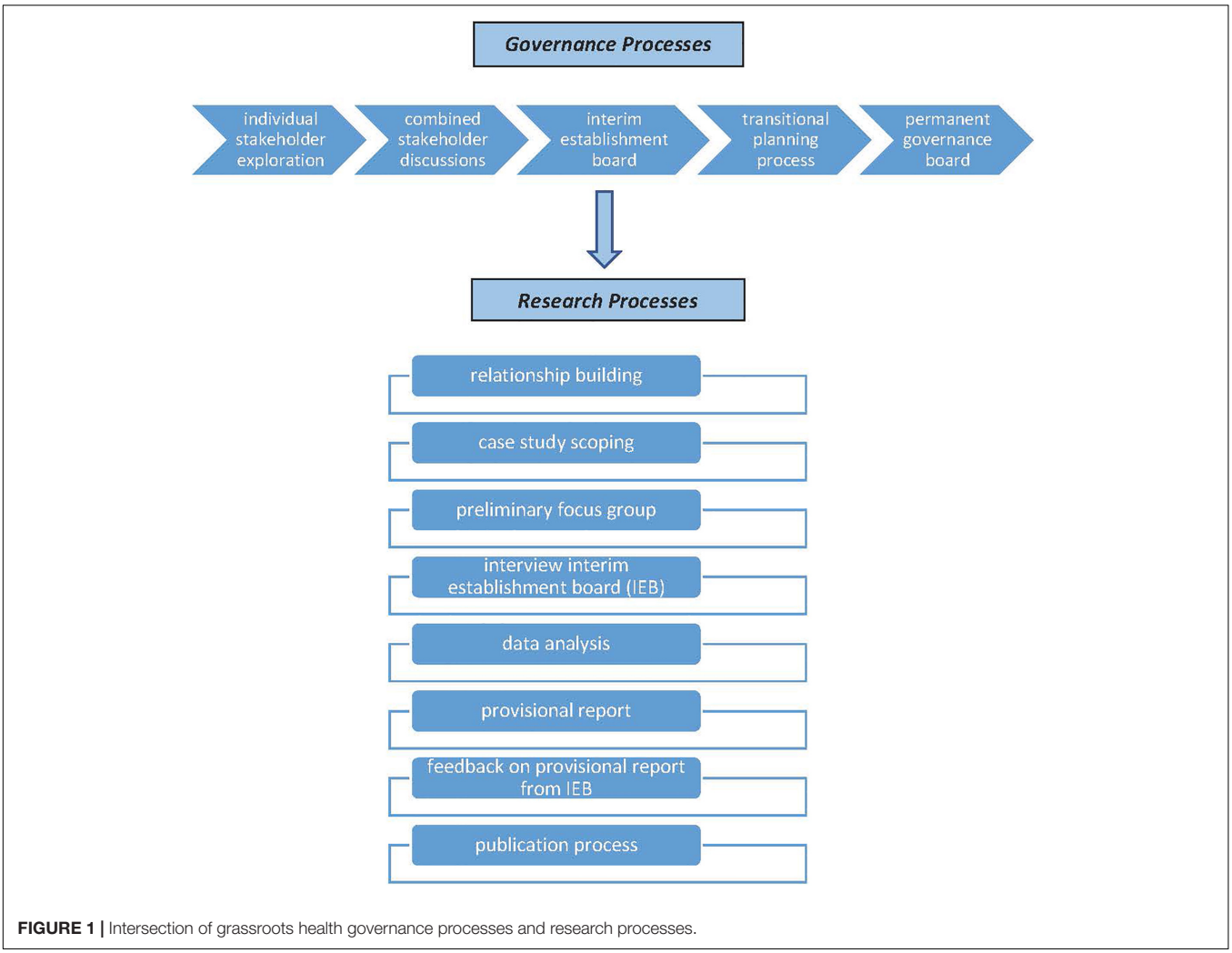

FIGURE 1 | Intersection of grassroots health governance processes and research processes.

by those pursuing social purpose innovations through bespoke governance processes before formalized and tangible progress can be made visible. In short, we wanted access to the black-box ("internal complexities") (Latour, 1999, p. 304) of governance practices that have been under-researched in governance to date—particularly governance initiatives pursuing complex social purpose endeavors. Exploring internal complexities means following a narrative sensibility or "hermeneutic composability" which seeks to ask "How does a sequence of events merge into a story? How are the elements woven together, if at all? What appears to depend on what? What contradicts? Where are there paradoxes?" (Thomas, 2010, p. 579). Such hermeneutic composability has shaped how we represent the case study where we resists the seduction of a cohesive, sequential narrative but rather offer five paradoxes—points of reference—in the negotiation of the early, often hidden stages of forming and building governance for social purpose.

Engaging with *Grassroots Health*, as a possible case study, emerged from an exploratory strategic development opportunity undertaken by the three authors with the purpose of repositioning the university in service of capability and capacity building in high-growth areas of the country. We use the term *emerge* advisedly as the first phase of that work was centered on relationship building and was constituted through multiple meetings with different community, iwi and government agency leaders. Through such meetings, two possible capability and capacity building "projects" emerged and, while initial work began with both of them, *Grassroots Health* proved to have the stronger longevity and readiness for a research-led partnership approach. A case study process offered *Grassroots Health* the opportunity to reflect on their governance journey to date, the governance practices they were working through and, most importantly, share the learning with other, similar, initiatives throughout the country. For context, we set out in broad terms (to protect confidentiality) the overall trajectory of *Grassroots Health* and position this case study research relative to that in **Figure 1**.

Figure 1 illustrates that conversations and deliberations with the core stakeholders and contributors in *Grassroots Health* were predicated on building a positive, constructive relationships with the authors over time and a conscious shift from researching "on" a research subject toward researching "with" practitioners

TABLE 1 | Interviewee affiliations.

Affiliation	Number of interviews
Community/ Iwi Leaders	4
Senior Health Leaders	2
Community Health Organizations	4
Intermediary	2

"within" their practice. As Pākēha documenting an initiative built from a kaupapa Māori approach, it was important for the research to be guided by indigenous principles, as outlined by Pe-Pua (2015). These include an awareness that social interactions between researchers and participants affect the quality of research data, and that participants, or contributors, are treated as equals within the research process. We also understood that our engagement needed to be appropriate to the norms of those with whom we were collaborating, and prioritize their language, words and accounts in our analysis (Te Awekōtuku, 1991; Smith, 1999; Pe-Pua, 2015). The relationship-building phase of our research encompassed six 2-h meetings with community, iwi, and government agency leaders and resulted in the opportunity to undertake the case study.

The empirical phase commenced with three focus groups, of 3–4 of the interim establishment board members at a time, to talk through the dates, documentation, history, and overview of the initiative. These sessions involved intense whiteboard sessions where the timeline and trajectory of the initiative were drawn and discussed. At such meetings we took notes, copied the whiteboard graphics and participated through asking questions and drawing out insights. This was followed with 12 in-depth interviews with each member of the interim establishment board including those who had participated in the focus group. We should note that this initiative had engaged with an intermediary entity to access mentoring services, project management and organizational/program development. This intermediary was considered core to the interim establishment board and was included in our empirical phase. The role of the intermediary is particularly important for this study as their role encompassed attention to effective governance practice and to sustaining overall movement and progress. To protect the anonymity of interviewees, we represent only their broad affiliations in **Table 1**.

Interviews ranged from 40 min (three interviews had to be conducted through phone) to 2 h and were semi-structured, ranging broadly around questions on the nature, trajectory and purpose of *Grassroots Health*, their own role in governance processes, critical moments and stakeholder relationships. We transcribed the recordings and each of the team members individually analyzed the material. The analysis followed an abductive process outlined by Thomas (2010, p. 579) of "questioning and surprise, intelligent noticing and serendipity" during which we gravitated firstly toward metaphor, narrative, symbols, myth, and contradictions and secondly toward the relationships and associations between them. We then met frequently as a group to discuss our (tentative) findings, converge our thinking and identify our findings. As noted previously, the construction of the five paradoxes came from these iterative rounds of analysis and conversation and particularly the coding clusters which highlighted seeming contradictions and oppositions. We re-focused on such clusters to arrive at the five core paradoxes we present here.

A report back to *Grassroots Health* was put together which outlined the paradoxes and sought feedback particularly for the findings and recommendations which follow the empirical section. The *Grassroots Health* participants pulled us toward more practical knowledge with their urgency that others needed the points of reference detailed here to gain both competence and confidence in what can feel like invisible, unrecognized and impossibly complex work. In this way, our contributors were centered within the research space as the experts with the knowledge and authority; they were with us from the outset, during data collection, our analysis and through to the completion of the report. Our hope is that this research will catalyze those committed to social purpose work and needing some research-based, theoretically informed practical knowledge with which to move forward.

EMPIRICAL MATERIAL: A STORYLINE OF PARADOXES

As mentioned earlier, we present this empirical section in the format of five paradoxes. Each paradox is constructed through the empirical material drawing on either a long-term narrative or a series of quotes from the interviews. We define paradoxes as competing frames or discourses which seem to contradict themselves, involve an "and/and" logic, or play on oppositions, but nonetheless represent some form of truth. Paradoxes flourish in contexts of complexity and adaptability and *Grassroots Health* represents exactly such a context given that it required:

- diverse entities to engage with each other
- a status quo breaking aspiration
- a non-linear pathway
- no certainty of resource, policy, or mandate
- a long-term trajectory but short-term deadlines
- the need to redistribute power and voice

Paradox One: An Unchanging Pinnacle and Ever-Changing Conditions

> "*[T]he tides are coming in and out, [but there is] the stability of the mana, manaia; because no matter what's going down they're always there.*
>
> *The pinnacle doesn't shift its axis that pinnacle still stays there. It's there. It's solid.*"

Paradox one is encapsulated by the metaphor above where the "*tides*" reflect the ever-changing conditions that need to be negotiated whilst the "*pinnacle*" reflects the overarching purpose which anchors the endeavor visibly and securely. "*Mana*" can be translated as power and authority and, in all the interviews the, source of mana was Te Tiriti o Waitangi and its promise of sovereignty (self-determination) and partnership for equity in health and well-being outcomes which required a fairer

distribution of resource[7]. The *pinnacle,* across every single interview was something called a "kaupapa" which translates in multiple ways as a purpose or plan (Williams, 1997). Each of those images suggests something foundational in nature that provides a grounding, a core or direction. Hoskins and Jones (2017) indeed define kaupapa as precisely that: a foundation, set of principles and guide. It is the kaupapa, according to them, which sustains the action, directs attention to *why* to keep going when things get tough, offers clues on *how* to proceed when it is not clear and holds people to *what* matters the most at each stage of the endeavor.

The kaupapa constituting the "*pinnacle*" for Grassroots Health was the focus of conversations for approximately the first 6 months of the initial governance core group. It was written down and referred to at "*every meeting*" according to interviewees. A core task of the intermediary entity was to facilitate the creation of the kaupapa and to hold its centrality as the interim establishment board moved into the strategic and consultative/collaborative phase of its work with stakeholders. What seemed most striking to the research team was that every interviewee could speak to the kaupapa in close to identical terms when asked, demonstrating an impressive shared understanding of its meaning and a powerful connection to its place at the heart of the endeavor. Interviews themselves were full of unsolicited references to this kaupapa giving researchers the ability to see it live and in action. The kaupapa thus was continually embodied as a lived document, anchor and touchstone amidst the overall uncertainty and twists and turns as the way forward unfolded step by step—as the following narrative excerpt from one of the interviews evokes:

> "*They'll go*[8]*: 'You've got no idea what you're doing then?' I'll say: 'I've got the idea of knowing what I'm doing'. I've got behind me an end-to-end process to make it happen; what has to be done where, who we have to involve, what bits of this thing need to be sorted out to make it happen, and here's the operating models for how it might operate. It's all there, but . . . we have to do this bit first; we have to go to our communities and ask them, and then we'll be able to work out how to best operate it and how you would do that. And, actually by the way, it's not about you; it's not about where your job is, because you aren't relevant. What's relevant is resolving the concerns of communities.*"
>
> (Interviewee)

In this excerpt, what is "*relevant*" is the kaupapa and it supersedes every "*you*" and "*your job*" that is encountered during the "*end-to-end process to make it happen*." Note the paradox in the need to "*go to our communities and ask them*" which is the call to partnership and to honor self-determination even whilst "*it's all there*" seemingly ready to be implemented. But going back to the communities is also pragmatic, if we understand and recognize that knowledge and expertise sits within these communities, and if they are the actors charged with implementation. This is the "*tides*" (community priorities and voice) and "*pinnacle*" (kaupapa) in action.

Paradox Two: Climbing Further and Turning Back

> "*Let's say we are trying to climb a mountain and the top was the final product. Like, every bit of a climb, you have to reach base camp, don't you, every time you go up. At times, as you're looking for your next base camp you're going to come across crevasses and things where it gets icy. You don't expect it to be just a straight walk; there's going to be bits in between. I think we have continued to gain altitude slowly and surely. Just being determined to get to the top and had the expectation all the way along that it was going to be difficult. We didn't even know what was coming ahead; what it would have been like going up. They're* [stakeholders] *not sure what's going to happen next, but they know where they want to get to and they're actually going to have a rest or a break somewhere along the way. I think a lot of the times we've been over the hill and down the other side sort of thing, and having to come back and look over and watch people climbing.*"

This narrative of mountain climbing encapsulates the second paradox where movement forward into new terrain is accompanied by constant "back trips" to accompany and support those further behind who need "*a rest or a break somewhere along the way*." Hence progression in such endeavors is back and forth, particularly for the interim establishment board who have to lead the challenge of forging new pathways into uncharted territory but shoulder the responsibility of getting others there as well. This narrative, of course, is resonant of paradox one where the "*pinnacle*," once a beacon or stand-out landmark has now become a "*mountain*" that requires climbing. The climbing, in turn, is akin to negotiating "*tides*" where there is no "*straight walk*" but "*bits in between*" that evoke unpredictability ("*not sure what's going to happen next*") and uncertainty ("*we didn't even know what was coming ahead*").

This was just one narrative that talked of not leaving people behind, of not moving ahead too fast for others to engage, of being conscious of moving at the pace of others, of remembering to check whether others are keeping up, and of being prepared to pause, re-engage and halt movement. Getting to "*the top*" often gets most attention in challenging expeditions but "turning back" in these accounts proved equally, if not *more* vital, given the need to travel as a cross-sector partnership of diverse stakeholders the whole way.

Paradox Three: Managing Process and Making Meaning

The third paradox is the contrast between two very different activities—managing process and making meaning—that needed to be done concurrently throughout. Each carries a very different point of focus, energy and set of practices as the following quotes attest:

Managing Process:

[7] *Rangatiratanga* is most often defined as chieftainship, and *tino-rangatiratanga* as full chieftainship. *Tino-rangatiratanga*, as it was used in the Treaty of Waitangi and interpreted today, has connotations of sovereignty, and of self-determination. *Kaitiakitanga*, associated with mana and rangatiratanga especially in the context of stewardship and governance of resources (Māori Dictionary, 2020).

[8] "They" referred generically to who those engaged with *Grassroots Health* who were looking for certainty so can include any number of stakeholders including government agencies and funding providers.

"*I'm very methodical and logical in my thinking too. I need to see a pathway A + B.*"

"*What I'm advocating for more, is greater efficiency through this; better planning and better outcomes.*"

"*If you don't have enough goodwill you have to compensate operationally with almost perfect operational delivery at center and that takes time.*"

"*Underpinning this is a whole series of detailed work packages, detailed governance and approach to governance.*"

Making Meaning:

"*And, so I'm very careful, very careful, and maybe sometimes too careful and too cautious, that people need time sometimes to make the shift.*"

"*There's creating the space and time for that; to have the maturity of thought, and develop consensus for disagreement, and that process. We're so used to trying to push things, and it's not informed discussion.*"

"*I don't want a partial decision to move forward. I want everyone to move forward freely; because if we do, no-one can break that strength. No-one.*"

"*Generally, it's as lack of engagement; I think we're not asking people what matters to them.*"

As we can see, "managing process" is predicated on a discourse of efficiency, compensation, planning (either management or governance) and operations while "making meaning" prioritizes care, movement, engagement and shared decision making. The two together, of course, cannot be seen as incompatible as all complex endeavors require the significance that comes from meaning and the implementation that comes from process; however, the interviewees did talk to their interrelationship in a rare way. The intermediary held the planning, documentation, and process work as part of their project management role but such work was primarily referred to, by both themselves and others, as core to the transparency of the initiative—as visible cues or artifacts that would support stakeholders to have confidence in each other, and resources that could provide sites of re-engagement. As such, they played a key part in the broader narrative of making meaning and not, as could be inferred, run counter to it. The word "*underpinning*" points to the two as occupying a "two sides of a coin" logic where both need to be joined up but not necessarily front facing at the same time.

Paradox Four: Building Trust and Seeking Conflict

Paradox 4 is another one of the paradoxes that has been well-recognized in the literature as, while seemingly at odds, it has a logic similar to a "chicken and egg" relationship where it is a single-direction, linear sequence—not straightforward. Key words and phrases are in bold to highlight the interrelationship between trust and conflict.

"*Trust isn't some sort of intangible; it's not based on being nice, it's based on there being definitive truth.*"

"*It's been really tough actually the experiences to date, but I think anything worthwhile is always hard. That's just in the back of my mind, and in fact that's a good sign.*"

"*Most of that work was about clearing the stuff, the misinformation away from the table; and that's had to continue. . . throughout.*"

"*There's agendas and there's egos.*"

"*We had a couple of discussions where some hard issues were dealt with. I think it's been the feature of this kaupapa mostly. You know how it is. . . when you address a hard issue, you don't want to . . ., but then you do and transparency leads to peace in a way doesn't it. . .*."

While interviewees varied in their tolerance of the degree of conflict present, most saw it as an inevitable component of the build-up and maintenance of trust, while a significant proportion credited it as the key that actually unlocked the trust and ensured it kept building. It is worth noting here that, within Te Ao Māori, conflict within decision making and negotiation processes is often anticipated and accepted. The opportunity for a place and space for different views to be heard, grievances aired and development of resolutions or pathways moving forward are all part of the ideal of kotahitanga (unity and consensus). Such conflict work could be understood as "accommodations of difference" (Russell and Ison, 2017) and associated, time and time again, with honesty, transparency, and truth which were considered essential to hold accountabilities across the stakeholders. Conflict work happened mostly outside of formal settings, in-between scheduled conversations and formed an ever-constant back-drop to the more strategic work. Stakeholders would seek each other out to work through differences, clarify discord, challenge assumptions, and confront intractable issues. No one pretended this was easy, some clearly felt uncomfortable at the extent of it, but many saw the capacity to engage in conflict productively as the single reason this endeavor made progress. It could be argued that trust was both the source and the outcome of this work with conflict which is implied in some of the above quotes where adjectives such as *tough* and *hard* are co-related with *worthwhile* and *peace*.

It is important to bring the tangibility of conflict into the social purpose and own there are as many "*agendas*" and "*egos*" there as anywhere else. The most telling insight is that conflict has been "*the feature of this kaupapa*" and was the challenge or difficulty that most interviewees raised to that question. Engaging courageously with conflict was seen as part and parcel of holding the kaupapa—if the kaupapa mattered, then anything that might prove an obstacle to realizing the kaupapa should be cleared. A number of interviewees talked about the astonishing trust that came from working through tensions and deep-seated struggles together at the same time as talking about the personal toll and cost in doing so but the weariness of having to do this again and again. How to build capacity and resilience for this trust/conflict work must be one of the biggest challenges for such governance.

Paradox Five: Holding On (Power and Control) and Letting Go (Loss)

Complexities of power and control were sub-texts of all interviews. Not just the power and control of stakeholders (although those were present), but the entire system of power and control that pursuing social purpose can mobilize. Key to this

were the dynamics of holding on of "power to" and the letting go of "power over" required, not just by the core governance participants, but by those they were seeking to influence and change. We should say from the outset that, at times, it was a key to hold on to what mattered and let go what did not and the judgment about which category things fell into was never clear cut. Hence it is too simplistic to see holding on as "bad" and letting go as "good" as it was understanding to which category things belonged that was key.

Holding On:

"*The control model is being where we've always been in health; that is not going to work.*"

"*They just want to know 'how am I going to do it', and 'what's my job going to be,' and 'is my job safe', and 'how important would I be in the structure', or 'how many people will I be controlling'. We're saying, we're not going to tell you any of that because we don't know yet.*"

"*At times it gets lost in operational detail and competing interests and the like. You lose sight of it and you're very likely to lose the value of the initiative I would suggest.*"

The quotes above speak to the propensity to hold health in a power and control frame economically, institutionally and socially and the understandable desire of stakeholders to keep their roles, jobs, and security in the face of uncertainty and change. Hold on to these two things and there is no transformation; be careless about how to loosen these and there is little trust or capacity to move. The tightrope of walking the two amidst "*operational detail and competing interests*" is helped by a different kind of holding on—holding on to the kaupapa, "*the value of the initiative*" and the purpose. *Grassroots Health* were adamant that kaupapa, value and purpose were the only things that should be held on to. Everything else had to be seen as malleable as the "letting go" quotes below show.

Letting Go:

"*For me I can give up control; I can give up form. I don't care, as long as it works.*"

"*It's the shifting of the paradigm and the balance of power, if you like, if you have to think of it in those terms, which you kind of do at this point. And that's why our roles become immaterial because it's the momentum of the model that will carry it.*"

"*I think everyone knows something is going to change, and everyone has to give something, and everyone's going to lose something.*"

Many interviewees worked intentionally and reflexively on their capacity to let go personal or institutional/organizational power and control. Even where there was a commitment to do so, momentary failures of "letting go" were frequent and the source of much of the conflict work discussed earlier. Not surprisingly, relationships with power and control appear to remain an ongoing struggle for many who do this kind of work. These quotes all show a degree of acceptance for letting go and the losses that come with it. Notice that "*form*" and "*model*" appear enablers of generative letting go, again confirming that process, frameworks, and texts, such as the kaupapa have the capacity to aid these struggles. Loss has been theorized as inherent in adaptive work of any kind (Heifetz, 1994) where the capacity to see status quo imperatives as "*immaterial*" can create a space of action and possibility. Equally, the judgment as to what matters and what is ultimately immaterial, as our interviewees tell it, is not instant, not easy and never painless. In fact, that judgment goes to the core of how one works generatively with paradox which we explore in our findings and learnings section.

DISCUSSION: RESPONDING TO PARADOX

In 1996, Ybema (1996, p. 40) argued that "paradoxes . . . seem to smile ironically at our nicely constructed theories with their clear-cut distinctions and point at an unthought-of-possibility." The five paradoxes provide our answer to our first research question: "How does one negotiate the early phases of collaborative, grassroots or so-called "adaptive governance" in the pursuit of social purpose outcomes?" The "unthought-of-possibility" that our five empirical paradoxes point to is that the early stages of governance for social purpose—often still portrayed as formal, fixed and orientated at stability—are likely, in fact, to be emergent, precarious, mutable and conflictual. It is important to note here that those descriptors are not meant to apply to just less-than-effective governance experiences, but the norm. In short, one should anticipate and expect such governance configurations to follow a highly changeable, often circular, uncertain and uncomfortable trajectory and our contention in this article is that few are prepared for that, including governance participants themselves but also other stakeholders, funding and accreditation bodies and, of course, end users and clients. We offer these five paradoxes then as identifiable signposts or points of reference that those above can learn to recognize, navigate and grow capacity to work through.

Gaining such confidence for most will involve learning to live with paradox constructively. Indeed paradox has been increasingly of interest to organizational (Lewis, 2000) and governance scholars (Sundaramurthy and Lewis, 2003) as they catalyze a means to work powerfully with complexity, ambiguity, plurality and dynamism (Quinn and Cameron, 1988). Indeed any endeavors involving individuals, collectives and organizations are now seen, not only as "inherently paradoxical," but usefully so, in that paradoxes "both hamper and encourage" the development of any change process (Lewis, 2000, p. 760). Lewis (2000), however, is also critical of using paradoxes as superficial clichés without inquiring deeply into their construction. She warns us about bringing an oppositional or bipolar logic to paradox (such as "trust is good/conflict is bad," "forward movement is progress/backward movement is problematic") and even a (seemingly positive) problem-solving logic in pursuit of resolving, clarifying or suppressing their tensions. Lewis (2000, p. 764) offers a paradox framework that would appear highly relevant to this study with three types of managing strategies: the first is acceptance (living with paradox); the second is confrontation (engaging with paradox); and the third is transcendence (intentionally thinking paradoxically). Our findings point to the need for those involved in social purpose governance to embrace transcendence and bring reflexivity,

criticality, and creativity to the more analytic and strategic thinking modes associated with governance.

Grassroots Health could draw on considerable expertise and experience with transcending paradox. They contracted an intermediary entity whose practice is known for co-crafting a kaupapa, holding that kaupapa both internally and externally in the governance process on behalf of grassroots stakeholders particularly, calling out the responsibility of all to the kaupapa when required, and pursuing collective accountability through rigorous conflict and transparency processes. Indeed, one of our findings is that an intermediary is likely to be required to hold the paradoxes for both the process and the stakeholder group. While some governance configurations can support an intermediary function from within, many will need that function to come externally. The other powerful paradox expertise and experience came from indigenous (Māori) stakeholders, both internal and external, whose relationship with paradox goes back deeply into their ancestry and culture and who hold a comparable framework to the one we have outlined here through their facility with narrative, metaphor, myth, temporality, and symbolism.

The research on paradox warns us against eliminating paradoxes, as this may result in the oversimplifying of real and necessary tensions, thus leading the system to focus too narrowly on a limited number of too-instrumental goals or measures that cluster around only one of the ends of a paradox. The research tells us that both poles of a paradox should ideally be maintained at as minimal level as possible. At such a level, they retain their generative power by keeping the system "on its toes, in a state of continuous awareness of its own contradictions" and thus able to continually orientate to paradigm and system change (Clegg et al., 2002, p. 487). Thus a core finding from this research is that those in social purpose oriented governance need to protect these paradoxes, test their maintenance, and use this awareness to calibrate their ongoing work together.

We would note that, overall, the intensity of different ends of the paradoxes shifts over the trajectory of the governance process. We found that the right-hand side of the five paradoxes presented in this article—*a changing path, turning back, making meaning, seeking conflict,* and *letting go*—were the ones that represented a significant struggle in the early stages of governance formation. This provides a significant challenge for early stage governance given these would all be considered complex practices demanding a high degree of facilitative and participant cohesion and commitment. If these early stages of governance are successful, then the different stakeholders become more adept and practiced at these with possibly the need for an intermediary decreasing.

We note though, that if contested ends of the paradox are not held together in productive tension, an initiative risks either becoming status quo confirming and potentially complacent, or too divisive and confrontational to hold together thus threatening the paradigm and system change aspirations and redistribution of voice and power that social purpose initiatives require. With *Grassroots Health* there was a fear that moving away from the right-hand side (*a changing path, turning back, making meaning, seeking conflict, letting go*) too much into the relative comfort of the left-hand side (*an unchanging pinnacle, climbing further, managing process, building trust,* and *holding on*) would risk the radical nature of the transformation being sought. This fear seemed particularly salient as the process moved into its formal and permanent phase with a permanent trust governance board. The few who bridged both the interim establishment board and the permanent trust governance board were particularly aware of their need to act as internal intermediaries to protect both ends of the paradoxes.

Our final contribution is that paradigm change requires the non-linear movement that comes through moving between different ends of the paradoxes. This is not a comfortable or seamless rhythm and would be more akin to a series of pendulum swings than anything typifying flow or progression. Identifying such pendulum swings adds complexity given we know that there is a revolving door in participants entering and exiting board structures which was evident not only in the different make-up of the *Grassroots Health* interim establishment and permanent boards but also in the ongoing constitution of both of those over time. We suspect that most in this kind of governance are not prepared for such a bumpy, uneven, and discontinuous journey. Our overall contribution is that paradigm and system change require this kind of paradoxical capacity to create movement and momentum, whilst keeping all stakeholders involved and intact. Those in the next phase of *Grassroots Health* need to be mindful of the power of protecting paradoxes; losing sight of the ends and the tensions they bring is the biggest threat to the paradigm and system change aspirations of this endeavor.

In relation to our second research question, "What new governance practices will need to be forged and sustained in the pursuit of social purpose?" we offer the following recommendations in the spirit of speaking directly to governance and social purpose practitioners and offering something actionable:

1. Develop your kaupapa (set of foundational principles) early and use it to anchor conversations, planning, negotiations, and struggles. Have it written down, bring it to meetings, and evoke it often. All members of *Grassroots Health* could articulate their kaupapa and its meanings instantly in the interviews; it was palpably a shared and uniting force between them even as events unfolded in uncertainty and ambiguity (paradox 1).
2. Seek, or intentionally build, intermediary capability to hold movement forward and backwards and managing process and making meaning interdependently (paradoxes 2 and 3). The intermediary in *Grassroots Health* consciously managed the pace, focus, volume, and intensity of the overall process; something difficult to do for those stakeholders "in" the process as opposed to "on" the process.
3. Expect to spend as much time on relationships as the governance process itself particularly in the pursuit of building trust and seeking conflict and holding on and letting go (paradox 4). Members of *Grassroots Health* spent as much time on the phone, in face-to-face conversations, and in catch-ups as they did in formal procedures. Relationships that can persevere through conflict and capacity to talk to and move through power dynamics are

the work in this early stages especially—not a distraction from it (paradox 4 and 5).

4. Managing process (documentation, protocols, and planning) is, perhaps somewhat counterintuitively, hugely important when embarking on endeavors high in ambiguity, complexity and uncertainty. While the latter demand agility, adaptability, and responsiveness more than compliance, the documentation, prototypes, and planning in *Grassroots Health* acted as decision points that stimulated the conversations needing to happen more than codes demanding automatic compliance (paradox 3).
5. Pay attention to the readiness of individuals and groups to take the next step and, if that readiness is not there yet, then wait for it to arrive without forcing it. Time moves differently when people are warming up to change and loss, as opposed to project milestones and deadlines. *Grassroots Health* core governance members referred to many such moments of pausing, regrouping, rethinking the pacing, and waiting for such readiness (paradox 2).
6. Inevitable to paradigm-breaking challenges is the requirement of all stakeholders to proactively engage with loss at some, if not multiple, parts of the process—whether that is loss of power, autonomy, resource, voice, or knowledge. Such losses will step up the need for the relationality, interdependence and care that has been constructed between stakeholders right from the beginning. *Grassroots Health* members highlighted such moments of loss as potentially critically risking connection and commitment (paradox 5).

CONCLUSION

Grassroots Health, certainly to participants at the time, was experienced as rare and challenging, not only internally to itself, but to the broader policy context within which it sat. We contend, however, that the broader political ecosystem is no longer wholly hostile to paradoxical, legacy-disruptive ways of working. We should note that, in New Zealand, the government has been looking to break down system silos through a recent legislative initiatives (Public Service Act, 2020), and in its desire to see intergenerational well-being and cross-agency policy design become the norm. This suggests that the lessons learned from *Grassroots Health* may find fertile ground for emulation by others in our country but certainly globally as we all engage with a post-Covid-19 world. For those beginning on similar paradigm and systems change initiatives, practices powerfully developed by *Grassroots Health* should help in the navigation of complexity, contradictions and conflicts that define social purpose initiatives.

DATA AVAILABILITY STATEMENT

The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation, to any qualified researcher.

ETHICS STATEMENT

The studies involving human participants were reviewed and approved by the University of Auckland Human Ethics Committee. The participants provided their written informed consent to participate in this study.

AUTHOR CONTRIBUTIONS

BC collected the data, researched the governance section, led the data analysis, wrote the first draft, and finalized submission version. CF collected the data, collaborated in the data analysis, wrote the health section, and refined and edited the manuscript. JC contributed to the data analysis, researched and wrote the indigenous sections, and refined and edited the draft. All authors contributed to the article and approved the submitted version.

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Research on Employee Sense of Gain: The Development of Scale and Influence Mechanism

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Employee satisfaction is a main source of firms' competitive advantages. Employee sense of gain (ESG) is defined as the subjective feeling of getting various objective benefits due to employees' efforts at work. It appropriately reflects employee satisfaction with the objective needs and their subjective perception of the firms, which affects their attitude, behavior, and work performance. Although ESG is gaining increasing interest in human resource research and managerial practice, literature on its conception, measurement, and contribution to human resource theory is still limited. Study 1 developed an integrative framework of concept of ESG and reported the development and validation of a scale measuring ESG. Based on the exploratory factor analysis of 201 valid questionnaires responded by enterprise staffs, the initial scale was formed. Through confirmatory factor analysis of 172 questionnaires, the formal scale was obtained. The multiphase scale development process resulted in a 14-item ESG scale measuring two dimensions: employee's material sense of gain and employee's spiritual sense of gain. Study 2 investigated the influence mechanism of ESG based on statistical analysis of 254 valid questionnaires. The results showed that ESG was influenced by all three dimensions of supportive human recourse practices (SHRP), whereby the influences were mediated by perceived insider status (PIS). Results also suggested that leader political skill (LPS) moderated the effect between SHRP (fairness of rewards and punishments, growth opportunity) and PIS positively. Overall, this research provided a reliable and valid measurement scale of ESG in the Chinese setting and explored the influence mechanism, as well as boundary conditions. Managerial implications were provided from the perspectives of organizations, leaders, and employees.

Keywords: employee sense of gain, scale development, influence mechanism, organizational support theory, supportive human resource practices

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INTRODUCTION

In the increasingly fierce war for talents, showing care to employees rather than merely paying attention to their professional performance is one of the most important means for organizations to win competitive edges. With the continuous development of society, the status of employees in the organization is continuously rising. A globally identified concept has been formed that the organization not only values the contribution of employees but also cares for their welfare

(Eisenberger et al., 1986; Allen et al., 2003). Sense of gain, in Chinese society concept's nature setting, aims to describe the living conditions of citizens. It refers to people's subjective evaluation of their benefit in the process of social development (Cao and Li, 2017). Employee sense of gain (ESG) reflects employees' subjective feelings of getting various benefits from their efforts at work, which pertinently suggests their satisfaction and their perception of the firm. Due to the significant effects on employees' attitude, behavior, and work performance, ESG is increasingly becoming an important theme in human resource theory and practices.

Despite various efforts aimed at conceptualizing and operationalizing of ESG, questions regarding its conception and measurement as well as the influence mechanism and boundary conditions remain. The concept and definition of ESG not yet determined, different scholars have different understandings for the concept and connotation of it. It is generally believed that the sense of gain is a subjective feeling based on objective gain (Ding, 2016). ESG is a multilevel demand, which is mainly manifesting in the material level of the improvement of the material standard of living and the spiritual level of self-value achievement (Zheng and Chen, 2017). At present, most relevant researches studying ESG are proposed on macro perspectives of political science or sociology. However, ESG is a subjective feeling that requires micro-level studies. ESG is the application of sense of gain in the organizational context, which more closely reflects the extent of employees' satisfaction of needs objectively and their recognition of the organization subjectively (Jiang and Zhang, 2016). However, relevant theoretical research related to ESG is lacking, the concept of ESG has not yet been clearly defined, the influence mechanism of ESG has not been revealed, and even measurement tools are deficient. These have caused a huge obstacle to the further exploration of ESG.

Against this background, this article seeks to shed light on the nature of sense of gain, its measurement, and its relation to other theoretically and managerially meaningful constructs. To these purposes, this research provides a reliable and valid measurement scale of ESG in Chinese setting and explores the influence mechanism, as well as boundary conditions. Specifically, study 1 was conducted to determine the definition of ESG and develop measurement scale. Firstly, the concept of ESG was sorted out and defined, and the initial scale was developed by literature research and expert discussion. Next, exploratory factor analysis, confirmatory factor analysis, and reliability test were conducted on the basis of the initial scale to form the formal scale. Study 2 aims to explore the antecedents, the influence mechanism, and the boundary conditions of ESG based on the organizational support theory.

STUDY 1: THE SCALE DEVELOPMENT OF EMPLOYEE SENSE OF GAIN

Methods

In this study, a qualitative and quantitative method was adopted to develop a scale of ESG (Hinkin, 1998). Firstly, according to the theoretical boundary of the concept, the coverage of the ESG measurement indicators was determined and the initial items were developed accordingly. Next, human resource management experts, entrepreneurs, and doctoral students were invited to discuss and optimize the initial items. Later, a small-scale trial was run to adjust the expressions that were hard to comprehend or were ambiguous. Afterward, the first batch of questionnaires was distributed for the prediction test, and exploratory factor analysis and reliability test were conducted on the sample data to tentatively form the scale of ESG. Finally, the second batch of data was collected to conduct confirmatory factor analysis on the initial scale of ESG, so as to form the formal scale.

Procedure

Definition of Employee Sense of Gain

In February 2015, at the Chinese 10th meeting of the central leading group for comprehensive deepening, president Xi Jinping of China put forward the concept of "sense of gain" for the first time. In recent years, it has been a heated topic in the academic field. Sense of gain is a newly localized concept proposed on the basis of the Chinese social context to describe the living conditions of citizens (Jiang and Zhang, 2016). Sense of Gain is a subjective feeling formed on the premise of both participation and contribution and the basis of objective gain (Ding, 2016; Tang, 2017). It indicates an integration of objective acquisition and subjective feeling (Ma and Liu, 2017). Objective gain not only is limited to interests in material and economic aspects but also includes the right to know; the right to participate, to express, and to supervise; and the opportunity for self-actualization (Cao and Li, 2017). As a kind of subjective feeling, different individuals may have various perceptions for the same objective acquisition. Sense of gain is a subjective evaluation of one's benefits and a personal consciousness of internal satisfaction and pleasure (Tang, 2017). In addition, sense of gain also reflects multiple levels of demands (Zhang, 2016), not only on the material dimension (such as the improvement of material living standard, the demand for economic benefits) but also on the spiritual dimension (such as the fair pursuit for dreams, the dignity of life, the realization of self-worth).

Employee sense of gain is the application of sense of gain in the organizational context. It reflects the essential characteristics of "sense of gain" and shows its particularity in the organizational context. Currently, there is no acknowledged definition of ESG in the academic community. Based on relevant literature, this study defined ESG as the subjective feeling of getting various objective benefits due to employees' efforts at work. This definition is embedded with three implications: efforts at work serve as the precondition for ESG; various objective benefits are the basis of ESG; and subjective feelings are viewed as the kernel of ESG.

Indicators of Employee Sense of Gain

In March 2018, the Chinese National School of Development at Peking University, Chinese Academy of Social Sciences, together with other institutions published the Better Life Index, which included 28 indicators that are most closely related to sense of gain. These indicators were extracted by scientific methods after a large number of interviews. Ranging the correlation degree from high to low, the 28 indicators are as follows: mentality and

emotion, health condition, income level, domestic harmony, power of example, ecological environment, awareness of law, cultural confidence, leisure-time life, self-worth, price level, social security, education and training, housing condition, interpersonal relations, benefit level, convenience for consuming, quality of old-age security, social identification, promotion opportunity, development of next generation, spiritual pursuit, salary level, group culture, working strength, government's consciousness of service, and the relationships between colleagues and working efficiency of government.

This study would determine the indicators for ESG based on the 28 indicators above. The expert group approach was adopted to examine these indicators through the perspective of organizational context and determined whether they should be kept, transformed, or deleted. First, retained indicators that can be directly incorporated into the organizational context, including "mentality and emotion," "health condition," "power of example," "leisure-time life," "self-worth," "promotion opportunity," "benefit level," "salary level," "work strength," and "the relationships between colleagues." Second, transformations could be applied indirectly to indicators in an organizational context, including converting "income level" to "salary level," "ecological environment" to "working environment," the "awareness of law" to "rules and regulations," "social security" to "medical security," "education and training" to "staff training," "housing condition" to "housing security," "interpersonal relations" into "the relationship between colleagues," "quality of old-age security" to "old-age security," "social identification" to "organizational identification," "spiritual pursuit" to "self-worth," "domestic harmony" and "development of next generation" to "work-family enrichment," "cultural confidence" and "group culture" to "organizational culture," and "government's consciousness of service," and "working efficiency of government" to "management service." Third is the eliminated indicators that could not be included in the organizational context. "Price level" and "convenience for consuming" were deleted. Finally, an initial scale for ESG composed of 20 indicators was formed (see **Table 1**).

Initial Scale

First, the indicators of ESG were explained further to form 20 initial items. For example, the item formed by the indicator of "health condition" was expressed as "I can keep in good health condition in the company." Later on, human resource management experts, entrepreneurs, and doctoral students discussed and reviewed the initial indicators and items and repeatedly revised the expressions. Since ESG is the satisfaction of multilevel demands, this study divided it into two dimensions: employee's material sense of gain (ESG1) and employee's spiritual sense of gain (ESG2). ESG1 included sense of gain obtained from income, housing, old age, and medical security. In total, 10 items were designed for ESG1. ESG2 consisted of dream, pursuit, equal rights, self-actualization, and other psychological satisfactions. As a result, 10 items were designed for ESG2. Finally, an initial scale with 20 items concerning both ESG1 and ESG2 is shown in **Table 1** after making some minor changes and revisions.

Participants

The initial scale was used to issue the first batch of questionnaires to Chinese employees. A total of 240 paper questionnaires were sent out, and 201 of them were valid (the recovery rate was 83.750%). The questionnaire used the Liker five-point scale to evaluate the result from "1" = strongly disagree to "5" = strongly agree. The demographic distribution of valid questionnaires was as follows: first, gender: 135 males (67.2%) and 66 females (32.8%); second, age: 25 years or below (28.9%), 26–30 years (30.8%), 31–35 years (17.9%), 36–40 years (6.5%), 41–45 years (6.5%), and 46 years or above (9.5%); third, education level: high school or below (9.5%), college graduate (32.3%), undergraduate (46.3%), and postgraduate or above (11.9%); fourth, length of service: fewer than 1 year (18.9%), 1–3 years (33.8%), 4–6 years (18.4%), 7–9 years (12.9%), 10–12 years (7.5%), and 13 years or above (8.5%); and fifth, position: senior management or high-level skills (12.4%), middle management or intermediate skill (34.8%), low-level managers or low-level skills (37.3%), and others (15.4%).

Result

Data Analysis

SPSS 20.0 and AMOS 25.0 were applied to analyze the data through exploratory factor analysis, reliability test, and confirmatory factor analysis. Principal component analysis and varimax were adopted to verify the scale.

Exploratory Factor Analysis

SPSS 20.0 were implemented to conduct an exploratory factor analysis. To verify whether the data collected by surveys were valid for factor analysis, suitability test and Bartlett's spherical test were carried out. The KMO was $0.902 > 0.70$, the chi-square approximation of Bartlett's test of sphericity was 2218.987 ($df = 190$, $p < 0.001$), which met the requirements and was valid for exploratory factor analysis on the ESG scale (Kaiser and Rice, 1974).

Principal component analysis and varimax were adopted together. Two factors were extracted with the scree plot. First, the following two items were eliminated by taking 0.400 as the threshold of factor loading (Hinkin, 2005): factor loading on all factors is less than 0.400, and the factor loading on all factors is more than 0.400. Afterward, dimensions with more items should be retained if items from different dimensions coexist in a common factor, while the items with the largest factor loading in other dimensions should be deleted. According to these rules, 6 items were eliminated including ESG201, ESG101, ESG108, ESG107, ESG109, and ESG110 to obtain an ESG scale consisting of two dimensions: ESG1 (factor 2 with 5 items) and ESG2 (factor 1 with 9 items). There were 14 items, and the total variance explained reached 60.758% (see **Table 2**), which met the standard (Hinkin, 1998).

Reliability Analysis

In order to ensure a high consistency among all items of the scale, this study further tested the reliability by analyzing the Cronbach's alpha of the scale and taking 0.70 as the standard for the internal consistency reliability (Guielford, 1965). At the same

TABLE 1 | The initial scale of ESG.

Serial number	Indicator	Sources of indicators (sense of gain)	Item	Category
ESG101	Health condition	Health condition	I can keep in good health condition in the company.	ESG1
ESG102	Salary level	Salary level, income level	I am satisfied with the salary level in the company.	
ESG103	Benefit level	Benefit level	I am satisfied with the benefit level in the company.	
ESG104	Old-age security	Quality of old-age security	I am satisfied with the old-age security provided by this company.	
ESG105	Housing security	Housing condition	I am satisfied with the housing security provided by this company.	
ESG106	Medical security	Social security	I am satisfied with the medical security provided by this company.	
ESG107	Working environment	Ecological environment	I am satisfied with the working environment in the company.	
ESG108	Working strength	Work strength	I am satisfied with the working strength in the company.	
ESG109	Staff training	Education and training	I am satisfied with the staff training provided by the company.	
ESG110	Promotion opportunity	Promotion opportunity	I am satisfied with the promotion opportunities offered by this company.	
ESG201	Organizational identification	Social identification	When others evaluate the company, I feel like I'm evaluating myself.	ESG2
ESG202	Workplace mentality and emotion	Mentality and emotion	I have a good mood when I work in this company.	
ESG203	Rules and regulations	Awareness of law	The company has sound rules and regulations and implements them strictly.	
ESG204	Organizational culture	Cultural confidence, cultural confidence	I am satisfied with the cultural atmosphere of the company.	
ESG205	The relationships between colleagues	The relationships between colleagues, interpersonal relations	I am satisfied with the relationships between colleagues in this company.	
ESG206	Leisure-time life	Leisure-time life	I am satisfied with the leisure-time life activities organized by the company.	
ESG207	Management service	Government's consciousness of service, working efficiency of government	I am satisfied with the service consciousness and efficiency of the company.	
ESG208	Self-worth	Self-worth, spiritual pursuit	I can realize my self-worth by working in this company.	
ESG209	Power of example	Power of example	The example of this company can inspire me to make progress.	
ESG210	Work-family enrichment	Domestic harmony, development of next generation	Working in this company helps to promote the harmony of my family.	

time, if deleting an item was found to be helpful in increasing the reliability coefficient of the scale, the item should be deleted. Each item's corrected-item total correlation (CITC) should reach 0.500 (Churchill, 1979). The results showed that the scale of ESG1's Cronbach's alpha = 0.871 and each item's CITC was higher than 0.617. The scale of ESG2's Cronbach's alpha = 0.905 and each item's CITC was higher than 0.567. None of them found that the reliability of the subscale could be increased when deleting an item, indicating that the reliability of the ESG scale was relatively high.

Confirmatory Factor Analysis

The second batch of questionnaires was distributed to Chinese employees using the 14-item scale of ESG. A total of 200 paper questionnaires were sent out, and 172 of them were valid (the recovery rate was 86.000%). The questionnaire used the Liker five-point scale to evaluate the result from "1" = strongly disagree to "5" = strongly agree. The demographic distribution of valid questionnaires was as follows: first, gender: 112 males (65.1%) and 60 females (34.9%); second, age: 25 years or below (28.5%), 26–30 years (37.2%), 31–35 years (18.0%), 36–40 years (9.9%), 41–45 years (4.1%), and 46 years old or above (2.3%); third, education level: high school or below (9.9%), college graduate (41.3%), undergraduate (39.9%), and postgraduate or above (9.9%); fourth, length of service: fewer than 1 year (26.2%), 1–3 years (33.7%), 4–6 years (17.4%), 7–9 years (14.0%), 10–12 years (6.4%), and 13 years or above (2.3%); fifth, position: senior management or high-level skills (12.2%), middle management or intermediate skills (30.8%), low-level managers or low-level skills (43.6%), and others (13.4%).

AMOS 25.0 was applied to analyze the data collected. By examining 172 valid data, the overall fitting of the model was relatively satisfying. χ^2/df = 1.907, RMSEA = 0.073, RMR = 0.048, GFI = 0.928, AGFI = 0.850, PGFI = 0.645, NFI = 0.860, IFI = 0.928, CFI = 0.927, TLI = 0.912. It was suggested that the fitting optimization index was acceptable and the structure of the model was designed reasonably (Browne and Cudeck, 1992; Byrne, 2001). Therefore, the validity could be further tested by factor loading. The confirmatory factor analysis for factor loading is shown in **Figure 1**. The result illustrated that the standardized factor loading coefficients of all observable variables on corresponding latent variables were greater than or

TABLE 2 | Exploratory factor analysis results of the scale of ESG.

Serial number	Item	Factor 1	Factor 2
ESG102	I am satisfied with the salary level in the company.	0.298	**0.697**
ESG103	I am satisfied with the benefit level in the company.	0.272	**0.817**
ESG104	I am satisfied with the old-age security provided by this company.	0.122	**0.799**
ESG105	I am satisfied with the housing security provided by this company.	0.164	**0.774**
ESG106	I am satisfied with the medical security provided by this company.	0.291	**0.802**
ESG202	I have a good mood when I work in this company.	**0.709**	0.301
ESG203	The company has sound rules and regulations and implements them strictly.	**0.715**	0.111
ESG204	I am satisfied with the cultural atmosphere of the company.	**0.813**	0.199
ESG205	I am satisfied with the relationships between colleagues in this company.	**0.665**	0.086
ESG206	I am satisfied with the leisure-time life activities organized by the company.	**0.737**	0.185
ESG207	I am satisfied with the service consciousness and efficiency of the company.	**0.708**	0.286
ESG208	I can realize my self-worth by working in this company.	**0.691**	0.240
ESG209	The example of this company can inspire me to make progress.	**0.752**	0.344
ESG210	Working in this company helps to promote the harmony of my family.	**0.682**	0.272
	Eigenvalue	6.704	1.802
	Variance explained (%)	47.888	12.871

The factor loadings of the items onto their target factor are in bold.

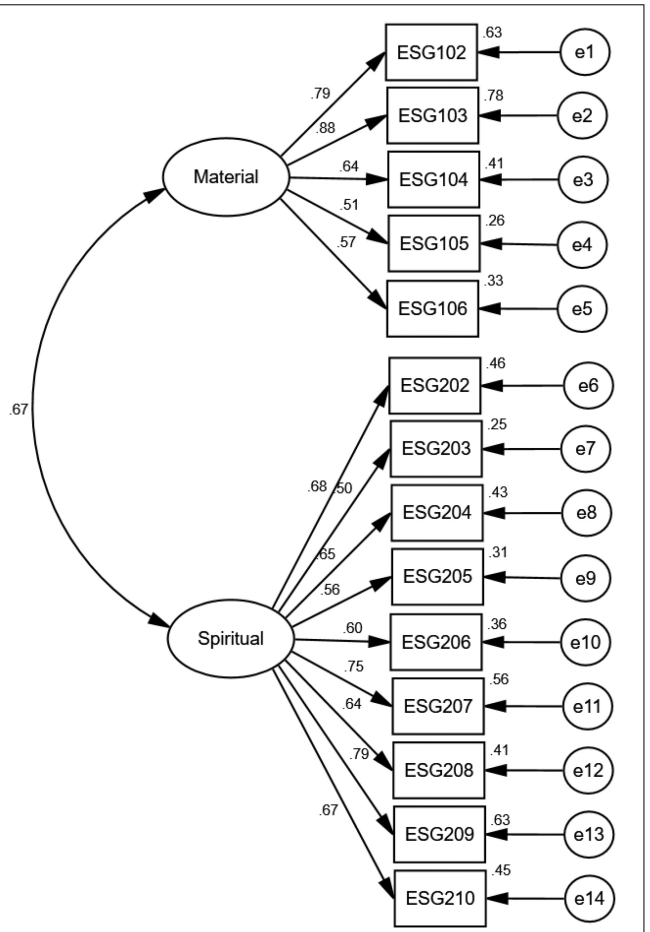

FIGURE 1 | Standardized path diagram for two-dimensional structural equation model of ESG.

equal to 0.50, and all of them were verified by the Student's t test and significant ($p < 0.001$), indicating that the scale had reasonably good convergence.

Study 1 Discussion

To sum up, study 1 defined the ESG and developed the measurement scale. In this study, ESG was defined as the subjective feeling of getting various objective benefits due to employees' efforts at work, including both material and spiritual dimensions. ESG1 refers to the sense of material gain in terms of material factors such as salary and benefit level, or old age, housing, and medical security. ESG2 is a sense of gain caused by psychological factors including organizational culture, the relationships between colleagues, leisure-time life, self-worth, and power of example. By applying a combined approach of qualitative and quantitative methods, a scale for ESG consisting of 14 items was developed. In this scale, 5 items were related to ESG1 while 9 were relevant to ESG2, and the total variance explained reached 60.758%.

STUDY 2: THE INFLUENCE MECHANISM OF EMPLOYEE SENSE OF GAIN

Flowing study 1, study 2 further explored the antecedents, influence mechanism, and boundary conditions of ESG. According to the organizational support theory (OST), perceived insider status (PIS) as the mediating role, and leader political skill (LPS) as the moderating role, an influence mechanism of supportive human resource practices (SHRP) on ESG was established and tested.

Theory and Hypothesis

Supportive Human Resource Practices and Employee Sense of Gain

Human resource practices are an umbrella term for various policies, means, and systems that affect employees' behaviors, attitudes, and performance. Different types of human resource

practices have various priorities. SHRP are defined as a management practice which an organization invests in and shows recognition on employees' contributions (Allen et al., 2003). "Support" in this term demonstrates "organizational support" (Meyer and Smith, 2000). High-performance human resource practices emphasize measures such as improving employees' working capacity, participation in decision-making, and motivation for making individual effort, so as to improve enterprise performance and sustainable competitiveness (Sun et al., 2007). High commitment human resource practices illustrate facilitating organizational goals by strengthening the emotional commitment between the organization and employees (Whitener, 2001). Strategic human resource practices emphasize that human resource management should be highly consistent with corporate strategy (Wright et al., 2005).

From the perspective of employees, SHRP emphasize that the organizations should provide necessary support to employees as well as value their contributions. SHRP mainly provide support from three aspects: fairness of rewards and punishments (SHRP1), participation in decision-making (SHRP2), and growth opportunity (SHRP3) (Allen et al., 2003). SHRP1 refers to the organization's fair and impartial implementation of rewards and punishments by the procedures so that employees can get fair return for their efforts. SHRP2 is to allow employees to participate in decisions related to their work and to enhance their participation. SHRP3 implies that organizations provide enough training for employees so that they can optimize their abilities and make progress at work. Many scholars have done research on SHRP and discovered that it has positive effects on employees' behavior such as improving their job satisfaction (Griffeth et al., 2000), organizational commitment (Shore and Wayne, 1993), individual and organizational performance (Datta et al., 2005), and reducing their turnover intention (Huselid, 1995). Therefore, this study infers that ESG is affected by SHRP.

Organizational support theory proposed on the foundation of social exchange theory, and the norm of reciprocity points out that organizations' support for employees include whether they show concern for employees' contributions and welfare. OST illustrates that organizations must make commitment employees before employees have commitment to their enterprises (Eisenberger et al., 1986). In this view, the supportive management measures provided by organizations can meet the needs of employees, thus affecting their attitude, behavior, and work performance. Their sense of gain can be improved by more rewards obtained at work.

Organization fairly recognizes and rewards employees, which indicates its concerns for employees' welfare and willingness to make investment in them. These treatments can affect the employee's perceived organizational support (Rhoades et al., 2001) and make them recognize that their efforts are fairly repaid, which can improve their sense of gain (Shi, 2017). If organizations encourage employees to play roles in decision-making, it not only can increase their engagement at work but also indicate organizations' recognition of their contributions. According to Wayne et al. (1997), growth opportunities mark the recognition and emphasis of the organization on employees' contributions, which also suggests that employees will be given promising support by the organization in the future. These supportive management measures can boost employees' perception of organizational support, having positive effects on employees and improving their sense of gain. Eisenberger et al. (1990) claim that individuals who receive more support from the organization are more likely to feel obligated to repay the organization (Shore and Wayne, 1993) and improve their performance. Meanwhile, they have expectations for being concerned with and rewarded by their superior so that they may put more efforts into their work (Rhoades and Eisenberger, 2002). SHRP support employees from SHRP1, SHRP2, and SHRP3 and motivate employees to make more efforts so that they can get more rewards and improve their sense of gain. Thus, this study considers that all dimensions of SHRP (SHRP1, SHRP2, and SHRP3) have positive effects on all dimensions of ESG (ESG1 and ESG2). Thus, the following research hypotheses are proposed:

H1a: SHRP1 has positive effects on the ESG1;
H1b: SHRP2 has positive effects on the ESG1;
H1c: SHRP3 has positive effects on the ESG1;
H2a: SHRP1 has positive effects on the ESG2;
H2b: SHRP2 has positive effects on the ESG2;
H2c: SHRP3 has positive effects on the ESG2.

Mediating Effect of Perceived Insider Status

PIS proposed by Stamper and Masterson (2002) is defined as employees' perception of personal space and acceptance as members of an organization and is used to measure employees' perception of the degree and sense of belonging within the organization (Masterson and Stamper, 2003). Stamper and Masterson (2002) found that perceived organizational support can improve employees' PIS. According to OST, it can be known that the degree of contribution and concern of an organization to employees determine their attitude toward the organization. The support provided by organizations needs to be perceived by employees to produce perceived organizational support (Eisenberger et al., 1986). Only when employees feel that the organizations respect their interests and value their contributions do they identify themselves as insiders (Amabile et al., 2004).

In a working environment that highlights fairness and justice, it is easier for employees to have benign interaction, mutual support, and cooperation with the organization and its members, thus promoting the formation of PIS (Stamper and Masterson, 2002). The research of Armstrong-Stassen and Schlosser (2011) showed that employees have a higher level of PIS when they think they are treated fairly by supervisors. Employees perceive organizational support from superiors; for example, the decentralization of decision-making power and autonomy by leaders, or employees' participation in decisions related to their interests to meet the internal needs, has a significant impact on employees' PIS (Stamper and Masterson, 2002). Generating positive cognitive experience for the support of the organization will enhance employees' trust in the organization; that is, they will form more emotional identification with the organization (Tsai, 2013) and generate a stronger sense of belonging. The perception of support also encourages employees to consider organizational identification as an important part of their self-identification

(Eisenberger et al., 1990). Employees can get more support from the organization, which means that employees have been accepted by the organization and obtain more personal space. The initiative measures taken by the organization to employees through SHRP are regarded as the importance and respect for themselves (Wayne et al., 1997), thus improving employees' PIS.

Previous studies have found that employees with a higher level of job satisfaction, creativity, organizational commitment, organizational identification, performance, and knowledge sharing have a higher degree of PIS (Stamper and Masterson, 2002; Knapp et al., 2014; Zhao et al., 2014; Guo and Qiu, 2019; Zheng et al., 2019; Guo et al., 2020). PIS, an important psychological perception and cognition degree, conveys a signal to employees that they are important parts of the organization. Employees realize their "internal members" identity in the organization, which improves their sense of "masters" identities in the organization (Wang et al., 2006). The higher the level of PIS is, the more obvious the employees' working attitudes will be affected, and the lower their turnover intention will be (Knapp et al., 2014). A high level of PIS can also arouse positive emotion toward the organization and promote employees' intrinsic motivation, thus affecting their performance (Chen and Aryee, 2007). When employees consider themselves parts of the organization, they are more willing to take responsibility and devote themselves (Chen and Aryee, 2007). When employees incorporate the concept of PIS into their self-identification process, their work output will be greatly promoted after certain needs in social emotion are met (Eisenberger et al., 1986; Chen and Aryee, 2007). Therefore, employees with a high level of PIS consider themselves as important members of organizations, thus cultivating positive emotion toward organization, improving their behavior, and enhancing their sense of gain at work.

In conclusion, this study argues that SHRP (SHRP1, SHRP2, and SHRP3) provide organizational support to employees and conveys the signal that they are insiders in organizations. Perceiving that the organization respects their interests and values their contributions has positive influence on the employees' PIS, generates positive emotion and behaviors, and thus promotes their ESG. Therefore, the following research hypotheses are proposed:

H3a: PIS mediates the relationship between SHRP1 and ESG1;
H3b: PIS mediates the relationship between SHRP2 and ESG1;
H3c: PIS mediates the relationship between SHRP3 and ESG1;
H4a: PIS mediates the relationship between SHRP1 and ESG2;
H4b: PIS mediates the relationship between SHRP2 and ESG2;
H4c: PIS mediates the relationship between SHRP3 and ESG2.

Moderating Effect of Leader Political Skill

Political skill is an individual ability to effectively understand others at work and use such knowledge to influence others to act in ways that enhance one's personal and organizational objectives (Ahearn et al., 2004). Leaders with a high level of LPS tend to have good social acuity, impression management, and interpersonal influence. They can flexibly carry out various interpersonal interactions according to different situations and targets and achieve satisfying goals by different strategies (Harris et al., 2007). The internal and external performance of employees in organizations are affected by LPS, which is often used in studies on role conflict, impression management, personality traits, organizational political perception, and work effectiveness (Harris et al., 2007; Brouer et al., 2011). High level of LPS effectively meets the needs and desires of subordinates, decreasing subordinates' negative behavior, improving their work satisfaction, enhancing subordinates' trust in leaders and loyalty to the organization, influencing the team atmosphere and promoting the relationship between employees and leaders, which in turn affects employees' PIS (Ahearn et al., 2004; Treadway et al., 2004; Wei et al., 2010; Wang and McChamp, 2019).

Leaders are the implementer of organizational systems and often play important roles between the organization and employees. Employees often perceive that leaders' actions are not merely individual behavior but also represent the organizations' intentions. Leaders with a high level of political skills can effectively make employees aware of the SHRP implemented by the organization. When leaders implement management measures such as SHRP1, SHRP2, and SHRP3 for employees, making employees feel the support provided by the organization is the key for employees to form ESG and improve PIS. Leaders with satisfying political skills can make employees perceive fairness and create just organizational atmosphere. They improve employees' loyalty and sense of belongings by making employees feel that their interests and needs are considered in the decision-making, thus affecting their PIS.

Based on the above studies, we hypothesized the moderating effect of LPS in the relationship between SHRP and PIS. To sum up, the following research hypotheses are proposed:

H5a: LPS moderates the relationship between SHRP1 and PIS, meaning that the higher the LPS, the stronger the relationship is;
H5b: LPS moderates the relationship between SHRP2 and PIS, meaning that the higher the LPS, the stronger the relationship is;
H5c: LPS moderates the relationship between SHRP3 and PIS, meaning that the higher the LPS, the stronger the relationship is.

In summary, this study reveals the influence mechanism of ESG from three aspects: organization, leadership, and individual. The conceptual model of this research is shown in **Figure 2**.

Materials and Methods

Participants and Procedure

This study also adopted the questionnaire approach to collect data for Chinese employees. In order to reduce participants' scruple, this study was conducted in non-working places such

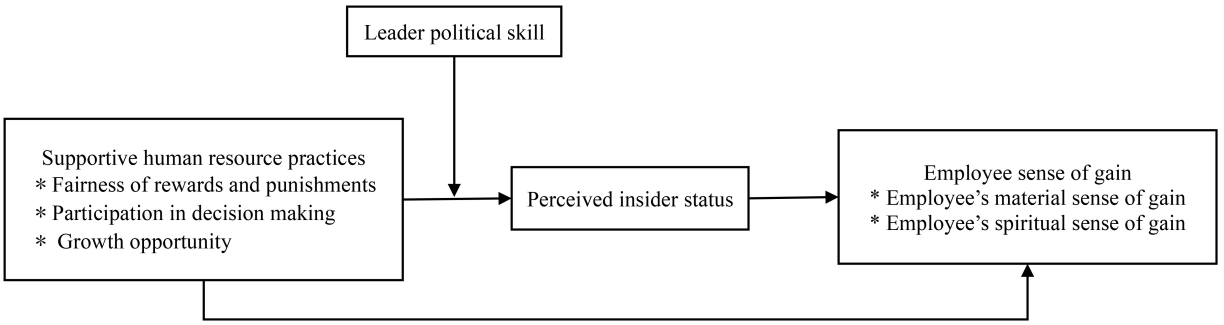

FIGURE 2 | Research model.

as non-working areas near office buildings, subway stations, and railway stations. Researchers randomly selected people in the survey site and firstly asked whether they were employees of the enterprise. Only when researchers made sure those were proper objects of the survey did researchers continue to conduct the formal survey. To ensure employees reflected their real situation, small gifts were given to the respondents. They were informed that all the questionnaires were anonymous and all information would only be used for scientific research.

A total of 287 questionnaires were issued in this survey, and 254 valid questionnaires were recovered by ruling out those which were filled in a too short period or incompletely, with an effective recovery rate of 88.502%. The basic characteristics of samples were as follows: first, gender: males (66.1%), and females (33.9%); second, age: 25 years or below (29.5%), 26–30 years (32.7%), 31–35 years old (18.9%), 36–40 years (9.4%), 41–45 years (3.9%), and 46 years or above (5.5%); third, education level: high school or below (7.9%), college graduate (37.0%), undergraduate (44.5%), and postgraduate or above (10.6%); fourth, length of service: fewer than 1 year (21.7%), 1–3 years (35.0%), 4–6 years (16.5%), 7–9 years (13.0%), 10–12 years (6.7%), and 13 years or above (7.0%); and fifth, position: senior management or high-level skills (13.0%), middle management or intermediate skill (31.5%), low-level managers or low-level skills (42.9%), and others (12.6%).

Measures

The ESG scale was initially developed in this study, and other variables all adopted the existing mature scales, using the Liker five-point scale, from "1" = strongly disagree to "5" = strongly agree.

Supportive human resource practices

Supportive human resource practices was measured with a scale used by Meyer and Smith (2000) and Allen et al. (2003). The scale was divided into three dimensions: SHRP1, SHRP2, and SHRP3. SHRP1 (Cronbach's alpha = 0.863) was measured with a 4-item scale. A sample item was "The company implements rewards and punishments on me through performance evaluation." SHRP2 (Cronbach's alpha = 0.850) was measured with a 3-item scale. A sample item was "My superior will consult with me before making a decision." SHRP3 (Cronbach's alpha = 0.882) was measured with a 4-item scale. A sample item was "I can receive enough training."

Perceived insider status

Perceived insider status (Cronbach's alpha = 0.917) was measured with a 6-item scale, including 3 reverse-scored items, used by Stamper and Masterson (2002). The sample items were "I feel very much a part of my work organization" and "I feel like I am an 'outsider' at this organization (Reverse-scored)."

Leader political skill

Leader political skill (Cronbach's alpha = 0.916) was measured with a 6-item scale used by Ferris et al. (1999) and Ahearn et al. (2004). It was adjusted to measure employees' perception and feedback of their direct supervisor's LPS based on the foundation, so as to measure the effect of LPS on employees. The sample items were "My superior finds it easy to envision himself in the position of others" and "My superior tries to find common ground with others."

Employee sense of gain

ESG was measured with a 14-item scale developed by this study. The scale developed in this study was divided into two dimensions: ESG1 and ESG2. ESG1 (Cronbach's alpha = 0.926) was measured with a 5-item scale. A sample item was "I am satisfied with the salary level in the company." ESG2 (Cronbach's alpha = 0.926) was measured with a 9-item scale. The sample items were "I feel satisfied psychologically working in this company" and "I can realize my self-worth by working in this company." To further verify the ESG scale, 254 samples were tested by exploratory factor analysis and reliability analysis. After being analyzed by statistical software, the result showed that KMO = 0.928, exploratory factor analysis included two factors, and factor loadings of both factors were 0.710 or above. The total variance explained was 68.425%.

5 control variables were adopted in this study including gender, age, educational level, length of service, and position.

Results

Descriptive Statistical Analysis of Variables

The descriptive statistical analysis of variables is shown in **Table 3**. SHRP1 was significantly positively correlated with ESG1 ($r = 0.403$, $p < 0.001$), ESG2 ($r = 0.473$, $p < 0.001$),

TABLE 3 | Means, standard deviations, and reliabilities among studied variables.

Variable	Mean	*S.D.*	1	2	3	4	5	6	7	8	9	10	11
(1) Gender	1.340	0.474	–										
(2) Age	2.421	1.389	−0.127*	–									
(3) Educational level	2.579	0.785	−0.083	0.124*	–								
(4) Length of service	2.693	1.472	−0.145*	0.626***	0.079	–							
(5) Position	2.449	0.873	−0.225***	0.489***	0.208**	0.471***	–						
(6) SHRP1	3.636	0.763	0.050	0.065	−0.071	0.048	0.108	–					
(7) SHRP2	3.120	1.003	−0.022	0.180**	0.076	0.220***	0.301***	0.467***	–				
(8) SHRP3	3.784	0.748	0.038	−0.095	−0.084	−0.071	0.122	0.585***	0.455***	–			
(9) PIS	3.973	0.670	0.023	0.067	0.040	0.145*	0.175***	0.387***	0.380***	0.473***	–		
(10) LPS	3.519	0.792	0.106	0.044	−0.036	0.046	0.028	0.439***	0.402***	0.494***	0.518***	–	
(11) ESG1	3.201	0.893	0.042	0.043	−0.040	0.106	0.090	0.403***	0.352***	0.469***	0.368***	0.410***	
(12) ESG2	3.605	0.720	0.082	−0.025	−0.073	0.056	−0.008	0.473***	0.407***	0.598***	0.648***	0.641***	0.563***

*$p < 0.05$, **$p < 0.01$, ***$p < 0.001$; $N = 254$.

TABLE 4 | Confirmatory factor analysis results.

Models	χ^2	$\Delta\chi^2$	*df*	χ^2/df	RMSEA	CFI	TLI	SRMR
Seven-factor model: SHRP1, SHRP2, SHRP3, PIS, LPS, ESG1, ESG2	1,192.919	–	608	1.962	0.062	0.915	0.906	0.0529
Six-factor model: SHRP1 + PIS, SHRP2, SHRP3, LPS, ESG1, ESG2	1,639.596	446.677***	614	2.670	0.081	0.850	0.838	0.850
Five-factor model: SHRP1 + SHRP2 + PIS, SHRP3, LPS, ESG1, ESG2	1,913.950	274.354***	619	3.092	0.091	0.811	0.797	0.0845
Four-factor model: SHRP1 + SHRP2 + SHRP3 + PIS, LPS, ESG1, ESG2	2,181.258	267.308***	623	3.051	0.099	0.772	0.757	0.0775
Three-factor model: SHRP1 + SHRP2 + SHRP3 + PIS + LPS, ESG1, ESG2	2,651.531	470.273***	626	4.236	0.113	0.704	0.685	0.0873
Two-factor model: SHRP1 + SHRP2 + SHRP3 + PIS + LPS + ESG1, ESG2	3,292.443	640.912***	628	5.243	0.129	0.611	0.587	0.0998
One-factor model: SHRP1 + SHRP2 + SHRP3 + PIS + LPS + ESG1 + ESG2	3,530.457	238.014***	629	5.613	0.135	0.576	0.551	0.1036

***$p < 0.001$; $N = 254$.

and PIS ($r = 0.387$, $p < 0.001$). SHRP2 was significantly positively correlated with ESG1 ($r = 0.352$, $p < 0.001$), ESG2 ($r = 0.407$, $p < 0.001$), and PIS ($r = 0.380$, $p < 0.001$). SHRP3 was significantly positively correlated with ESG1 ($r = 0.469$, $p < 0.001$), ESG2 ($r = 0.598$, $p < 0.001$), and PIS ($r = 0.473$, $p < 0.001$). PIS was significantly positively correlated with ESG1 ($r = 0.368$, $p < 0.001$), and ESG2 ($r = 0.648$, $p < 0.001$).

Confirmatory Factor Analysis

Confirmatory factor analysis was applied by applying AMOS 25.0 to assess the probability of same-source bias and examine the discriminate validity for seven variables, including SHRP1, SHRP2, SHRP3, PIS, LPS, ESG1, and ESG2. The discriminate validity of each variable was measured by comparing the quality of the fitting index measurement model. The results are shown in **Table 4**. It is seen from **Table 4** that the fitting indexes of the seven-factor model ($\chi^2 = 1{,}192.919$, $df = 608$, $\chi^2/df = 1.962$, RMSEA = 0.062, CFI = 0.915, TLI = 0.906, SRMS = 0.0524) were significantly better than those of other models. Thus, the seven variables had good discriminative validity, indicating that they were indeed seven different constructs.

Hypothesis Testing

In this study, the hierarchical linear regression method was used to examine the hypothesis proposed. According to the test results in **Table 5**, SHRP1 had a significant positive impact on ESG1 ($\beta = 0.394$, $p < 0.001$), so hypothesis H1a was supported. SHRP2 had a significant positive effect on ESG1 ($\beta = 0.351$, $p < 0.001$), so hypothesis H1b was supported. SHRP3 had a significant positive effect on ESG1 ($\beta = 0.485$, $p < 0.00$), so hypothesis H1c was supported. SHRP1 has a significant positive impact on ESG2 ($\beta = 0.475$, $p < 0.001$), so hypothesis H2a is supported. SHRP2 had a significant positive effect on ESG2 ($\beta = 0.445$, $p < 0.001$), so hypothesis H2b was supported. SHRP3 had a significant positive effect on ESG1 ($\beta = 0.629$, $p < 0.001$), so hypothesis H2c was supported. Therefore, SHRP1, SHRP2, and SHRP3 had significant positive effects on both ESG1 and ESG1. Hypotheses H1a, H1b, H1c, H2a, H2b, and H2c were all supported.

This study followed the criteria by Baron and Kenny (1986) to examine the mediating effect of PIS. The mediating effect should meet the following conditions: (1) independent variables have significant influence on dependent variables; (2) independent variables have significant influence on mediating variables; (3) mediating variables have significant influence on dependent variables; and (4) when independent variables and mediating variables enter the regression equation to affect the dependent variables at the same time, the mediating variables have significant effects and the independent variables' effects would disappear or become weakened, so that the dependent variables are completely or partially mediated by the mediating variables. The results of the stepwise regression analysis were shown in **Table 5**.

SHRP1 had a significant positive influence on ESG1 ($\beta = 0.394$, $p < 0.001$). SHRP1 had a significant positive influence on PIS

TABLE 5 | Results of the regression analysis.

Variables	PIS				ESGI								ESG2							
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17	M18	M19	M20
Control variables																				
Gender	0.069	0.041	0.051	0.041	0.067	0.038	0.043	0.028	0.049	0.035	0.039	0.032	0.085	0.050	0.039	0.027	0.062	0.032	0.049	0.029
Age	−0.091	−0.102	−0.086	−0.017	−0.057	−0.068	−0.024	−0.044	−0.052	−0.029	0.017	0.020	−0.089	−0.103	−0.029	−0.046	−0.083	−0.033	0.007	0.015
Educational level	0.011	0.047	0.004	0.064	−0.055	−0.018	−0.059	−0.029	−0.062	−0.063	−0.002	−0.013	−0.067	−0.022	−0.074	−0.048	−0.075	−0.078	0.002	−0.028
Length of service	0.131	0.137	0.091	0.173*	0.113	0.120	0.066	0.087	0.074	0.049	0.155*	0.127	0.125	0.133	0.038	0.056	0.075	0.022	0.180**	0.097
Position	0.171*	0.119	0.078	0.039	0.091	0.036	0.030	0.008	−0.001	−0.023	−0.042	−0.048	0.010	−0.056	−0.104	−0.123	−0.107	−0.153**	−0.163**	−0.181**
Inde-pendent variables																				
SHRP1		0.375***				0.394***		0.304***						0.475***		0.263***				
SHRP2			0.352***						0.351***	0.255***							0.445***	0.239***		
SHRP3				0.483***							0.485***	0.406***							0.629***	0.399***
Mediating variable																				
PIS							0.357***	0.240***		0.272***		0.165**			0.665***	0.564***		0.586***		0.476***
R^2	0.045	0.182	0.156	0.245	0.023	0.174	0.144	0.221	0.133	0.196	0.263	0.263	0.021	0.241	0.443	0.501	0.199	0.488	0.391	0.558
F	2.330*	9.161***	7.623***	14.672***	1.156	8.683***	6.935***	9.990***	6.334***	8.557***	13.198***	12.529***	1.067	13.062***	32.765***	35.291***	10.228***	33.555***	26.440***	44.404***
ΔR^2	0.045	0.137	0.111	0.218	0.023	0.151	0.121	0.199	0.111	0.173	0.220	0.240	0.021	0.220	0.422	0.480	0.178	0.467	0.370	0.537
ΔF	2.330*	41.416***	32.602***	72.999***	1.156	45.288***	35.040***	31.370***	31.515***	26.465***	71.762***	40.054***	1.067	71.519***	187.245***	118.327***	54.870***	112.379***	150.096***	149.550***

*$p < 0.05$, **$p < 0.01$, ***$p < 0.001$; $N = 254$.

(β = 0.375, $p < 0.001$). PIS had a significant positive influence on ESG1 (β = 0.357, $p < 0.001$). After the addition of the independent variable (SHRP1) and the mediating variable (PIS), PIS had a significant positive influence on ESG1 (β = 0.240, $p < 0.001$). Regression coefficient of the influence of SHRP1 on ESG1 reduced from β = 0.394 ($p < 0.001$) to β = 0.304 ($p < 0.001$) significantly. Thus, PIS mediated the relationship between SHRP1 and ESG1, and hypothesis H3a was supported. Similarly, SHRP2 had a significant positive influence on ESG1 (β = 0.351, $p < 0.001$). SHRP2 had a significant positive influence on PIS (β = 0.352, $p < 0.001$). After the addition of SHRP2 and PIS, PIS had a significant positive influence on ESG1 (β = 0.272, $p < 0.001$) and the regression coefficient of the influence of SHRP2 on ESG1 reduced significantly from β = 0.351 ($p < 0.001$) to β = 0.255 ($p < 0.001$). Therefore, PIS mediated the relationship between SHRP2 and ESG1, and hypothesis H3b was supported. SHRP3 had a significant positive influence on ESG1 (β = 0.485, $p < 0.001$). SHRP3 had a significant positive influence on PIS (β = 0.483, $p < 0.001$). With the entering of PIS, PIS had a significant positive influence on ESG1 (β = 0.165, $p < 0.01$). The regression coefficient of the influence of SHRP3 on ESG1 reduced significantly from β = 0.485 ($p < 0.001$) to β = 0.406 ($p < 0.001$). Therefore, PIS mediated the relationship between SHRP3 and ESG1, and hypothesis H3c was supported. As a result, hypothesis H3a, H3b, and H3c were all supported.

In the same way, SHRP1 has a significant positive influence on ESG2 (β = 0.475, $p < 0.001$). SHRP1 had a significant positive influence on PIS (β = 0.375, $p < 0.001$). PIS had a significant positive influence on ESG2 (β = 0.665, $p < 0.001$). After the addition of SHRP1 and PIS, PIS had a significant positive influence on ESG2 (β = 0.564, $p < 0.001$). The regression coefficient of the influence of SHRP1 on ESG2 reduced significantly from β = 0.475 ($p < 0.001$) to β = 0.263 ($p < 0.001$). Thus, PIS mediated the relationship between SHRP1 and ESG2, and hypothesis H4a was supported. SHRP2 had a significant positive influence on ESG2 (β = 0.445, $p < 0.001$). SHRP2 had a significant positive influence on PIS (β = 0.352, $p < 0.001$). After the addition of PIS, PIS had a significant positive influence on ESG2 (β = 0.586, $p < 0.001$), and the regression coefficient of the influence of SHRP2 on ESG2 reduced significantly from β = 0.445 ($p < 0.001$) to β = 0.239 ($p < 0.001$). Therefore, PIS mediated the relationship between SHRP2 and ESG at the spiritual level, and hypothesis H4b was supported. SHRP3 had a significant positive influence on ESG2 (β = 0.629, $p < 0.001$). SHRP3 had a significant positive influence on PIS (β = 0.483, $p < 0.001$). With the entering of PIS, PIS had a significant positive influence on ESG2 (β = 0.476, $p < 0.001$) and the regression coefficient of the influence of SHRP3 on ESG2 reduced significantly from β = 0.629 ($p < 0.001$) to β = 0.399($p < 0.001$). Therefore, PIS mediated the relationship between SHRP3 and ESG2, and hypothesis H4c was supported. As a result, hypothesis H4a, H4b, and H4c were all supported.

In order to further verify the mediating effect of PIS, Hayes' SPSS PROCESS macro was applied (Hayes, 2013), which specified a mediator's model, and was consistent with the conceptual model of this article. The bootstrapping method was used to test for the mediating effect of PIS, with a sample capacity of 5000 and a 95% confidence interval for bias correction. The test results are shown in **Table 6**, and the confidence intervals did not include 0. Therefore, it was further verified that PIS had mediating effects between SHRP (SHRP1, SHRP2, and SHRP3) and ESG (ESG1 and ESG2). Hypotheses H3a, H3b, H3c, H4a, H4b, and H4c were supported.

TABLE 6 | Results of the mediating effect.

Model pathways	*b*	Boot *SE*	Bootstrap 95% CI
SHRP1 → PIS → ESG1	0.105***	0.036	[0.045, 0.186]
SHRP2 → PIS → ESG1	0.085***	0.026	[0.039, 0.142]
SHRP3 → PIS → ESG1	0.095***	0.041	[0.021, 0.182]
SHRP1 → PIS → ESG2	0.200***	0.039	[0.129, 0.282]
SHRP2 → PIS → ESG2	0.148***	0.030	[0.090, 0.209]
SHRP3 → PIS → ESG2	0.221***	0.036	[0.155, 0.296]

$^{***}p < 0.001$; N = 254. Bootstrap resample = 5000. b is a non-standard regression coefficient for indirect effect. SE is a Std. Error. CI is a confidence interval.

The moderating effects were tested, and results are shown in **Table 7**. In model 3, the interaction of SHRP1 and LPS had a significant impact on PIS (β = 0.178, $p < 0.01$). LPS moderated the relationship between SHRP1 and PIS. Therefore, hypothesis H5a was supported. In model 5, the interaction of SHRP2 and LPS had no significant impact on PIS (β = −0.009, $p > 0.05$). LPS did not moderate the relationship between SHRP2 and PIS. Hence, hypothesis H5b was not supported. In model 7, the interaction of SHRP3 and LPS had a significant impact on LPS (β = 0.114, $p < 0.05$). LPS moderated the relationship between SHRP3 and PIS. Hypothesis H5c was supported. Therefore, hypotheses H5a and H5c were supported while H5b was not.

To further analyze how the interactions between LPS and SHRP affected PIS, Hayes' SPSS PROCESS macro was applied (Hayes, 2013). In addition, the moderating effect charts of LPS were added, to clarify the moderating effect of LPS (see **Figures 3**, **4**). Under the test of Process ($M \pm 1SD$). The positive relation between SHRP1 and PIS was not significant (β = 0.056, SE = 0. 060, $p = 0.376$) when the level of LPS was low ($M - 1SD$), while it became significant (β = 0.312, SE = 0.067, $p < 0.001$), when the level of LPS was high ($M + 1SD$), indicating that the higher the LPS, the stronger the relationship was. Thus, the positive moderating effect of LPS on the relationship between SHRP1 and PIS is shown in **Figure 3**. Hypothesis H5a was further supported. Under the test of Process ($M \pm 1SD$), 95% confidence interval (CI = [−0.094, 0.079]) of the interaction of LPS and SHRP2 included 0, $p > 0.05$. Thereby, LPS had no moderating effect on the relationship between SHRP2 and PIS. Hypothesis H5b was not supported. The positive relation between SHRP3 and PIS was weak (β = 0.197, SE = 0.062, $p < 0.001$) when the level of LPS was low ($M - 1SD$), while it became strong (β = 0.370, SE = 0.075, $p < 0.001$), when the level of LPS was high ($M + 1SD$), indicating that the higher the LPS, the stronger the relationship was. Thus, the positive moderating effect of LPS on the relationship between SHRP3 and PIS is shown in **Figure 4**. Hypothesis H5c was

TABLE 7 | Regression analysis on the moderating effect of LPS.

Variables	PIS						
	M1	M2	M3	M4	M5	M6	M7
Control variables							
Gender	0.069	0.004	−0.007	0.008	0.008	0.009	0.004
Age	−0.091	−0.107	−0.080	−0.100	−0.101	−0.056	−0.044
Educational level	0.011	0.045	0.065	0.025	0.025	0.057	0.075
Length of service	0.131	0.119	0.084	0.098	0.098	0.144	0.128
Position	0.171*	0.131*	0.133	0.114	0.116	0.079	0.075
Independent variables							
SHRP1		0.188**	0.210***				
SHRP2				0.159*	0.159*		
SHRP3						0.291***	0.316***
Moderating variable							
LPS		0.432***	0.454***	0.451***	0.449***	0.369***	0.386***
Interactions							
SHRP1* LPS			0.178**				
SHRP2* LPS					−0.009		
SHRP3* LPS							0.114*
R^2	0.045	0.331	0.360	0.322	0.322	0.362	0.373
F	2.330*	17.402***	17.251***	16.704***	14.562***	19.932***	18.235***
ΔR^2	0.045	0.286	0.029	0.277	0.000	0.317	0.011
(ΔF	2.330*	52.658***	11.160**	50.323***	0.028	61.114***	4.418*

*$p < 0.05$, **$p < 0.01$, ***$p < 0.001$; $N = 254$.

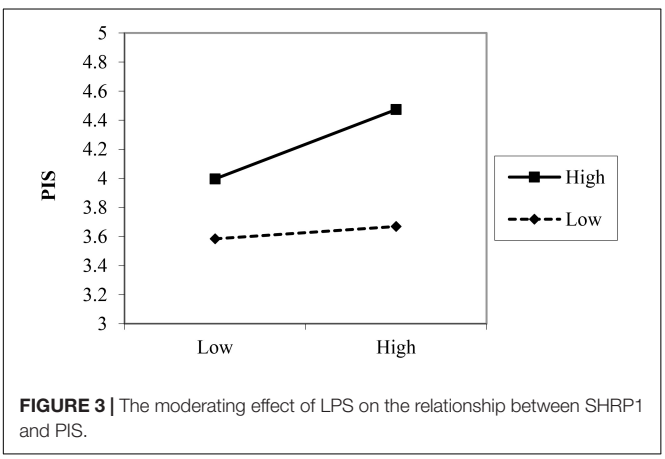

FIGURE 3 | The moderating effect of LPS on the relationship between SHRP1 and PIS.

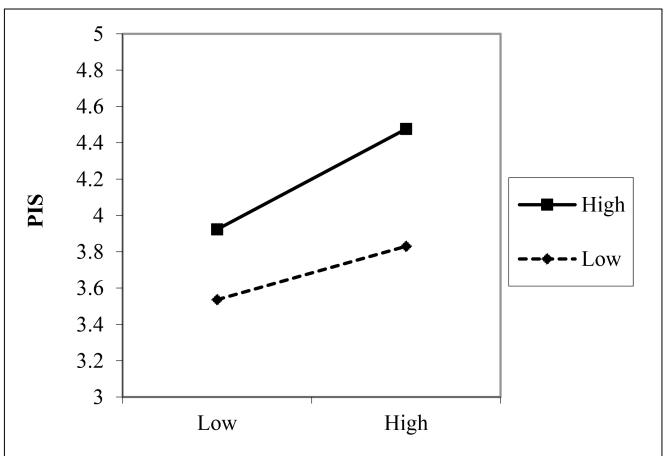

FIGURE 4 | The moderating effect of LPS on the relationship between SHRP3 and PIS.

further supported. To sum up, hypotheses H5a and H5c were further supported yet H5b was not verified. This study assumed that the test results were summarized as shown in **Figure 5**.

Study 2 Discussion

Study 2 investigated the antecedents and mechanism of ESG based on statistical analysis of 254 valid questionnaires from the perspective of SHRP. Through questionnaires and empirical research, it was found that all dimensions of SHRP, including SHRP1, SHRP2, and SHRP3, had significant positive effects on dimensions of ESG, consisting of ESG1 and ESG2. PIS played a partial mediating role between all dimensions of SHRP and ESG. LPS positively affected the relationship between SHRP1 and PIS, as well as the relationship between SHRP3 and PIS.

GENERAL DISCUSSION

Although practitioners have begun to embrace the notion of ESG in public governance efforts, research still lags behind in understanding the concept's nature and role for the human resource management. Two studies explored the concept of ESG and a scale measuring ESG and investigated the antecedents

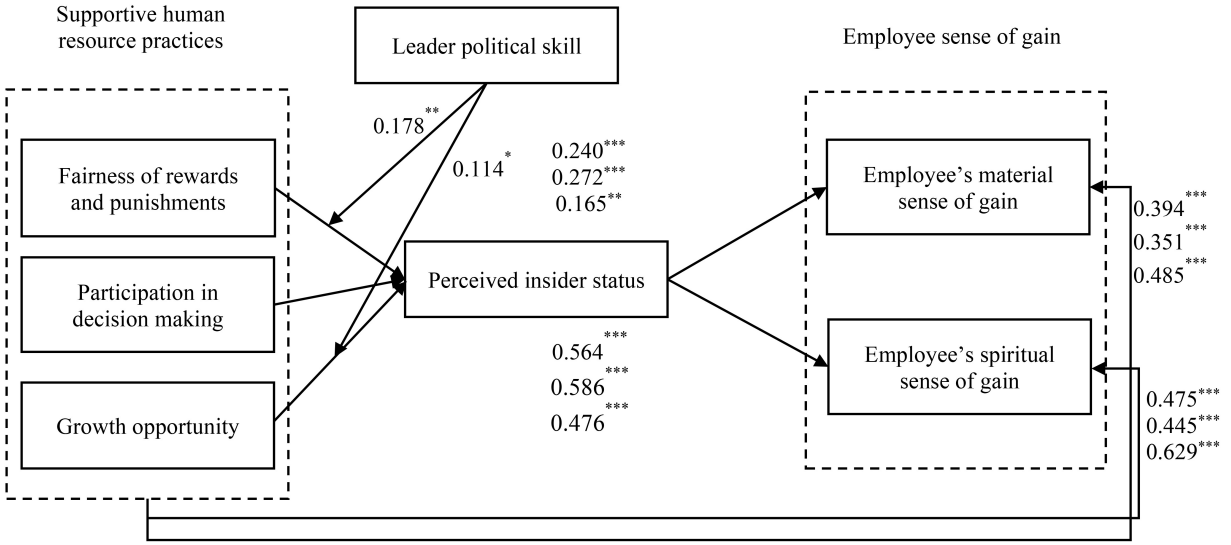

FIGURE 5 | Test results. *$p < 0.05$, **$p < 0.01$, ***$p < 0.001$; $N = 254$.

and mechanism of ESG in the Chinese setting workplace. Study 1 developed an integrative framework of concept of ESG and reported the development and validation of a scale measuring ESG, based on the multiphase scale development process results in a 14-item ESG scale measuring two dimensions: ESG1 and ESG2. Study 2 investigated the antecedents and influence mechanism of ESG, as well as boundary conditions. Study 2 showed that ESG was influenced by the all three dimensions of SHRP, whereby the influences were mediated by PIS. Results also suggested that LPS moderated the effect between SHRP (SHRP1 and SHRP3) and PIS positively.

THEORETICAL IMPLICATIONS

First of all, this article reviewed research related to sense of gain and applied it to the organizational context. The concept of ESG was defined, and the scale was developed accordingly. President Xi Jinping of China put forward the policy that required the full demonstration on providing all people more sense of gain. Thus, improving people's sense of gain has become an important topic in China in recent years (Cao and Li, 2017; Zheng and Chen, 2017). This article enriches the academic study on sense of gain and helps to promote the theoretical research on ESG. ESG is defined as the subjective feeling of getting various objective benefits due to employees' efforts at work.

Based on the indicators for sense of gain proposed by "Chinese economic life survey (2017–2018), the Better Life Index," a scale for sense of gain in the organizational context was developed through expert discussion, exploratory factor analysis, reliability analysis, and confirmatory factor analysis. The scale is composed of two dimensions and 14 items. ESG1 includes 5 items referring to the sense of material gain in terms of material factors such as salary and benefit level, or old age, housing, and medical security. ESG2 includes 9 items referring to the sense of gain caused by psychological factors including organizational culture, the relationships between colleagues, leisure-time life, self-worth, and power of example.

Finally, this article explored the influence mechanism of ESG from the perspective of SHRP and provided theoretical evidence for ESG. Firstly, it is found in the study that all dimensions of SHRP (SHRP1, SHRP2, and SHRP3) had significant positive effects on all dimensions of ESG (ESG1 and ESG2). Secondly, PIS played a partial mediating role between all dimensions of SHRP and ESG. Through SHRPs such as SHRP1, SHRP2, and SHRP3, the organization shows that it recognizes, supports, and respects employees (Allen et al., 2003). When employees perceive organizational support, their PIS will be stimulated (Stamper and Masterson, 2002). Therefore, they are willing to contribute more to the organization (Rhoades and Eisenberger, 2002; Chen and Aryee, 2007), so as to enhance their ESG. Thirdly, LPS positively moderated the relationship between SHRP1 and PIS, as well as the relationship between SHRP3 and PIS. The supportive measures provided by organizations are affected by LPS (Ahearn et al., 2004). Leaders with a high level of LPS can put themselves into employees' shoes, increasing the positive effect of organizational support, and enhancing employees' PIS.

MANAGERIAL IMPLICATIONS

This article explored the influencing mechanism of ESG from three perspectives: organization (SHRP), leadership (LPS), and individual (PIS). This provides the theoretical bases and implications for management practice of enhancing ESG.

First is creating a fair atmosphere of rewards and punishments. This study conducted that SHRP1 can help improve ESG. The salary level and welfare level are important indicators of ESG. Rewards and punishments involve the

immediate interests of employees. The organization should strictly formulate scientific and reasonable performance appraisal systems, rewards and punishment systems, and other systems related to the immediate interests of employees. Also, the implementation shall be carried out by managers in accordance with the unified standard without exceptions. Employees perceive the organization's fairness in the whole management process and the practice of rewards and punishments system, thus strengthening ESG (Shi, 2017).

Second is constructing an employee decision-making participation mechanism. Establishing the employee decision-making participation mechanism improves the internal information communication channels and enhances the interaction between the organization and employees. When major decisions are made, the organization can let employees engage properly, consider their feelings, and promote their sense of participation and belonging. Establishing and improving information communication channels to build a platform for employees to share their opinions, ideas, and suggestions can increase the interactions and understanding between organizations and employees.

Third is promoting career development of employees. Promoting the career development of employees and the growth of employees themselves increases the actual gain of employees. Every employee pays attention to the career development. The organization should also provide adequate and specific training for employees in different positions to improve the necessary skills required by certain positions and at the same time help them continuously learn new knowledge and technologies. As the superior, leaders should communicate with their subordinates, provide guidance on their difficulties at work, and improve their working skills and work efficiency. Employees are likely to achieve professional progress and career development, realize their self-worth, and enhance their sense of gain.

Fourth is developing the LPS of leadership. People from the management level who have the most frequent and direct contact with employees are their direct leaders. Leaders with high LPS can effectively influence and motive their subordinates (Ahearn et al., 2004). Leaders often play great roles in providing support when employees are aware of the organization's behavior (Eisenberger et al., 1986). As one of the competencies that managers should have, the organization should take targeted measures such as training to improve the political skill of leaders. At the same time, the organization should take the political skill into evaluation and promotion indicators of leaders. Also, leaders should set examples and motivate their employees to make progress. Leaders play an exemplary role in the organization, with their strong personal charm, charisma, and appeal. Employees are often willing to follow such leaders and strive with them. Employees who perceive the support given by the organization will be treated as part of the organization, and they would make more efforts and thus get more gains (Chen and Aryee, 2007). Lastly, leaders should enhance their sense of service and efficiency toward employees to cultivate their sense of belonging. Based on the organizational support theory, employees will try their best to repay the leaders who have helped them. If leaders are good at communicating, employees are often more willing to interact with them. If employees approve leaders to some degree, they will approve their organization to a certain extent and try their best to work and repay it.

Finally is enhancing employees' PIS and organizational identification. Leaders are the implementers of organizational measures and directly affect the perception of employees' insider status. When leaders show supports and concerns toward employees would lead to employees perceive the approval and attention of superiors. It can make employees consider themselves as a part of the organization and increase their PIS and recognition for the organization (Wang et al., 2006). In this way, their ESG can be promoted.

LIMITATIONS AND FUTURE SUGGESTIONS

The limitations of this study include the following three aspects. Firstly, due to limited time, this study directly used the target concerning the sense of gain in "Chinese economic life survey (2017–2018), the Better Life Index" to convert the organizational level indicators in this study. The deductive method to develop the scale of ESG was used without acquiring the primary data about ESG. Future research might apply the grounded theory and other methods to improve the scale after obtaining primary data from the case enterprises. Secondly, due to the limited funds, the survey samples of the study were limited to one city in a country. Follow-up studies can select survey samples more widely in different cities, countries, or different cultural and economic backgrounds to verify and improve the results. Thirdly, the mechanism of antecedents to explore ESG was confined to a single level instead of analyzing it in more views. In the follow-up studies, cross-layer analysis can be conducted such as the organizational level and leader's level.

CONCLUSION

This article introduces sense of gain, a political term into organizational context, and systematically discusses various important questions such as its definition, its measurement, and its way of generating. Firstly, this study defined ESG as the subjective feeling of getting various objective benefits due to employees' efforts at work. This definition is embedded with three implications: efforts at work serve as the precondition for ESG; various objective benefits are the basis of ESG; and subjective feelings are viewed as the kernel of ESG. Next, based on the indicators for sense of gain proposed by "Chinese economic life survey (2017–2018), the Better Life Index," a scale with 14 items for sense of gain in organizational context was developed. Finally, this study explored the influence mechanism of ESG. In this study, it is verified that SHRP including SHRP1, SHRP2, and SHRP3 had significant positive effects on dimensions of ESG consisting of ESG1 and ESG2. PIS played a partial mediating role between the relationships mentioned above. LPS moderated the relationship between SHRP1 and PIS, as well

as the relationship between SHRP3 and PIS. Lastly, this study proposed management measures to enhance ESG from the perspectives of organizations, leaders, and employees.

DATA AVAILABILITY STATEMENT

The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation, to any qualified researcher.

ETHICS STATEMENT

Ethical review and approval was not required for the study on human participants in accordance with the local legislation and institutional requirements. The patients/participants provided their written informed consent to participate in this study.

AUTHOR CONTRIBUTIONS

YG and YY: conceptualization, methodology, and writing – original draft. YY and JW: data curation and formal analysis. YG, YY, and JW: investigation and writing – review and editing. YY: project administration. YG: supervision. All authors contributed to the article and approved the submitted version.

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Unraveling the Role of Empathy and Critical Life Events as Triggers for Social Entrepreneurship

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Social entrepreneurs are generally believed to have started their venture to improve societal needs and create social value. Yet, in order to achieve continuity of their organization, they need to generate economic value as well. These seemingly opposite objectives of social and economic value creation can cause tensions in social enterprises. This study aims to derive in-depth insights into personal dispositions and motivations of social entrepreneurs, with a specific focus on empathy. The study assesses differences in motivations of social entrepreneurs and how moral empathy helps them to cope with tensions that arise from trying to achieve both commercial and social goals. Analysis of semi-structured interviews with 33 social entrepreneurs in Belgium explores the tension between social and economic objectives as a paradox social entrepreneurs have to deal with. First, empathy is an important motivator, but not for all entrepreneurs. Social entrepreneurs who are driven by empathy often indicate that experiencing a critical life event has led to certain business choices. The life event does not always directly lead to increased empathy but often changes an entrepreneur's career or life path. Second, while social entrepreneurs are supposed to stress social impact, some respondents firmly state that financial impact is more important to their organization. The results show that social entrepreneurs display other motivations that are typical for "traditional" (commercial) entrepreneurs as well, such as self-realization and the sense of doing meaningful work. Empathy seems to play an important role in successfully dealing with the paradox and tensions between social and economic value creation, and more specifically to prevent mission drift.

Keywords: empathy, social entrepreneurship, life event, social impact, hybrid approaches

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INTRODUCTION

In recent decades, social entrepreneurship has been developing as a research field focusing on the role and interactions between government, non-governmental organizations (NGOs) and profit-focused businesses (Bacq and Janssen, 2011; Guo et al., 2020). Diminishing government support encourages entrepreneurs to tackle emerging societal problems in an innovative and sustainable manner (Dwivedi and Weerawardena, 2018; Lubberink, 2020). Contemporary examples in

the literature date back to the late 1960s and include the Ashoka Foundation, which was started in India, providing seed capital to entrepreneurs with a social vision; and the Grameen Bank, which was established to fight poverty in Bangladesh (Mair and Martí, 2006). However, social entrepreneurship predates to the 20th century (Molderez, 2020). New Lanark Mills is often seen as the first example of social entrepreneurship (Shaw and Carter, 2007). It was founded by David Dale in 1786 and afterward successfully managed by Robert Owen in the early 1800s. Rabello et al. (2018) even date social entrepreneurship to the 17th century, when housing programs for workers were set-up.

Over the past decades, social entrepreneurship has attracted increasing interest from scientists, as evidenced by the growing number of publications about social entrepreneurship (Roper and Cheney, 2005), especially after 2010 (Dacin et al., 2011; Smith et al., 2013; Stephan and Drencheva, 2017). Being a nascent field, research about social entrepreneurship is not without challenges. Dacin et al. (2011) refer to developing new insights into existing theories. In their entrepreneurship research, Schumpeter (1934) and McClelland (1961) adopted a psychological perspective. They focused on entrepreneurs as individuals with personal motivations (Frese and Gielnik, 2014). Recent studies confirm that entrepreneurship and entrepreneurial success are driven by personal motivations (Baum et al., 2014; Frese and Gielnik, 2014). Consequently, the question arises about which personal motivations drive social entrepreneurship. This question has been addressed in several studies which portray mixed outcomes (Bargsted et al., 2013; Smith et al., 2014; Bacq et al., 2016; Yitshaki and Kropp, 2016; Stephan and Drencheva, 2017).

In an overview study, Stephan and Drencheva (2017) show that social entrepreneurs are similar to "traditional" entrepreneurs in terms of their key characteristics. However, social entrepreneurs differ from traditional entrepreneurs by having more "social concerns," a greater sense of moral obligation and a higher degree of empathy (Miller et al., 2012; Bargsted et al., 2013; Ruskin et al., 2016; Lubberink, 2020). Most of the studies report on (nascent) entrepreneurs who have the intention to engage in social (e.g., Saebi et al., 2018; Wang et al., 2019; Wu et al., 2020) or sustainable (e.g., Ploum et al., 2019) entrepreneurial activities. More empirical research is needed that concentrates on entrepreneurs who already have started their venture and actually create social value in combination with an economic activity. In-depth analysis is required to uncover all motives upon which entrepreneurial activities are built (Zahra et al., 2014). Stephan and Drencheva (2017) emphasize the insufficiency of research with respect to the role of contextual factors in the personality and motivation of social entrepreneurs. Despite the different interpretations of contextualization (Zahra et al., 2014), this article uses a very specific meaning of the term, i.e., the personal context of the social entrepreneur, which is an unexplored dimension of Zahra et al. (2014). This focus helps to understand the start, practices, and management of social entrepreneurs and pays attention to even the smallest motives for entrepreneurial activity.

Personal motivations of social entrepreneurs are essential to the development of their activities and focus on social impact. It is suggested that social entrepreneurs are characterized by a relatively high degree of moral empathy, but evidence is limited and sometimes contradictory (Stephan and Drencheva, 2017). Chandra and Shang (2017) found that motivations can be traced back to a social entrepreneur's past. An important "life event" can trigger a traditional entrepreneur to focus on a social cause (Shumate et al., 2014). Furthermore, unique personal circumstances are suggested as a reason to start a social enterprise (Saebi et al., 2018). Stephan and Drencheva (2017, p. 215) indicate the need for further research into situational triggers that prompt individuals "to act on longstanding motivations and values." Personal values play an important role in the creation of an enterprise. Depending on the priority that is given to specific values, the type of enterprise will be different (Conger, 2012). Since values are shaped by "individual heritage and experience" (Conger, 2012, p. 92), it is relevant to look behind elements that shape experience, such as personal events.

This study fills these gaps in current understanding by focusing on typical motivations of social entrepreneurs, the role of moral empathy in motivations of social entrepreneurs, and how critical life events play a role in developing empathy. Data is gathered *via* semi-structured interviews from 33 Belgian social entrepreneurs. This study makes two major contributions to the existing literature about social entrepreneurship. First, the research design addresses the shortcomings of prior studies, which predominantly are conceptual in nature (e.g., Miller et al., 2012; Arend, 2013; Grimes et al., 2013), target social entrepreneurship intentions instead of actual ventures (e.g., Hockerts, 2017; Bacq and Alt, 2018), or focus mainly on heroic portraits of social entrepreneurs (Stephan and Drencheva, 2017). Semi-structured interviews with social entrepreneurs allow to gather in-depth information about contextual factors and motivations that have induced the social entrepreneurial initiative. Second, this study extends current knowledge about situational factors, such as life events, that trigger individuals to act on deep-rooted motivations and personal values. Whereas only a few prior studies on specific entrepreneurial motives have pointed toward important drivers in the personal environment of a social entrepreneur, this study will explicitly address these contextual factors. Without a good understanding of contextual factors that influence an entrepreneur's choices, it is difficult to shed light on the true motivations of social entrepreneurs.

LITERATURE REVIEW

Social Entrepreneurship

The academic literature focusses on how social entrepreneurship differs from "traditional" (commercial) entrepreneurship. Different definitions of social entrepreneurship can be found. The diversity and heterogeneity of social enterprises explain the absence of a universally accepted definition. The co-existence between the public sector and the traditional private sector has led to naming them the third sector (Shaw and Carter, 2007). According to Alter (2003), they are part of the hybrid sector,

combining social, and business interests. Benefit Corporation (B-Corp) entrepreneurs are a recent example of commercial enterprises that incorporate social value creation (Roth and Winkler, 2018). Peredo and McLean (2006, p. 64) define social entrepreneurship as follows: "Social entrepreneurship is exercised where some person or group: (1) aim(s) at creating social value, either exclusively or at least in some prominent way; (2) show(s) a capacity to recognize and take advantage of opportunities to create that value ("envision"); (3) employ(s) innovation, ranging from outright invention to adapting someone else's novelty, in creating and/or distributing social value; (4) is/are willing to accept an above-average degree of risk in creating and disseminating social value; and (5) is/are unusually resourceful in being relatively undaunted by scarce assets in pursuing their social venture." This definition highlights entrepreneurship in the sense of value creation, as well as the social aspect of this value creation. Responding to the need of operationalizing social entrepreneurship, Dwivedi and Weerawardena (2018) concluded on the basis of a large scale survey that five dimensions are important. According to their research, effectual orientation is the strongest indicator, followed by social mission orientation, innovativeness, risk management, and proactiveness.

Mair and Martí (2006, p. 36) emphasize the difference between a "traditional" entrepreneur and a social entrepreneur: "Social entrepreneurship is seen as differing from other forms of entrepreneurship in the relatively higher priority given to promoting social value and development versus capturing economic value. (…) Social entrepreneurs are individuals who start, lead, and manage organizations that seek to create social value by addressing societal challenges such as environmental degradation, ill health or social exclusion." In general, definitions of social entrepreneurship stress that the distinguishing feature of a social enterprise is the dual mission of creating social value on top of economic value (Saebi et al., 2018). Social enterprises are characterized by creating social value, but that does not imply that all social value creating organizations are social enterprises (Dwivedi and Weerawardena, 2018). More and more commercial organizations create social value, but their motive remains profit-oriented. The distinctive feature for social organizations, however, remains their social mission motive (Alter, 2003; Dacin et al., 2011; Stephan and Drenchava, 2017; Dwivedi and Weerawardena, 2018). Having a mission of creating social value does not contradict a business interest. According to Dacin et al. (2011), creating an economic value is crucial for the viability of the organization. The income they receive is reinvested in the organization.

Given the duality in their mission, social entrepreneurs may be at risk of losing sight of their social mission when pursuing revenue (Ebrahim et al., 2014; Maier et al., 2016). There are many examples of organizations that were founded on empathic and people-oriented motivations. For various reasons, they ended up being carried along a different path, i.e., prioritizing economic activities over social objectives (Lubberink, 2020). This phenomenon is referred to as mission drift (Fowler, 2000; Weisbrod, 2004; Jones, 2007; Ebrahim et al., 2014). As social enterprises are set out to achieve *both* social and financial performances, compromising one of their values leads to a change in the identity and nature of the enterprise or to tensions at least (Smith et al., 2013).

Personal Motivations for Social Entrepreneurship: The Role of Empathy

Traditionally, financial gain, creative freedom, and control over one's own efforts are seen as motivations for entrepreneurship. Social entrepreneurship requires additional motivations, and balances self-interest (financial gain) with the interest of the beneficiaries of the enterprise (gain of others). Miller et al. (2012) show that social entrepreneurs are motivated by both rational, self-focused factors (self-realization, autonomy, and performance behavior), and emotional drivers, such as compassion. On top of these self-focused motivations, they are driven by contributing to the well-being of others. In a comparison between social and commercial entrepreneurs, Clark et al. (2018) show that social entrepreneurs often set more ambitious goals than their commercial peers. Also, the level of entrepreneurial self-efficacy is higher for social entrepreneurs than for commercial entrepreneurs.

Several studies have investigated personality traits of social entrepreneurs (e.g., Rauch and Frese, 2007; Koe Hwee Nga and Shamuganathan, 2010; Obschonka and Stuetzer, 2017). In general, these studies point toward a "prosocial personality" that distinguishes social entrepreneurs from traditional entrepreneurs. Prosocial personality is defined as "an enduring tendency to think about the welfare and rights of other people, to feel concern and empathy for them, and to act in a way that benefits them" (Penner and Finkelstein, 1998, p. 526). Studies about intentions to engage in social entrepreneurship indicate "a sense of moral obligation" as an additional personality trait of social entrepreneurs. Moral obligation refers to the feeling that one is obliged to do something about someone else's needs. This moral obligation comes from within a person, but can also be the result of, for example, social pressure or a certain social standard (Hockerts, 2017; Stephan and Drencheva, 2017; Ploum et al., 2019).

Empathy as a concept is characterized by a broad array of definitions, which vary from reflecting a narrow, well-defined perspective, such as the one provided by Coplan (2011, p. 40): "a complex, imaginative process through which an observer simulates another person's situated psychological states while maintaining clear self–other differentiation;" to a broad, all-compassing one, e.g., as presented by Cohen and Strayer (1996, p. 988): "understanding and sharing in the other's emotional state or context." The role of perspective-taking is central to understanding "pure" empathy (Coplan, 2011). Empathy requires other-oriented perspective taking, i.e., to recognize other people's emotions, while being aware that these emotions are not one's own and preserving a clear distinction between self and other (Carré et al., 2013). Empathy, sympathy, and compassion are often used interchangeably in the literature, yet there are conceptual differences (Carré et al., 2013; Jeffrey, 2016). For example, Jamison (2014) indicates that empathy, unlike compassion or sympathy, is a deliberate choice to adopt another person's perspective and imagine how one would feel,

think, and desire if one were in the other person's position (Coplan, 2011). In contrast, sympathy and compassion are reactive responses rooted in concern for the welfare of others (Jeffrey, 2016), which are automatically evoked when something bad happens to another person. Moreover, sympathy consists of feeling an emotion for the other person (self-oriented) – for instance, imagining how one would feel if one were in the other person's position – rather than feeling an emotion from the perspective of the other person (other-oriented) – for example, imagining how the other feels while being in their position (Eisenberg, 2010).

Over the years, empathy has been understood as multidimensional concept, including cognitive and emotional components (Davis, 2006, 2015). It has been argued that empathy contains different (interlinked and interacting) components, including an affective (emotional), a cognitive, a behavioral, and a moral component (Morse et al., 1992; Jeffrey, 2016). Affective (emotional) empathy refers to "the ability to subjectively experience and share in another's psychological state, emotions or intrinsic feelings" (Morse et al., 1992, p. 274). You feel the emotional state of another person as your own (Morse et al., 1992; Jolliffe and Farrington, 2006; Wisnewski, 2015; Jeffrey, 2016). Cognitive empathy refers to the ability to take an objective stance toward the emotional state of another person, i.e., being able to cognitively understand the other person's emotion (Morse et al., 1992; Jeffrey, 2016). Behavioral empathy denotes a communicative aspect of empathy. One conveys to the other person that one understands the other's perspective (Morse et al., 1992; Irving and Dickson, 2004). Finally, moral empathy refers to a concern for the other and the desire to relieve suffering, which is driven by altruism. Moral empathy fuels the motivation to act prosocially and altruistically (Batson, 1991; Decety, 2015; Jeffrey, 2016; Melchers et al., 2016; Surguladze and Bergen-Cico, 2020). Quantitative research of Bacq and Alt (2018) supports the absence of a direct link between empathy and social entrepreneurial intentions. Empathy is channeled by two mediating mechanisms, i.e., social entrepreneurial efficacy and social worth.

In the remainder of this article, the terms "moral empathy" and "empathy" are used interchangeably to refer to moral empathy. Empathy is also referred to as a trait, referring to its relatively stable character in contradiction to situational empathy that can vary according to the situation (Bacq and Alt, 2018). Survey-based studies measuring empathy have frequently used the Basic Empathy Scale (BES; Jolliffe and Farrington, 2006). This scale contains a dual-component of empathy, including items that reflect affective and cognitive empathy. The validity and predictive value of the BES is confirmed in various studies, yet this scale has limitations as well. As later studies have distinguished more dimensions of empathy, several revisions have been made to the original BES. A prominent revision by Carré et al. (2013) includes three components of empathy, i.e., emotional contagion, emotional disconnection, and cognitive empathy. Interpreting data on the basis of these scales is difficult, because it is hard to disentangle self-oriented perspective taking from other oriented perspective taking.

Empathy and the Theory of Universal Values

This study focuses on the personal motivations of social entrepreneurs and contextual factors that influence their motivations. A theoretical basis is drawn on the framework of Universal Human Values (UHVs; Schwartz, 1994), as it is often used as a tool for research into the motives of social entrepreneurs (Stephan and Drencheva, 2017). The theory of UHVs identifies 10 basic types of values, namely Universalism, Benevolence, Tradition, Conformity, Security, Power, Achievement, Hedonism, Stimulation, and Self-direction. Later, these were further refined in order to better represent the continuum of related values (Schwartz et al., 2012). It is likely that a social entrepreneur will be driven by strong "self-transcendent" values (Universalism and Benevolence), which emphasize enhancement of others and transcendence of selfish interests. Interestingly, the theory of UHVs conceives Benevolence (empathy) to be directly opposed to Achievement (performance), highlighting the apparent contradiction between these values (Balliet et al., 2008). Similarly, in the context of sustainable entrepreneurship, Ploum et al. (2019) accentuate the contrast between the "self-transcendent" values and the "self-enhancement" values.

To bridge this gap between opposing values, social entrepreneurs may resort to finding moral justifications for their commercial activities (Ebrahim et al., 2014; Ploum et al., 2019). Yet, this harbors the risk of losing sight of the social outcomes of commercial activities, i.e., means-ends decoupling (Bromley and Powell, 2012). This study refers to the framework of UHVs by recognizing, classifying, and coding the values exposed by social entrepreneurs. Specifically, Benevolence (empathy) is studied as a driver for founders of social enterprises. Several studies have associated empathy with having a prosocial personality, which stimulates individuals to pursue social entrepreneurship (e.g., Batson, 1991; Koe Hwee Nga and Shamuganathan, 2010; Miller et al., 2012; Ruskin et al., 2016; Waddock and Steckler, 2016).

Triggering Empathy by a Critical Life Event

Personal context and experience play an important role in the motivation to start a social enterprise (Stephan and Drencheva, 2017; Saebi et al., 2018). Personal experiences can take many forms. Entrepreneurs may experience shortage of social provision, may be involved in a traumatic event, may endure poverty during their childhood, or may be initiated into a family tradition of volunteering (Stephan and Drencheva, 2017). These can be described as transformative early adulthood experiences (Shumate et al., 2014) that may lead to social engagement. Entrepreneurs who experienced a problematic situation in their youth may want to address a certain issue now that they are adults. Others see current social needs unfulfilled and focus on resolving it in an entrepreneurial way.

Social entrepreneurs often share their background with the population they wish to serve with their business (Saebi et al., 2018). Role models, family traditions, and tax incentives can also play a role in the development of prosocial entrepreneurial behavior (Stephan and Drencheva, 2017). These personal experiences appear to strengthen feelings of empathy, and as a result, these individuals are more likely to start a social

enterprise (Yiu et al., 2015). In an investigation of life events, Yitshaki and Kropp (2016) distinguish three types of motivations for starting a social enterprise: (1) finding solutions to unmet social needs based on past and present experiences (pull factors, e.g., coping with a problem from the past); (2) internal motivations based on identification with social needs and process evolution of an idea (pull factors, e.g., influence of parents who were socially aware); and (3) identification with social needs or process evolution of an idea (push factors, e.g., searching for a meaningful career). As personal experiences can induce feelings of empathy, empathy is identified as an important mechanism *via* which the start of a social enterprise is triggered (Yitshaki and Kropp, 2016).

MATERIALS AND METHODS

Method and Data Collection

Despite the recommendation to increase quantitative research on social entrepreneurial personality (Stephan and Drencheva, 2017), this study adopts a qualitative research design. Both approaches are complementary and have a different purpose. Qualitative research is chosen here for understanding the role of empathy and critical life events as triggers for social entrepreneurship. This particular design is relevant when the aim is to gain insights into "how" and "why" questions. This approach is particularly appropriate when not all variables have yet been mapped and there is a need for an in-depth investigation of a phenomenon in its natural context (Saunders et al., 2009; Thomas and Magilvy, 2011; Hayashi et al., 2019). As the goal of this study is to unravel the motivations and values of social entrepreneurs, an exploratory design using semi-structured interviews was set-up. Asking open questions and follow-up questions uncovers new in-depth information (Saunders et al., 2009). Instead of focusing on single case studies, there is a need for systematic case comparison based on a large-scale database (Dacin et al., 2011). This research responds to this urge by systematically analyzing semi-structured interviews of 33 social entrepreneurs.

The sample consists of Belgian social entrepreneurs, located in two regions of Belgium: Flanders and Brussels. One of the difficulties with respect to research on social entrepreneurship is the lack of a clear definition and the absence of a list of social enterprises. Following Dacin et al. (2011, p. 1204), the social mission is the most important distinguishing element, i.e., "creating social value by providing solutions to social problems." Others (e.g., Portales, 2019) call it the *raison d'être* of social enterprises. The selection took place by "convenience sampling," and entrepreneurs were selected on the basis of two criteria: (1) the organization has a prominent social mission and (2) the organization combines its social mission with an economic activity. For this study, founders, directors, and executives of social enterprise organizations were interviewed. The interviews took place in 2018 and 2019, within the frameworks of two university courses on social entrepreneurship, coordinated by two of the authors. For reasons of privacy of the interviewees and possible sensitivity of company information, the organizations are anonymized and numbered. To get a sense of the organizations, **Table 1** provides an overview of the type of the social enterprise, i.e., its main focus or activity and legal status.

Rigor of the Research

One of the peculiarities of qualitative research is the different way of establishing trust in the findings of the research. Rigor of this study is dealt with in line with Morse (2015) who argues that the same terminology has to be used consistent with quantitative research, i.e., validity and reliability, but that the strategies differ. Morse (2015) is critical about the common strategies in qualitative research and argues that still a lot of work needs to be done to establish rigor. Daniel (2019) gives indicators in an effort to counter the contemporary polarization regarding rigor in qualitative research. Thomas and Magilvy (2011) also propose a model to enhance trustworthiness. These three contributions are combined to explain the rigor of this qualitative research.

Strategies for external validity, or generalizability, focus on transferability. The findings of this study can be applied to other settings. The 33 Belgian social enterprises provide homogeneity of the sample (e.g., regarding geographical context, culture, and legislative context) and reassurance of the inter-case comparison. The findings also have meaning for international contexts. Similar to other studies, like Shumate et al. (2014), reporting on the influence of family legacy of 20 social entrepreneurs based in the United States (with the exception of one which was based in Malaysia), and Kimmit and Muñoz (2018) analyzing sense making processes of 15 Chilean social entrepreneurs, lessons can be learnt from the role of moral empathy as a trigger for social entrepreneurship.

Strategies for internal validity stress the credibility of the research. This study is optimized by employing an extensive literature research and by interpreting the concepts and constructs based on the existing literature. For each interview, the same questionnaire was used. Questions were carefully formulated in an open way. This procedure enabled the researchers to receive a truthful picture of the motivations of the social entrepreneur, without leading respondents into certain directions. The questionnaire had no explicit questions probing empathy or life events, so steering answers was avoided. Interviews were recorded and transcribed before connections between concepts were made and conclusions were drawn. The conduction and the analysis of the interviews were done by different researchers, thereby reducing the risk of biased interpretations.

Interviews were transcribed and coded, using Microsoft Excel. First, key aspects were identified by labeling the utterances of each individual participant on motivations, personality factors, and life events. Initially, open codes were used to identify categories. The literature was used to increase theoretical understanding, and concepts and constructs from theory were used to categorize and code the answers of respondents. Codes for empathy were inspired by the literature on different components of empathy, as well as the BES (Jolliffe and Farrington, 2006). These codes were helpful as a guideline to signal the possibility that a statement was related to empathy.

TABLE 1 | Details of the social entrepreneurs and organizations in the sample.

Attached number case	Main focus or activity	Legal status
1	Providing alternative programs for students (at risk) of dropping out of school	Not-for-profit association
2	Supporting people with a distance to the labor market	Not-for-profit association
3	Supporting social vulnerable people in their search for work	Not-for-profit association
4	Supporting people with a distance to the labor market	Not-for-profit association
5	Fighting energy poverty	Social Cooperative
6	Supporting people with a distance to the labor market	Not-for-profit association
7	Providing energy loans for socially vulnerable people	Social Cooperative
8	Supporting people with a distance to the labor market	Not-for-profit association
9	Travel agency for people with disabilities	Private company
10	Renovating homes of socially vulnerable people	Cooperative
11	Supporting people with a distance to the labor market	Not-for-profit association
12	Supporting people with a distance to the labor market	Social cooperative
13	Daycare for people with disabilities	Not-for-profit association
14	Supporting people with a distance to the labor market	Not-for-profit association
15	Supporting people with a distance to the labor market	Not-for-profit association
16	Travel agency for people with disabilities	Not-for-profit association
17	Daycare and home for people with autism	Not-for-profit association
18	Supporting sustainable energy	Cooperative
19	Daycare for people with disabilities	Not-for-profit association
20	Childcare	Not-for-profit association
21	Daycare and home for people with disabilities	Not-for-profit association
22	Providing training for disadvantaged young people	Not-for-profit association
23	Supporting people with a distance to the labor market	Not-for-profit association
24	Supporting local and sustainable production and consumption	Private company
25	Renovating buildings for social purposes	Social cooperative
26	Investing in renewable energy	Social cooperative
27	Supporting people with a distance to the labor market	Not-for-profit association
28	Fight poverty by offering work for the less fortunate	Not-for-profit association
29	Online web-shop for handmade products	Private company
30	Thrift shop, wood, and bike workshop supporting social vulnerable people	Not-for-profit association
31	Developing creative and sustainable answers to (main) urban problems of society	Not-for-profit association
32	Providing flats and houses at a reasonable price	Not-for-profit association
33	Supporting people with a distance to the labor market	Not-for-profit association

Personality traits were coded based on the Big Five personality traits (Goldberg, 1990). Codes for values of social entrepreneurs were derived from the theory of UHVs (Schwartz, 1994). For example, the concept "altruism" is not easily mentioned by the interviewees, but due to the theory of UHVs links could be made to underlying categories, such as "meaning of life," "true friendship," and "helpfulness." In this way, the codes could be connected to the theory, which contributed to constructing validity. Second, labels were grouped and when possible categorized or merged (axial coding). Finally, data were grouped into higher-order themes, and connections were made between themes. **Table 2** shows the code tree. In addition to empathy, several other motivations appeared to be important to the interviewees, such as self-realization and meaning. These motivations were also included in the code tree.

Triangulation was used to establish validity. Conforming other qualitative studies, different data analysis techniques (e.g., building timelines, codification, and case comparison) are combined to unpack the motivational and contextual factors that influence social entrepreneurs. Interview questions were anchored in the literature and related to motivations, personality traits, and contextual events of social entrepreneurs. Key questions were: "What was the reason for founding the company?;" "What motivates you to work?;" and "What characteristics, knowledge and qualities do you possess that help you to be a social entrepreneur?" Furthermore, secondary data were collected from sources, including corporate websites, presentations, and news articles. These sources were suitable to verify events and the social and economic value creation of the social enterprises.

Strategies for reliability highlight the dependability of the study. Before the start of the interview, interviewees were asked for consent to use the interview for research purposes, as well as permission to record the interview. One of the respondents only gave permission to make use of the data. In this particular case, the handwritten notes were analyzed. All interviews were transcribed, and upon request the resulting transcriptions were sent to the respondents to check for inconsistencies. The transcriptions were coded by one of the researchers and independently checked by two other researchers, after which results were compared and discussed.

RESULTS

Empathy

In order to recognize (different components of) empathy in the interview transcripts, coding was inspired by the literature on empathy, such as items from the BES (Jolliffe and Farrington, 2006),

TABLE 2 | Codes and constructs.

Common descriptions	Code	Theoretical construct
Feeling, empathy, and compassion	Empathy	Empathy; sympathy; and compassion
Upbringing, disappointment in the business world, and signaling "gap in the market," personal experience	Personal experience	Life event
Autonomy, self-management, personal freedom, status, influence, and job satisfaction	Self-realization	Self-direction/performance drive (UHV)
Sense/satisfaction/impact	Meaning	Meaning in Life (in Altruism, UHV)
Intrinsic motivation/drive/passion	Drive	Personality traits (Big Five) Achievement (UHV)
Social commitment, giving something back, adding value for others (self-sacrifice/altruism/ no status/social justice), being able to figure it out, not working for the money, identifying social problems	Social commitment	Altruism and Universalism (UHV); Altruism (Big Five)
Perseverance/resilience	Continue	Personality traits (Big Five)
Challenge/performance/entrepreneurship/risk/innovation/growth	Entrepreneurship	Performance drive/Self-direction (UHV)

as well as items related to Benevolence (empathy) in the framework of UHVs (Schwartz, 1994; Schwartz et al., 2012). From the interview texts, different components of empathy could be identified, indicating that the "feeling" and the "understanding" often go hand in hand. The following sections will further explore how moral empathy played a role in entrepreneurial activities, as social entrepreneurs are dealing with solving specific (social) problems for vulnerable target groups. It was found that when empathy played a role, it was a motivator for prosocial behavior. Empathy played an important role for the interviewees, because the concept was often raised, explicitly or implicitly, without the questions focusing on it.

Empathy results from a special involvement with a certain target group. Some respondents have a special sensitivity or connection with a target group and, therefore, like to take action when they are moved by something. The following quote is an example of how moral empathy plays an important role in the actions of the social entrepreneur:

> *For me this is the fundamental commitment to vulnerable people in this society and that is mainly homeless people, people with a social disadvantage, with an alcohol problem, psychosocial disadvantage, drug problem, divorce etc. This is a large group that was underprivileged then and unfortunately still is (#8).*

These entrepreneurs already have an empathic connection. They see a problem or an opportunity and go for it. There is clearly an empathic attitude and the interviewees also mention it as an important requirement to work in the organization.

> *If you (…) are someone who communicates badly or does not 'feel' at all, you cannot become a good social entrepreneur. Actually it starts with a strong motivation of course. So, you need to have a drive, you have to want to realize something. (…) But most of all … yes, the heart in the right place. Not the social seeing of "oh that's a hype, that's a good way to make my company a profitable business". I do not think that's the right attitude either. It's actually a mix of wanting to do business but with a social sensitive… with a social commitment (#6).*

A "social character" (implicitly) is seen as a feature that a social entrepreneur should have. As the following quote shows, social commitment and taking action in order to help socially vulnerable people are examples of moral empathy. This respondent also points toward links and differences between social and "commercial" entrepreneurship.

> *The great thing about social entrepreneurship is that you can link ideals and social commitment to very concrete plans. You do not just talk about the things you think are important, you actually do something, you make a difference. When you are in the social economy, that underlying commitment always comes to the surface, but you also have to try to learn from the traditional entrepreneurs. They work on the basis of the classic pursuit of profit, but they can also have a social character. For example, the fact that he can employ people, but social entrepreneurs are still different (#32).*

These respondents mention what in their eyes distinguishes the social entrepreneur from their commercial opponents. Other interviewees do not always use so many words, but show with their answers that they empathize with the people they are trying to help.

> *The smile of a person who has been helped or you see someone who lived on the street who proudly comes to tell after three years: "I have a wife, my first baby was born. We live in a small one bedroom apartment", but he is still happy that he is making something of his life (#31).*

The quotes indicate that empathy is addressed in the interviews in various ways. However, not every respondent talked about empathy. For some, this can be explained by the nature of the organization and the scope of the social impact envisioned. For example, a sustainable energy cooperative or a bicycle shop might differ from not-for-profit organizations that aim to provide daycare for vulnerable people, and might adopt some kind of economic activity to cover their costs. Some of the entrepreneurs with a social objective and target group do not explicitly voice the empathic side of their activities. These respondents talk mainly about administrative matters. For others, there seems to be a total lack of empathy as a motivation for

their activities. They do not even talk about social impact, but solely stress the financial bottom line or the variety in their work. When asking what motivates them to go to work, the following aspects come to the fore:

> *But we actually have to manage this like an economic organization (…) Of course we must also ensure that we make profit (#2).*

> *It's a challenging job and the job is also a diverse one. My job is in- and outdoors. It can be about the administration, the staff, making quotations, making the designs or having conversations with clients. It is a very varied job (#12).*

The respondents mainly talk about being able to realize one's own needs and wishes, and little or no mention is made of the social impact of their work, or the target group for which the work is being done. The degree of empathy of social entrepreneurs in the sample of this study is diverse. For some, empathic feelings are the main reason for their work, while for others this is less important. For a number of interviewees, the social goal does not even seem to play a role at all. These findings provide a nuanced picture in response to the question which role empathy plays in the motivation of social entrepreneurs. Empathy turns out to be a driver for a considerable number of entrepreneurs, but not for all of them. Sometimes, the empathic attitude of the entrepreneur has a clear origin or reason, which will be further explored in section The Role of Life Events.

The Role of Life Events

Personal circumstances or "life events" can have been catalysts that brought the interviewee to their current professional position. In some cases, the life event concerned the founder of the organization, and in other cases, the life event was experienced by someone with a managerial position within an existing social enterprise. All interviews that discuss life events are described according to the themes distinguished by Yitshaki and Kropp (2016) with the exception of "social actions as a spiritual necessity," as this theme was not detected in the interviews. Also the group "social awareness since childhood or early adulthood" is not included in the results section. Although this theme was detected in one of the interviews, it could not be included in the results section because the respondent could become indirectly identifiable.

The quoted "life events" or transformative experiences are not always the stories of the interviewees themselves. They can also be "corporate origin stories," i.e., a story, romanticized or otherwise, about the founding of the organization, before the interviewee started being employed at this organization. Not all "life events" have led to the establishment of the organization in question. In a number of cases, it is a "life event" that leads to a different career path, as a result of which the interviewee made the switch from commercial enterprise to the social organization. On the one hand, a life event might lead to the establishment of the organization, and on the other hand to a career switch. Yitshaki and Kropp (2016) qualify the life events that led to the creation of a company as "pull factors," while the "push factors" led to a career switch. The literature review assumes that a "life event" has a positive influence on the degree of empathy, as a result of which a social enterprise is then started for the target group to which the empathy emanates. The interview data show that a "life event" has influenced the career or life path of a large number of interviewees to such an extent that they now work for a social enterprise. As such, transformative experiences such as personal circumstances or life events can create more empathic involvement and bring entrepreneurs on the path of social entrepreneurship.

Solving Unmet Social Needs Based on a Current Problem

Several entrepreneurs started their social enterprise when they identified an unfulfilled need with a (socially vulnerable) target group. These entrepreneurs all discovered a gap in the current offer for their target group. A personal problem was the reason to set-up an organization that would tackle this problem for other people in similar situations. Because they were touched by what they saw, heard and experienced on a personal level, they decided to set-up an entrepreneurial initiative to help the target group. The following quotes illustrate this:

> *When we got there, they had just received the news that one of their biggest funders had said "from next year you will not get any more funding from us". (…) And then we were thinking about how we could actually bring a little bit of money into the picture. We just wanted to make sure that the NGO, instead of having to rely on funding for a while, could actually generate its own money through something they produce (#29).*

> *The organization was founded years ago (…) They were a group of friends, who had problems with the AIDS patients who were dying in the streets at the time. And actually that's where [organization] started (#31).*

> *Then I had an accident. (…) At that moment you end up in a totally different situation. (…) I wanted to do something with all the knowledge I gained (…) for other people. Also because I could not find a company that did this, I decided to start an organization myself (#9).*

Solving Unfulfilled Social Needs Based on Past Experiences

Turning a (negative) experience of the past into positive action for the future, that is what happened at one of the companies, as shown in the quote below. Entrepreneurs may have encountered certain negative experiences in their past, such as being involved in a violent life event (mentioned by interviewee 22), or being confronted with poverty (mentioned by another interviewee). In this context, Yitshaki and Kropp (2016) refer to "personal rehabilitation for past events." The motivation for becoming a

social entrepreneur may then be rooted in a certain sense of empathic understanding of the social problems of others.

> *(…) was mugged (…) years ago by a number of young people. (…) He was thinking about that when he was in hospital. And his reaction to that was actually that these young people do have talents and work well together but use them totally wrong (#22).*

Ideological Motivation

One of the interviewees does not clearly describe a life event, but instead mentions an ideological driver. One of the entrepreneurs saw an opportunity to make housing more social, which fitted well with his ideological direction. The interviews did not always explicitly state ideological motivations, but between the lines several ideological points of departure could be identified. After all, every entrepreneur has his or her own views on life and an image of what the world should be like. The following quote represents an ideological driver:

> *For me, social innovation must really lead to change. I'm quite anti-capitalist about ideology, I mean the invisible ideology which is something else than always the desire for more profit, more growth. I would not say it's the intention, for example, to destroy the classic model (…), but I strongly believe in the importance of an ecology of different kinds of views on what an economic system is (#32).*

Natural Option for Career Development

Some interviewees mentioned dissatisfaction with their previous job. The search for a meaningful job and wanting to change a career path can be reasons to start with a social enterprise, or switch to an existing social enterprise. For these interviewees, the move to the social enterprise was attractive because of the dissatisfaction and negative experiences with previous jobs and commercial companies.

> *So, I was a HR manager in a badly running company. And when you saw how people were treated in this company, I did not see myself doing this all my life (#2).*

> *I used to work in the private sector. That company had gone bankrupt and I was looking for something else. I deliberately made the switch to the social sector. My previous company, that was a private company, and I was in [abroad] a lot. And by working with target groups there, I wanted to make the switch (#13).*

In several interviews, the interviewees indicated that at a certain moment in their life they experienced a flash of insight, for example, when retirement was approaching. Or, after a few years in the private sector, interviewees began to wonder whether they wanted to do this job for the rest of their life. For some social entrepreneurs, the transition to a social enterprise was made because they reached a certain age and had the feeling that life is short.

> *I have come at an age when you are actually starting to think about (…), eh when you are allowed to retire, so um what can I say? I've always been very social and I actually wanted to give back a bit for society, (…) a lot less than what you can earn in private but at some point in your life you need that less. When you are young, you have to buy a house, a nice car, so then you need more money. Now you can say "I want to give something back to society" (#31).*

> *I found that fascinating but after the third year I began to wonder what I want to do until the end of my life. Then I did not think it would add any value and that I wanted to do more in my life than just that (#28).*

> *Before I came to work here, I worked in the regular economy for years, within six companies of which I worked as a commercial director (…), and what struck me there was a very strong focus on the profit. This is very nice if one achieves this of course (…) Actually, apart from the bonus that came on your account, for the rest it was not motivating to do this (#4).*

The interviewees indicated that their work and life experiences up to a certain moment in time made them understand that they wanted to do something that had a clear social value for others.

Various interviewees reflected on their extensive life experiences before starting a social enterprise. However, among the interviewees were also young people who, sometimes during or immediately after their studies, started a social enterprise. There seems to be no direct link between age and the decision to start a social enterprise. Yet, the interviews show that students and recent graduates often set-up their own social enterprise (e.g., based on ideological principles), while more experienced entrepreneurs tend to start working in an existing social enterprise, mainly because they want to change their career path.

> *We have now decided, we do not want to earn anything so all the profit we make in the future, is actually a buffer to further expand and to continue to set up projects. That's real, we first want to grow our business and grow until we earn something ourselves, so that's it (#24).*

Other Triggers and Motivators

Self-Realization as a Motivator

Next to empathy and life events, other factors motivate and influence the social entrepreneurs. Autonomy, pride, personal freedom (belonging to the value Self-direction), and influence (forming part of the value Achievement), all turn out to be important motivations for the interviewees. These concepts have been coded and combined as "Self-realization." Self-realization was important for those entrepreneurs who referred to empathy and also for those who did not. Self-realization emerged as a motivator, without being specifically asked for during the interviews.

What gives me strength is that you can keep renewing the organization, and that you can keep renewing an organization that also remains inspiring … sometimes a bit provocative … that is inspiring for the environment around us. To offer things from: "that's the way to do it" and "that's the way it can go". That way you can approach a number of social issues. For me, that's actually the motivation to draw a line there that would not otherwise be drawn (#33).

While I think I have a good salary, but that's also important to me, you also have to pay bills, but because of the fact that the social part is there, you also see that if I go somewhere in a restaurant and I see someone there who we have trained then I am super satisfied (#28).

I think what I like most about myself is that I think our story is right. That I do not do production or do work that I would not want to do myself, in the sense that, if you look around, I can find goods here every day that I say: "wow, handsome and clean, does that end up in that dump?" Actually, I think the most, even the most satisfying thing is that we can create jobs by selling reusable goods. We can actually be creative, we can have fun, we can have fun. Um, that's the fun part (#15).

That's actually an intrinsic motivation. I was able to develop it myself, develop all my ideas (#2).

Social Engagement

A motivation that the interviewees regularly mentioned is "social engagement." For example, they mentioned "added value for society," "giving something back to society," and similar terms. Social engagement does not seem to be the same as moral empathy in the interviews, although both are clearly related to the "self-transcendent values." Wanting to do something in return for society, not just making a profit and adding value for others, is apparently a different driver than empathy and compassion. The socially engaged entrepreneurs also do not always mention empathy as a driver, and the empathic entrepreneurs do not always mention social engagement as a motivating factor.

When I'm seen like that, that sounds great of course, yes of course because I do not want to do business and just sell glue for example and make money with it, no I really want to and I've made that clear several times in the meantime I think, I really do want to do business to create a social impact actually (#24).

By my nature, I could not be any different. I'm not anyone's rock-solid financier. Social entrepreneurship also means that your profit is not an end in itself. Your profits go to your social entrepreneurship. It has to be added value for society, that's the most important thing for me. To be able to mean something for your environment, for your fellow human beings, yes that's very important to me (#20).

Meaning and Satisfaction as Motivation

Working for a social purpose gives meaning and satisfaction. Sometimes, the interviewees contrast the satisfaction they perceive from working for a social purpose with the satisfaction they experienced in previous jobs. The meaningfulness and satisfaction that the social entrepreneurial work offers turn out to be important "drivers" for the entrepreneurs to (continue to) do their work.

Above all, therefore, the social objectives. The motive to help people may sound a little too soft, but it's mainly about things that matter, that are useful instead of pursuing pure profit and getting rich and going more for human achievements (#3).

The difference here is that I can really mean something in the employment of those people. What I personally experience is that if one can be useful and start working with a good feeling that the added value that one can have to society is simply higher (#4).

The challenge, but also the feeling of being here is not only for myself but what I do also makes sense for others. And that has to do with meaning (#6).

Drive

The word "drive" recurs regularly in the interviews, without explicitly being asked for. Although each interviewee mentions drive in a different sense, it seems to be a character trait that is key to social entrepreneurship. Drive seems to be synonym with intrinsic motivation, tenacity, and sometimes passion. Drive is seen as an inner motivator to get something done. Furthermore, the quotes also point toward the connection between drive and empathy, as they mention taking care of employees or target groups, and being willing to take leadership in difficult positions.

That social piece always gives that extra drive. (…) A gigantic drive against the current. And it's really against the current, because everyone is going to say it's not feasible. For me it is very clear: social entrepreneurship is a passion, with a lot of drive, entrepreneurship in a way I believe it works, but with my feet on the ground (#1).

You need to have some kind of innate drive to take on leadership. Because entrepreneurship is first and foremost taking leadership (#5).

So you must have a drive, you must want to realize something (…) You have to keep feeling that drive. (…) If you do not have that drive anymore, you have to, you have to stop, you have to do another job (#6).

I think what is positive about me is that I still have a huge drive and that I am indeed going for it. That I stand behind my staff. I cannot deal with it when people are negative about my staff in a certain place, then I react and I jump in the breach, they know that about me too (#8).

DISCUSSION

Empathy as a Driver for Social Entrepreneurs

In several previous studies, empathy is seen as the most important distinguishing characteristic of a social entrepreneur (Miller et al., 2012; Bargsted et al., 2013; Ruskin et al., 2016; Lubberink, 2020). This study does not make a comparison between "traditional" entrepreneurs and social entrepreneurs, but looks at the role of empathy in the motivation of a social entrepreneur. As described in the results, empathy is an important driver for social entrepreneurs, but not for all of them. Other, more mundane motivations also appear to be important. These include, among others, self-realization and drive, motivators and triggers that are associated with "traditional" entrepreneurs as well. These results confirm earlier research concerning empathy and social entrepreneurship in two ways. First, it provides qualitative evidence of the link between empathy and social entrepreneurship that has been made (quantitatively) in previous studies (e.g., Bacq and Alt, 2018; Wu et al., 2020). Second, it provides the view of experienced social entrepreneurs in addition to studies that are based on nascent perspectives by means of student questionnaires (e.g., Bacq and Alt, 2018; Ploum et al., 2019; Wu et al., 2020).

Stephan and Drencheva (2017) already indicated that a social entrepreneur does not differ that much from the "ordinary" entrepreneur on several points. Like a commercial entrepreneur, the social entrepreneur is driven by values, such as independence, performance, and influence. Also Clark et al. (2018) found that a social entrepreneur differs on some points, such as a higher level of ambition and a higher assessment of his or her own abilities. On other points, however, the differences are less pronounced, for example on the point of "self-centeredness." This is confirmed by the results of this study. Important drivers for entrepreneurs, such as autonomy, freedom, and the ability to develop independently (all encoded under "self-realization") were found among almost all the interviewed social entrepreneurs. What might be specific for social entrepreneurs – exceptions aside – is that they mentioned social commitment and being proud to realize something for others. This is also in line with the findings of Bacq and Alt (2018), who found that empathy indirectly affects social entrepreneurial intentions among students.

In previous studies, empathy (sometimes labeled as "compassion") is seen as the distinguishing factor for social entrepreneurs, among others by Miller et al. (2012). The fact that some entrepreneurs show empathy is clearly reflected in the results. At the same time, a substantial proportion of the entrepreneurs was not driven by an empathic attitude. These entrepreneurs set more focus on economic value creation of their organization and, thereby, tend to have drifted away from the social mission of their organization. By emphasizing the economic impact of their organization, they drift toward a profit focused business model characterized by financial impact first. This phenomenon refers to growing commercialization (e.g., as a result of diminishing funding or neoliberal influence) and is in line with previous research focusing on growing tendencies to stress economic outcomes rather than social ones (e.g., Comforth, 2014; Maier et al., 2016). Questions arise regarding the role of empathy in this process: Was mission drift the result of an overall lack of empathy; or were these social entrepreneurs empathic when starting their venture and somehow lost or neglected their empathic drivers while running their organization? In such particular context, one can relate this type of empathy more with situational empathy (Bacq and Alt, 2018).

In any case, the differences between these types of social entrepreneur – lacking empathy from the start or losing it along the road – and their commercial counterparts is becoming small. Furthermore, it shows that prevailing focus on the social dimension is needed, in order to prevent mission drift. This is in line with Wu et al. (2020) who found high levels of empathic concern among nascent social entrepreneurs (business students) to be an important factor as opposed to moral disengagement and elements of the dark triad, i.e., narcissism, psychopathy, and Machiavellianism. It would be interesting to explore these issues of mission drift in relation to empathy and the differences between social and commercial entrepreneurship in more detail in future research, as well as its link with business education with focus on social and sustainable entrepreneurship (e.g., Lambrechts et al., 2018). Specific links with dark triad aspects might also lead to future research in which empathy is further analyzed from a cognitive neuroscience perspective (Decety, 2015; Surguladze and Bergen-Cico, 2020).

In the theory of UHVs (Schwartz, 1994; Schwartz et al., 2012), opposing values are assumed to conflict. In this research, this would mean that prosocial motivations such as empathy or social engagement (on the side of Universalism and Benevolence) conflict with self-realization and "drive" (Achievement and Self-direction). While Sastre-Castillo et al. (2015) found values related to self-transcendence and conservation to be important factors influencing social entrepreneurs, there seems to be no internal conflict among the entrepreneurs in the sample of this study: Many of the empathetically driven social entrepreneurs indicate that they are also motivated by self-realization. The drive for self-realization is in line with a comparative study by Clark et al. (2018), who found that social entrepreneurs often set higher goals and rate their own ability to achieve them higher than the commercial entrepreneur. Whether social entrepreneurs experience a conflict between these values and the way how they deal with such conflicting values is an interesting topic for future research.

The literature on empathy assumes that women have a higher degree of empathy than men (e.g., Jolliffe and Farrington, 2006; Carré et al., 2013). Such gender preferences are confirmed in this qualitative study, as the interviewed women are more often motivated by empathy than men (eight women vs. four men), or at least mention this (explicitly or implicitly) during the interviews. The fact that (male) entrepreneurs are not talking about the "soft" side of social or sustainable entrepreneurship, such as normative elements, or in case of this study, empathy, might be in line with previous research in the context of sustainable entrepreneurs, that were found to be hesitant to present themselves as being ethical or behaving according to

normative competences. They rather preferred to present themselves as taking strategic or future-oriented business decisions (e.g., Lambrechts et al., 2019). This positioning of entrepreneurs as being empathic or normative, as well as the gender preferences displayed in this research, provide interesting research avenues to be further explored.

Life Events as a "Trigger" for Social Entrepreneurship

According to previous studies, experiencing a "life event" can influence the life course and choices of social entrepreneurs (Shumate et al., 2014; Stephan and Drencheva, 2017; Saebi et al., 2018). In this study, results show that a life event has greatly influenced the life path of some interviewees. The life event sometimes led to the start of the company, or to a career switch. Yiu et al. (2015) found that a life event could strengthen the feelings of empathy, increasing the likelihood of someone starting a social enterprise. In this study, that pattern (life event leads to stronger feelings, which leads to starting a business) is clearly recognizable in some entrepreneurs. There are indications that a life event can be a landmark for doing something for a certain target group. Some examples have already been given, such as experiencing that there is no support for certain socially vulnerable groups or being personally affected by disaster. These life events have a great deal of influence on the further course of the entrepreneur's decisions.

Among others, Yitshaki and Kropp (2016) write about "search for meaningful career" as a motivating factor for social entrepreneurs. Meaning is not included as a separate motivator, although it is close to altruism (helpful, true friendship, forgiving, and social justice) in the framework of the UHVs by Schwartz (1994) and Schwartz et al. (2012). Yitshaki and Kropp (2016) refer to a "vocation," i.e., an inner direction of meaning. Weber (1958) wrote about a "divine inspiration" to do morally correct work. Even without divine inspiration vocation can be present, as an inner desire to serve others (Hall and Chandler, 2005). Divine inspiration did not emerge in the sample of this study, interviewees did however mention an inner desire to do something good for others. The fact that meaningfulness emerges in the results shows that this is an important driver for social entrepreneurs. This offers opportunities for better understanding of the social entrepreneur and his or her motivations by means of further research. It is possible that philosophical or ideological views play a role here, as various interviewees refer to this, e.g., religion and (political) worldviews.

For many entrepreneurs, a fundamental commitment to society plays a role in their motivation. For some, it is a remnant of education or early adulthood experiences, or later in their career path as a moment of insight under the influence of a life event. For others, being empathic and willing to serve the socially vulnerable seems to be an important character trait. This is also recognizable in the literature, for example, in Shumate et al. (2014) who mention "family legacy;" Saebi et al. (2018) who discuss a "prosocial personality" and Stephan and Drencheva (2017) who refer to higher scores on transcendental values. Social engagement appears to be a catch-all term, which invites for more detail in future research.

CONCLUSION

Empathic involvement turns out to be an important driver for social entrepreneurs. About half of the 33 social entrepreneurs interviewed describe their motivations in a way that aligns with empathy. It can therefore be said that empathy is a driver of social entrepreneurship, but not for every social entrepreneur. For some of the interviewed entrepreneurs, there was a link between experiencing a transformative experience and the choice to dedicate their working life to a social enterprise. It is not always clear whether such a "life event" increases empathy, but it can be a reason to do things differently. A specific group of interviewees mentions a "life event" as a trigger for transformative change.

In addition to empathy and "life events," other drivers have been found to be important for social entrepreneurs. For the majority of the interviewees, for example, their drive for self-realization plays a motivating role. In addition to self-realization, a sense of meaning and satisfaction appears to be an important motivator to become and remain a social entrepreneur. The assumption made in the literature, that empathy is the most important motivating factor of social entrepreneurs, does not hold. Other well-known motivators for doing business, such as self-realization, are found to play a motivating role as well. Nevertheless, empathy is an important driver for some of the interviewees. As a result, it is not easy to draw straight forward conclusions, but it is possible to sketch a nuanced picture of the various motives of social entrepreneurs. Empathy often plays a role, but not for every social entrepreneur. Sometimes empathy is awakened or reinforced by a life event, sometimes not. Even when empathy does not play a role, entrepreneurs can be motivated for social goals.

The limitations of this study provide possibilities for further research. First, in this study, social entrepreneurs were asked to talk freely about their experiences. Feelings of empathy were not explicitly mentioned in the interview questions, in order not to influence the participants by steering them into a certain direction. As a consequence, the conclusion that the role of empathy is less relevant for social entrepreneurs, because participants do not mention it explicitly, must be taken with caution. Furthermore, because of this procedure, statements of respondents cannot always uniquely be linked to (moral) empathy, and can sometimes also be associated with prosocial behavior which originates from sympathy or altruism. This issue should be kept in mind when interpreting the findings. Future studies about social entrepreneurs may focus on participants explicitly reflecting on their empathic feelings. Second, empathy is a driver for some social entrepreneurs, but it might be relevant to compare this with their "traditional" counterparts. There is a need to further investigate which personal motivations distinguish social entrepreneurs from traditional entrepreneurs (Lubberink, 2020). Several social entrepreneurs indicated that they made the switch to a social enterprise after disappointment or dissatisfaction with their job in the business world. A study of empathy in both groups can provide more insights into whether empathy is more important among social entrepreneurs.

DATA AVAILABILITY STATEMENT

The datasets presented in this article are not readily available because they are confidential. Requests to access the datasets should be directed to wim.lambrechts@ou.nl.

ETHICS STATEMENT

Ethical review and approval was not required for the study on human participants in accordance with the local legislation and institutional requirements. Written informed consent for participation was not required for this study in accordance with the national legislation and the institutional requirements.

AUTHOR CONTRIBUTIONS

WL, MC, IM, and RO: conceptualization, formal analysis, and investigation. WL, IM, and RV: methodology. WL, MC, and IM: validation, data curation, writing – original draft preparation, writing – review and editing, and visualization. WL and MC: supervision. All authors contributed to the article and approved the submitted version.

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Conflict of Interest: The authors declare that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

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Corporate Sustainability Paradox Management: A Systematic Review and Future Agenda

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Increasing evidence suggests that corporate sustainability is paradoxical in nature, as corporates and managers have to achieve economic, social, and environmental goals, simultaneously. While a paradox perspective has been broadly incorporated into sustainability research for more than a decade, it has resulted in limited improvement in our understanding of corporate sustainability paradox management. In this study, the authors conduct a systematic review of the literature of corporate sustainability paradox management by adopting the Smith–Lewis three-stage model of dynamic equilibrium. The results reveal the following: (1) Both environmental and cognitive factors manifest tensions arising from the sustainability paradox. (2) While both proactive and defensive strategies are adopted to manage the tensions embedded in the corporate sustainability, the proactive strategy is more extensively studied in the current literature. (3) Management strategies of corporate sustainability paradox are characterized as multi-level, multi-stage, and dealing with multiple paradoxes. (4) Proactive strategies enable organizations to enjoy short-term and long-term sustainability benefits. The authors call for further research explicitly addressing the following areas: (1) the paradoxical nature of corporate sustainability management; (2) corporate sustainability paradox management of for-profit organizations; (3) the micro-foundations of corporate sustainability paradox management; (4) defensive strategies and new proactive strategies; and (5) a unified standard of sustainability outcomes. The practical implications of this review are then elaborated. In practice, the results imply that organizations would best manage the corporate sustainability paradox by understanding the paradox and its equilibrium stages. This review and proposed research agenda are expected to deepen interdisciplinary knowledge and set the stage for interested scholars to undertake in their future inquiries.

Keywords: corporate sustainability, paradox, tension, corporate social responsibility, social enterprise

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INTRODUCTION

Although organizations have been pursuing their economic goals as primary interests for a long time, concerns about the natural environment and social welfare have become essential for organizations to deal with when considering sustainable development (Gladwin et al., 1995; Bansal, 2002; Zollo et al., 2013). Corporate sustainability juxtaposes economic, social, and environmental

goals in parallel (Bansal, 2005; Schaltegger et al., 2016) to achieve overall social welfare (Schwartz and Carroll, 2008). Organizations that proactively take up their social responsibility display impressive competitiveness and vitality (Thiel, 2017; Ivory and Brooks, 2018; Daddi et al., 2019). Meanwhile, socially or environmentally irresponsible behavior still commonly occurs, even though it hurts the companies' image and reputation (Lin-Hi and Müller, 2013). While it is challenging to engage simultaneously with economic, social, and environmental goals, it is critical to consider how organizations and managers can successfully manage these multiple goals is critical to gain long-term competitiveness.

Three theoretical perspectives have emerged to address the relationships among economic, social, and environmental responsibilities: business frame, win–win, and business case perspectives. The business frame perspective from earlier scholarly work proposes that pursuing profit goals is an organization's primary responsibility and criticizes other pursuits as insignificant, as these essentially contradict an organization's economic benefit (Friedman, 1970). Corporate sustainability scholars have almost abandoned such a view, as it assumes a narrow scope of corporate responsibility and ignores the social and environmental aspects of corporations' operations (Wood, 1991; Hahn and Figge, 2011; Barnett, 2019). By contrast, the win–win perspective argues that both economic and social missions are attainable at the same time (Van der Byl and Slawinski, 2015). However, this view overemphasizes their reciprocity or interdependence and ignores the tensions from conflicts between these missions (Turban and Greening, 1997; Albinger and Freeman, 2000; Wagner, 2010), and the trade-offs between specific stakeholder groups are not always avoidable (Bridoux et al., 2016). Meanwhile, the business case frame regards these conflicts as being canceled out, by advocating the instrumental utilization of social pursuits to advance economic aims (Hahn et al., 2015; Hafenbrädl and Waeger, 2017); however, the business case frame has been criticized as insufficient to depict the true notion of corporate sustainability (Dyllick and Hockerts, 2002; Hahn and Figge, 2011), resulting in opportunism and a lack of intrinsic motivation for corporate social responsibility (CSR) engagement (Nijhof and Jeurissen, 2010).

In this study, the authors attempt to adopt a fourth perspective, the paradox perspective, to review how previous organizational sustainability research has deepened our knowledge, echoing Margolis and Walsh's (2003) call for intricate theorization. The paradox perspective, building on the recent advancement of organizational paradox theory, posits that organizations are rife with persistent, contradictory, yet mutually interdependent demands (Smith and Lewis, 2011). The paradox theory has been applied to explain diverse organizational phenomena, including leadership (e.g., Zhang et al., 2015, 2017) and innovation (e.g., Andriopoulos and Lewis, 2009). For corporate sustainability, pursuing competing economic, social, and environment goals at the same time is essentially an organizational paradox (Hahn et al., 2014). The paradox perspective acknowledges the tensions underlying opposing goals. However, in contrast to other perspectives, the paradox perspective centers on the tensions with which organization and management scholars have little choice but to engage (Lindgreen and Maon, 2019), exploring how organizations and decision-makers experience and manage the tensions underlying the sustainability paradox (Margolis and Walsh, 2003; Gao and Bansal, 2013; Hahn et al., 2015). For example, in contrast to ignoring or eliminating conflicts (an "either/or" solution), scholars have found that embracing the tensions can lead to an innovative ("both-and") solution, followed by sustainable outcomes (Tracey et al., 2011; Jarzabkowski et al., 2013; Jay, 2013; Van der Byl and Slawinski, 2015; Ortiz-de-Mandojana and Bansal, 2016).

In this study, the authors adopt the dynamic equilibrium model proposed by Smith and Lewis (2011) on organizational paradox theory, attempting to offer a systematic review of academic developments in the management of the corporate sustainability paradox. The dynamic equilibrium model is influential in the literature of organizational paradox. It assumes that opposing forces of a paradox are dynamic rather than static, are persistent rather than transient within complex systems, and can be beneficial and powerful rather than detrimental and threatening. Specifically, the model encompasses three stages: how latent tensions turn into salience, how management strategies enable reinforcing cycles, and the outcomes of paradox management. The first stage introduces environmental factors and individuals' cognition and rhetoric as the major two types of manifestation forces that render the latent paradoxical forces (e.g., social goal and economic goal) salient and tensional. The second stage proposes how resolution and acceptance strategies fuel vicious and virtuous cycles. The last stage describes how, while focusing on one goal might achieve short-term success, long-term sustainability depends on constant efforts to address the diverging goals in a mutually reinforcing fashion. As a meta-theoretical perspective, the model encompasses the nature, approach, and impact of paradox management, providing a holistic guide to frame and explore how sustainability as disciplinary knowledge deals with its own inherent paradoxes (Smith and Lewis, 2011, p. 297).

The current work is not the first review on the paradox perspective in the corporate sustainability field. In an earlier review, Van der Byl and Slawinski (2015) identify four major approaches in corporate sustainability, that is, win–win, trade-off, integrative, and paradox perspectives. The reviewers mainly offer a conceptual distinction of the paradox perspective from the other three perspectives and highlight the emergence of the paradox perspective in corporate sustainability research. However, up to 2014, the year before Van der Byl and Slawinski's review was published, only eight articles (e.g., Berger et al., 2007; Wijen and Ansari, 2007) were found to adopt such a paradox lens. Later, in 2018, the *Journal of Business Ethics* published a thematic symposium on "paradoxes in corporate sustainability." Among the issued articles, Hahn et al. (2018) are the first to develop a three-aspect framework, namely, descriptive, instrumental, and normative, and locate the six articles in the symposium within different aspects. Thereafter, the paradox perspective gained increasing recognition and sparked intensive research work among corporate sustainability scholars (e.g., Smith and Besharov, 2019; Hengst et al., 2020; Soderstrom and Heinze,

2020). However, as a disciplinary approach, this perspective is still in its infancy in the corporate sustainability area. Considering the rapid emergence of recent literature and the insufficient exploitation of existing research, a comprehensive and systemic review of corporate sustainability from the paradox perspective is timely and imperative. There is no preexisting published review specifically on this topic.

Guided by the three-stage dynamic equilibrium model, in this review, the authors aim to reveal the existing approaches to the manifestation of corporate sustainability tensions, the management of such tensions, and the downstream outcomes. In the rest of this article, the authors first outline the method for the selection of papers in the literature, then present the findings and discuss of a future agenda for further corporate sustainability research, and finally outline the implications and conclusions of the review.

RESEARCH METHODS

To conduct a systematic review of the literature of corporate sustainability from an organizational paradox perspective (Van der Byl and Slawinski, 2015), the authors followed the PRISMA guidelines (Moher et al., 2009) to the extent that they apply to non-medical systematic reviews. The time span for the search was up to December 31, 2019. To ensure the initial search was broad enough, the authors mainly followed two influential reviews, the CSR review of Aguinis and Glavas (2012) and the corporate sustainability review of Van der Byl and Slawinski (2015), and targeted a total of 35 top management journals and specialized niche ones (see **Table 1**). Finally, the authors searched in corresponding journal databases (e.g., Web of Science) or homepages, using the following keywords in the titles, keywords, or abstracts of the journal articles:

Paradox OR ambivalen* OR ambidexterity OR integrat* OR institutional logic OR tension OR dilemma OR conflict OR dialect OR Yin-yang OR Tao

AND

sustainab* OR CSR OR social enterprise OR social entrepreneurship OR social partnership OR cross-section partnership OR hybrid organization OR microfinance OR social responsib* OR social performance OR social responsiveness OR corporate citizenship OR corporate responsibility OR stakeholder responsibilities OR triple bottom line.

To reduce the risk of bias, the whole process of identification and selection of articles was guided by the PRISMA method (see **Figure 1** for the PRISMA flow diagram). After searching for each pair of keywords, the initial search returned 2,905 articles, including repeated ones. After filtering out any articles repeated more than once, three authors (coders A, B, and C) scanned the abstracts of the remaining papers to rule out ones irrelevant, or with only minimum relevance. Each article was assigned to two coders. The expected agreement due to chance between coders A and B was 0.59 ($\kappa = 0.96$), that between B and C was 0.50 ($\kappa = 0.98$), and that between A and C was 0.53 ($\kappa = 0.92$). These results illustrate high inter-rater reliability. The articles obviously deflecting from the corporate sustainability theme were removed from the literature pool (these papers concerned business school curricular development, organizational learning, incentive systems, work meaningfulness, trust, organizational innovation, entry decision-making, risk management, supply chain management, etc.). For the remaining articles, the authors further skimmed through the full text to decide whether they should be included in the review and then cross-validated the results. In this step, articles were excluded mainly if they (1) did not reflect a paradox perspective of corporate sustainability; (2) merely focused on the business frame, business case, or win–win perspective, rather than the paradox perspective of corporate sustainability; and (3) had a main theme concerned with sustainability over and above the corporate level, such as government procurement (Preuss, 2007) and the rise of socially responsible investment funds at the regional or national level (Yan et al., 2019).

After the screening, the authors retained a total of 141 articles. Through this process, the extensiveness and concentration of the literature review were simultaneously guaranteed. The journal distribution of these articles is presented in **Table 2**.

When conducting further analysis, the authors mainly concentrated on the three stages that Smith and Lewis (2011) proposed in their study on the dynamic equilibrium model of organizational paradox. In this theoretical piece, building on earlier foundational work (e.g., Cameron and Quinn, 1988; Lewis, 2000), they define a paradox as consisting of "contradictory yet interrelated elements that exist simultaneously and persist over time" (p. 386). A paradox, by definition, cannot be eliminated. Furthermore, any attempt to eliminate the paradoxes will only spark more tensions, resulting in vicious cycles (Vince and Broussine, 1996). To holistically address this cyclical nature of experiencing and managing paradox, Smith and Lewis (2011) theorize three phases: how tensions arise from latency and turn into salience under the stimulation of environmental and individual factors, how actors take purposeful responses to manage paradox mainly through resolution and acceptance, and how short-term outcomes fuel long-term success. An increasing number of studies in broader organizational context have demonstrated that if actors can embrace and be more comfortable with the paradoxes rather than defending themselves and denying the existence of paradoxes (Miron-Spektor et al., 2018), a virtuous cycle would occur and eventually lead to sustainable development. Leaders who display paradoxical traits (e.g., humility and narcissism, Zhang et al., 2017) and are more prominent in leading their subordinates also enable work-promoted outcomes (Zhang et al., 2015). Thus, corporate sustainability studies focusing on addressing the cyclical nature of paradoxes and relevant management practices at different stages are needed.

The three stages and specific items that the authors focused on when this model was applied to investigate corporate sustainability issues are as follows: (1) the manifestation of paradoxical tensions, (2) the management of sustainability paradoxes, and (3) outcomes. First, the authors identified the factors that could render paradoxical tensions salient and categorize them into *environmental* and *individual* ones (i.e., environmental plurality, change, scarcity, and

TABLE 1 | Target journals for article collection.

17 top management journals	4 specialized sustainability journals	14 journals selected based on the authors' experience and other concerns
Academy of Management Journal, **Academy of Management Review**, **Administrative Science Quarterly**, International Journal of Management Reviews, Journal of the Academy of Marketing Science, Journal of Applied Psychology, Journal of International Business Studies, **Journal of Management**, **Journal of Management Studies**, Journal of Marketing, Journal of Occupational and Organizational Psychology, Journal of Organizational Behavior, Organizational Behavior and Human Decision Processes, **Organization Science**, **Organization Studies**, Personnel Psychology, **Strategic Management Journal** (Aguinis and Glavas, 2012; Van der Byl and Slawinski, 2015)	**Business and Society**, **Journal of Business Ethics**, Business Ethics Quarterly, Business Strategy and the Environment (Aguinis and Glavas, 2012; Van der Byl and Slawinski, 2015)	Other superior management journals: Academy of Management Annals, Academy of Management Perspectives, Annual Review of Organization Psychology and Organization Behavior, Leadership Quarterly, Human Resource Management, Management Science Other niche journals: Organization and Environment, Business Ethics: A European Review, Business and Society Review, Corporate Social Responsibility and Environmental Management, Management and Organization Review, Asia Pacific Journal of Management Practitioner journals: California Management Review, Harvard Business Review. (Van der Byl and Slawinski, 2015)

Journals in boldface were mentioned in both reviews of Aguinis and Glavas (2012) and Van der Byl and Slawinski (2015).

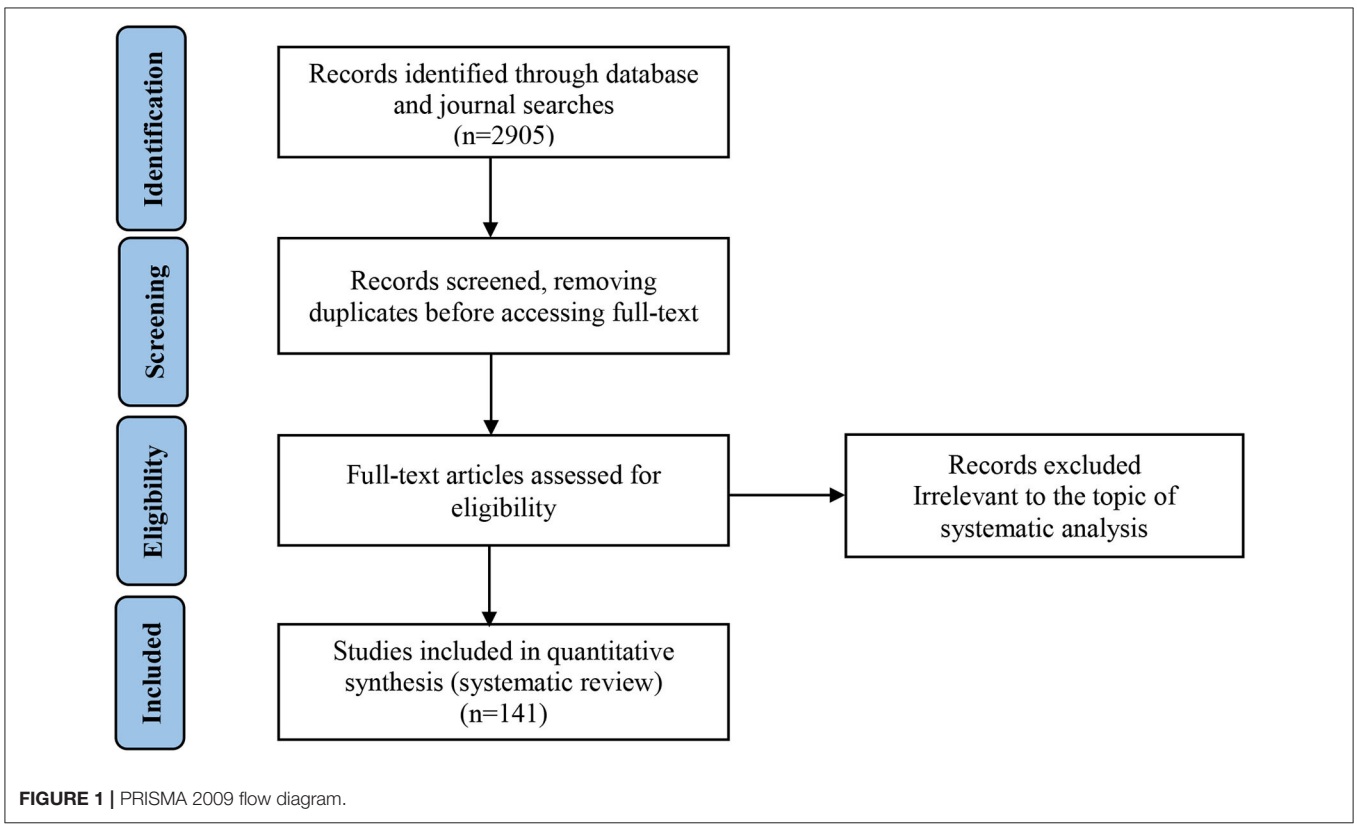

FIGURE 1 | PRISMA 2009 flow diagram.

paradoxical cognition, respectively, according to the dynamic equilibrium model). Second, to depict the characteristics of these management processes, the authors analyzed the strategies and decided whether a *proactive* or *defensive* response is taken, and further coded these strategies as *multi-level* (e.g., involving managers from different levels), *multi-stage* (e.g., a dynamic and cyclic management process), or *multi-paradox* (e.g., both performing and organizing paradoxes are concerned). Finally, the authors investigated the *short-term impacts* (e.g., creativity and organizational learning) and *long-term outcomes* (e.g., economic and social performance enhancement) of these management strategies and their related practices. As for the initial screening of the focal articles, three of the authors independently analyzed the data. After each round of analysis, the authors discussed the coding together to resolve inconsistencies and ensure the accuracy and validity of the findings.

TABLE 2 | Distributions of articles in journals.

Journals	Number of articles
Journal of Business Ethics	59
Academy of Management Journal	10
Academy of Management Review	8
Business Ethics: A European Review	7
Organization Studies	7
Organization and Environment	6
Corporate Social Responsibility and Environmental Management	5
Business Ethics Quarterly	4
Journal of Management Studies	4
Business Strategy and the Environment	4
Administrative Science Quarterly	3
Journal of Organizational Behavior	3
Journal of the Academy of Marketing Science	3
Management and Organization Review	3
Organization Science	3
Strategic Management Journal	3
Asia Pacific Journal of Management	2
Journal of International Business Studies	2
Business and Society	2
California Management Review	1
International Journal of Management Reviews	1
Harvard Business Review	1
Total	141

FINDINGS

In this section, the authors answer the following questions. First, what factors make sustainability tensions salient? Second, what are the strategies (e.g., proactive or defensive characteristics) to manage sustainability paradoxes? Third, what are the outcomes (short-term and long-term)? A list of the representative articles and their coding information is found in **Table 3**.

In corporate sustainability research (see **Table 3**), hybrid organizations, such as social enterprises, attract much attention. Other hybrid forms, such as cross-sector collaboration, are also discussed in sustainability studies. Unlike social enterprises, which focus on the centrality of their social mission (Chell, 2007), for-profit firms are under increasing attention because of their greater emphasis on economic values; nevertheless, this is still under-researched. On the methodology front, while single-case longitudinal research is still the most popular, quantitative examinations have been increasing in recent years.

The Manifestation of Corporate Sustainability Paradoxes

Two sets of triggering factors that could manifest organizational paradoxical tensions have emerged, consistent with Smith and Lewis' (2011) dynamic equilibrium model, namely, environmental factors and actors' paradoxical cognition. The former emphasizes plurality, change, and the scarcity of the external environment, which all contribute to providing the material conditions of a paradox. The latter focuses on the actors themselves and highlights the role of personal frames and cognition. The research into paradoxical corporate sustainability also underlines these factors (see **Table 3**).

Environmental Factors

In general, organizational paradox research has recognized the importance of environmental factors in providing the material conditions that lead to perplexing choices (Scherer et al., 2013). In the context of accelerated globalization (Slawinski et al., 2020), marketization and professionalization (Bruneel et al., 2020), environmental degradation (Daddi et al., 2019), and public health concerns (Iivonen, 2018), plurality, change, and scarcity emerging from complex environments enable sustainability paradoxes to occur, owing to competing economic, social, and environment goals (Soderstrom and Heinze, 2020). Specifically, plurality has been manifested in the pursuit of the triple bottom line (Elkington, 1997), multiple institutional logics (Dahlmann and Grosvold, 2017), and multiple stakeholder demands (Smith et al., 2013). Any excessive concern about any goal may be detrimental to sustainability outcomes (Jay et al., 2017; Soderstrom and Heinze, 2020); thus, tensions appear. These kinds of tensions would directly reflect on firms' mission statements that combine economic pursuits and social or environmental visions. Some researchers show that the co-existence of social and economic/financial logics (Yan et al., 2019; Bruneel et al., 2020), market and community logics (Smets et al., 2015), or separate and integrated logics (Gümüsay et al., 2020) would provoke thorough tensions around the organization's structure and identity and change would ensue as institutional logics define the material practices, assumptions, values, and beliefs of organizations (Thornton et al., 2012). Other researchers, mainly from the perspective of stakeholder management, find that tensions would emerge as a consequence of heterogeneous opinions, confusion around roles, and diffused power or responsibility (Slade Shantz et al., 2020) when considering a wider range of stakeholders (both insiders and outsiders) in the sustainability context, of whom there are essentially inconsistent expectations (Iivonen, 2018).

Many studies have stressed that, apart from changes due to prominent trends, the dynamic nature of an organization's environment requires proactive adaptation for both the present and the future (Waldman and Bowen, 2016). For instance, the changes in organizational temporal structure and leadership styles (Sharma and Jaiswal, 2018), which are deeply rooted in a disparity in practice between "what should be" and "what is" (Winkler et al., 2020), would significantly provoke corporate sustainability tensions.

The triggering role of scarcity is magnified when researchers investigate special settings, such as entrepreneurship and social enterprises. Entrepreneurs with a paradoxical frame have limited resources, time, and expertise for sustainability options (Hahn et al., 2014). Davies and Doherty (2019) suggest that social enterprises struggle with more intensive sustainability tensions because of their insufficient attractiveness for capital,

TABLE 3 | Three-stage model of representative articles.

Representative article	Activation	Strategies	Outcomes	Organizational type	Country	Method and time span	Level of analysis	Dynamic view
Smets et al. (2015)	(Envi.) Plurality-multiple logics	Proactive	Tension mitigation in daily work	Business corporation (financial industry)	United Kingdom	Single-case study (180 days)	Individual level (frontline employees)	Yes
Acquier et al. (2018)		Proactive	Integrated CSR	Multinational business corporation (sports apparel industry)	Japanese headquarter and European subsidiaries	Single-case study (December 2013-July 2014)	Organizational and individual (managers) levels	Yes
Stadtler (2018)		Proactive	Advance on social agenda and align with the companies' individual goals	Cross-sector social partnerships	Egypt and Jordan	Comparative case study (August 2009 to September 2011)	Cross-organizational level	No
Davies and Doherty (2019)	(Envi.) Scarcity, complexity, and dynamics	Proactive	Automatic and contingent value spill-over	Social business	United Kingdom	Single-case study (17 years)	Organizational level	Yes
Smith and Besharov (2019)		Proactive	Increased revenues and social impacts	Social enterprise	Cambodia	Single-case study (2001-2010)	Organizational and individual (top managers) levels	Yes
Bruneel et al. (2020)	(Envi.) Plurality-multiple logics	Proactive	Sustainable hybrid governance structure and functioning	Social enterprise	N/A	Multiple-case study	Organizational level	Yes
Gümüsay et al. (2020)	(Envi.) Plurality-multiple logics (Cog.) Business frame vs. business case frame vs. paradoxical frame	Proactive	Less conflict-prone and more resilient	Hybrid organization (an Islamic bank)	Germany	Single-case study (24 months)	Organizational and individual levels	Yes
Schneider and Clauß (2020)		Proactive	Sustainable value and credibility for future value creation	Business corporation	Headquarter in Austria and Germany	Multiple-case study	Organizational level	No
Winkler et al. (2020)*	(Envi.) Change (Cog.) Attention, scrutiny, and interpretations	Proactive	Working through tensions	N/A	N/A	N/A	Individual level (managers)	Yes
Slawinski et al. (2020)		Proactive	Increased community well-being and enhanced built and natural environment	Regenerative organization	Canada	Single-case study (early 2012 to the end of 2017)	Organizational level	Yes
Soderstrom and Heinze (2020)	(Envi.) Plurality-multiple goals	Proactive	Sustainable practices	Food entrepreneurs and business collective organization	United States	Single-case study (May 2013 to January 2015)	Levels of business collective and entrepreneurs	Yes
Iivonen (2018)	(Envi.) Plurality-multiple demands	Defensive	Creation of outside secondary contradictions	Business corporation (beverage industry)	United States	Single-case study (2012–2014)	Organizational level	Yes

(Continued)

TABLE 3 | Continued

Representative article	Activation	Strategies	Outcomes	Organizational type	Country	Method and time span	Level of analysis	Dynamic view
Ferns et al. (2019)		Defensive	Symbolic effect, little engagement in substantial climate change mitigation	Business corporation (oil and gas companies)	Mainly from Europe	Multiple-case study (1997–2015)	Organizational level	No
Sharma and Jaiswal (2018)	(Envi.) Change	Proactive vs. defensive	Profit or loss	Business corporation (a global pharmaceutical company)	India	Single-case study (5 years)	Organizational level	Yes
Daddi et al. (2019)		Proactive vs. defensive		Business corporation (paper production, textile/clothing, and leather)	Italy	Multiple-case study	Organizational level	No
Garst et al. (2020)		Proactive vs. defensive	Different levels of value sustainability	Business corporation (food industry)	Netherlands	Multiple-case study (2006–2016)	Organizational level	No

*"Envi." denotes environmental factors; "Cog." denotes cognitive factors. *indicates the focal article to be theoretical.*

the difficulty of hiring employees with similar identities, and stakeholder legitimacy.

However, almost the entire discussion around environmental factors concentrates at the theoretical level. At this conceptual level, contradictory elements manifest more than interrelated ones, which essentially distinguishes paradoxical tensions of corporate sustainability from other tensions.

Actors' Paradoxical Cognition

Besides environmental factors, individuals' cognition is found to play an important role in manifesting sustainability tensions. Some researchers consider that perceived uncertainty, complexity, and ambiguity would add to individuals' cognitive burden (Sharma, 2000; Hahn et al., 2014), while others regard ambiguity as an important resource of identification (Eisenberg, 1984), allowing dissent among situated understandings to appear (Carollo and Guerci, 2018; Sharma and Jaiswal, 2018). In general, scholars agree on the idea that personal framing triggers the salience of the corporate sustainability paradox and paradoxical framing is the key to such transformation. For example, Hahn et al. (2014) suggest that, with a paradoxical framing, individuals would show higher sensitivity to sustainability tensions, which encourages individuals' acknowledgment of the interdependence and contradictions among their organization's competing goals (Vallaster et al., 2020). However, Child (2020, p. 1148) reveals that practitioners in the social enterprises could frame away the potential paradox by mechanisms such as "looking at the big picture," "engaging with potentially paradoxical conditions rather than turning from them," and "making favorable comparisons."

Previous studies also advocate that the recognition of sustainability paradoxes can be a process, during which rhetoric operates as a main communication and sense-giving tool (Waldman and Bowen, 2016; Acquier et al., 2018). For example, Winkler et al. (2020) determine that self-persuasive CSR rhetoric would draw attention to any practices deviating from an organization's ambitious vision, resulting in tensions.

Managing Sustainability Paradoxes

Proactive vs. Defensive Responses

While firms constantly experience sustainability paradoxes, how firms or critical actors respond varies. Broadly, responses or management strategies can be categorized as proactive versus defensive (Hahn et al., 2018; Iivonen, 2018). Three major distinctions have been made between the two types. First, active response requires acknowledging the existence of paradoxes and the correlation between their conflicting elements (Lewis and Smith, 2014), whereas a defensive response involves actors who often deny or ignore the existence of such contradictions. Second, proactively responding actors regard it as feasible to achieve multiple contradictory goals at the same time, whereas those with a defensive strategy tend to divert or eliminate the tension between economic, environmental, and social demands (Van der Byl and Slawinski, 2015). Third, actors adopting proactive responses often propose or make a fundamental change or a deviation from the existing stable state, while defensive responses constitute only a minor "natural extension" (Iivonen, 2018, p. 318) of the existing pattern.

Proactive strategies

Proactive strategies encompass two critical components, differentiation and integration (Poole and Van de Ven, 1989; Smith and Tushman, 2005; Andriopoulos and Lewis, 2009; Smith, 2014). Differentiation includes spatial and temporal separations of competing elements within different boundaries (Smith et al., 2013). For example, the segmentation mechanism divides partnerships into sub-tracks, which then act as intermediaries among cross-departmental partners to buffer conflicts (Stadtler, 2018). Moreover, by separating and differently managing stakeholders' benefits and expectations, a hybrid organization could successfully navigate between "community-focused" and "client-focused" orientations (Kannothra et al., 2018). For integration, previous work highlights the role of linking mechanisms (Hahn et al., 2016). A structural design, such as a hybrid set of members of the board (Bruneel et al., 2020), could combine business and social logics, and formal processes that regulate cross-function interaction (Battilana et al., 2015) could facilitate coordination and resource exchange. The authors observe that integration mechanisms are specifically addressed by some multinational enterprises. For example, Acquier et al. (2018) observe the international Japanese enterprise processes in multi-functional teams and cross-regional CSR projects to achieve highly integrated CSR, namely, increased professionalization and globalization, worldwide coordination, and the institutionalization of CSR. Some researchers argue that both differentiation and integration are indispensable for the organization (Smith and Tushman, 2005; Smith and Lewis, 2011) and can be utilized ambidextrously to produce a synergistic effect. For instance, Smets et al. (2015) came up with a segmenting–bridging–demarcating loop whereby both integration and differentiation are applied to daily work. When entering the German market, an Islamic bank uses polyphony (segmentation) to support individuals' practices and polysemy (integration) to provide uniformity, which combine to foster organizational elasticity (Gümüsay et al., 2020). However, it is noteworthy that the current literature fails to answer the extent to which the firm should differentiate between and integrate its competing economic, social, and environmental goals simultaneously.

Existing research has investigated other proactive paradox management practices. First, well-utilized communication, as is important in the CSR research (e.g., Zhao et al., 2020), could be a vital method to engage in the sustainability paradox. A good example could be the transformation from self-persuasive rhetoric to the three-step agonistic CSR rhetoric (Winkler et al., 2020). By using (1) invitational rhetoric to define visions as provisional and revisable, (2) listening rhetoric to understand the reasons for dissension, and (3) rearticulation rhetoric to transfer authority from the speaker to the audience, the dynamic communication process finally leads to a virtuous cycle. Apart from internal conveyance, external communication strategies emphasizing the firms' commitment to the environment, which may be further reinforced by third-party certifications, could maintain customers' trust (Daddi et al., 2019).

Second, ongoing engagement of stakeholders helps them to live with paradoxes, as their expectations of conflicts are the primary source of paradoxical tensions. The interaction between managers and stakeholders could be regarded as a process of knowledge co-creation, generating the "power from below" to reshape the power relations to manage the tensions (Bolton and Landells, 2015), and the proactive engagement of both internal and external stakeholders could lead to mutual appreciation (Slawinski et al., 2020) to further address the paradoxical issues.

Third, some researchers regard paradoxical thinking itself as a valid approach to handle tensions, but the guardrails—leadership expertise, formal structures, stakeholder relationships—are still needed to keep the practice on track (Soderstrom and Heinze, 2020).

Defensive strategy

Existing research favors investigating the proactive kind of responses to the sustainability paradox. However, in practice, companies often adopt defensive actions (Lewis, 2000; Smith and Lewis, 2012). When an organization's primary goal is threatened (e.g., by institutional complexity), the organization tends to react defensively to minimize internal conflicts and/or external threats to its legitimacy. In the organizational paradox literature, a focus on defensive reactions to paradoxical situations has generated a vast array of categorizations (see Schad et al., 2016, for a recent review). For example, Lewis (2000) divides defensive reactions into six categories: splitting, projection, repression, regression, reaction formation, and ambivalence (Lewis, 2000; Iivonen, 2018). To blame a scapegoat, which is actually the combination of splitting and projection, and to simply repress unpleasant emotions and thoughts are much more heatedly discussed than other defensive reactions in the current corporate sustainability paradox management literature (Vince and Broussine, 1996). Personal framing, such as looking at a big picture or making favorable comparisons, could also be regarded as an effective defensive mechanism to neglect problematic elements (Child, 2020).

In addition, some researchers observe that firms adopt defensive actions to transfer tensions to their external stakeholders, such as customers. For example, Iivonen (2018) points out that the Coca-Cola Company completely denies the tensions between its economic goals and the obesity problem, blaming customers for their irrational choices and lack of self-regulation. Another example is the practice of the European Oil and Gas Supermajors, which reduce or avoid tensions through impression management (Ferns et al., 2019). By making use of three myths—the techno-fix, the Promethean oilman, and climate partnerships—these companies have successfully legitimized their environmentally harmful businesses. Daddi et al. (2019) also investigate how paper producers, textile companies, and tanneries tried to balance environmental engagement and competitiveness through defensive strategies. To obtain recycled raw material, the paper producers focused on improving their competitiveness through more significant technological inputs or improved selection management. For instance, to avoid such tension arising from paradoxes, a tannery that produced high-quality leather for luxury brands directly sold

chrome (a material used to produce leather) recovered from the process to tanneries that produced inferior leather. In general, organizations tend to adopt defensive responses when their core business collides directly with sustainability development, as they consider these contradictions to be irreconcilable and threatening their survival (Iivonen, 2018; Daddi et al., 2019).

Factors spurring proactive actions

The academic community concurs that defensive reactions would create negative feedback loops (Smith and Lewis, 2011) and ethical hazards (Hall et al., 2007) in the long run. Some researchers have investigated the individual and environmental factors that could encourage a proactive response and promote a virtuous cycle. Several scholars have reiterated the role of individual factors, including cognitive and behavioral complexity and emotion regulation, in the dynamic equilibrium model, among others (Corner and Pavlovich, 2016; Hahn et al., 2016; Waldman and Bowen, 2016; Slawinski et al., 2020). Leaders' capabilities to maintain consistency in their behavior and emotions while navigating toward inconsistent goals are particularly highlighted (Smith and Lewis, 2011; Slawinski et al., 2020). Prior work has also pointed out some organizational factors in shaping the actions taken concerning the tensions. In addition to the organizational dynamic capability proposed in the dynamic equilibrium model (Smith and Lewis, 2011; Schneider and Clauß, 2020), strategic agility, including strategic sensitivity, collective commitment, and resource fluidity (Ivory and Brooks, 2018), and knowledge absorptive capability (Garst et al., 2020) have been found to be crucial in managing the corporate sustainability paradox.

Characteristics of Management Strategies

Corporate sustainability paradoxes are "not linear or singular but were experienced by any actor, at any stage in the strategy process, according to the specific tasks they were implementing" (Hengst et al., 2020, p. 258). When handling the sustainability paradox, changes in the external environments may trigger new tensions that are sustained in accordance with previous tensions (Hahn et al., 2018). Thus, to manage sustainability paradox, coordination at different levels and stages as well as varied types of paradoxes have to be considered.

Multi-Level

Tensions in sustainability can appear at different levels, including individual, organizational, and societal levels (Hahn et al., 2015). Most prior research concentrates on the individual and organizational levels. At the individual level, sustainability-related managers and key decision-makers, rather than employees, are the primary targets of focus. For instance, Carollo and Guerci (2018) explore how sustainability managers manage ambivalence in identity, and Wry and York (2017) analyze how social entrepreneurs understand the contradictions between different logics. At the organizational level, most studies investigate tensions in inter-organizational and cross-sectional (i.e., government, business, and civil society) relations (Le Ber and Branzei, 2010; Vurro et al., 2010; Stadtler, 2018). In mainstream CSR research, some efforts have been made to connect the micro-level to the macro-level (e.g., Jones et al., 2017; Poonamallee and Joy, 2018), but organizational paradox scholars point out that cross-level interactions around the sustainability paradox are underexplored (Schad et al., 2016), with a few exceptions. For example, Soderstrom and Heinze (2020) investigate a business collective from a social aggregation perspective. They reveal how such a type of organization serves as an intermediary based on how individual actions could converge into organizational responses, and how organizational practice influences individuals' reactions. Furthermore, managers from middle management and top management teams could change and reshape each other's frames, including business, business case, and paradoxical frames, among others (Sharma and Jaiswal, 2018). Managers may also be influenced by stakeholders and react differently, such as by adjusting priorities and constraining discretion responsibilities (Liu et al., 2015). Notwithstanding the growing literature on this topic, societal level and cross-level investigations are still scant.

Multi-Stage

It is critical to recognize that the sustainability paradox is embedded in "long-term, iterative, reflexive, adaptive and co-evolving processes" (Smith and Lewis, 2011, p. 23). While most scholars agree that paradox management is a dynamic multi-stage process, researchers' understanding of what dynamic means varies. Some scholars have argued that, as enterprises develop, the management goes through different periods that require stage-specific investigations, whereas other scholars emphasize a circular process. A good illustration of the former view is Puma's practice in managing sustainability paradoxes in different periods (Baumann-Pauly et al., 2016). Puma has gone through three main development stages, paired with specific communication strategies for each. When forming connections with stakeholders, Puma first used a universal language through a dialogue platform. Then, Puma tried to select an appropriate language and reasons for each stakeholder group establishing common ground. Finally, Puma adopted a mixed legalization policy. A new reporting structure that directly linked sustainability data to financial data was developed in the third period. While these conversations may initially have been manipulative, they resulted in committed partnerships over time.

The existing literature has proposed a cyclic approach to understanding the dynamic nature of the sustainability paradox. Amaeshi (2010) uses a case study to develop a recursive model of paradoxes in social enterprises, conceptualizing the governance paradox as part of a social behavior cycle consisting of social context and structure. The governing paradox requires a (re)interpretation of the paradox, leading to a (new) continuous cycle of action. The recursive model describes the cyclical process of gradually improving the ability of boards to understand and manage these paradoxes over time. Smets et al. (2015) explore how insurers balance the contradictory relationship between market logic and community logic. They find that only the segmentation practice needs to be bridged, that bridging leads to demarcating, and that demarcating is confirmed again as a method to minimize this contradiction and maintain logical clarity. Therefore, these three mechanisms follow a circular

process. Slawinski et al. (2020) also present a management cycle of a social enterprise with the process of constantly confronting new tensions, reinterpreting the meaning of identity, and experimenting with new practices.

Multi-Paradox

Organizational paradox theorists have categorized organizational paradoxes into various types. For example, Feldman and Pentland (2003) depict the tensions in organizational routings as stability vs. flexibility, Waldman and Bowen (2016) identify the tensions between agency and communion in leadership practice, and Besharov (2014) argues that there are relational tensions between managers and frontline employees. To understand the nature of paradoxes better, a more nuanced typology has been developed. Here, the authors keep with the widely accepted four-type categorization, namely, performing, learning, organizing, and belonging paradoxes, following Smith and Lewis (2011). While the sustainability paradox can be any combination of these four types of paradoxes, the authors contend that the performing type is most fundamental to understand the sustainability paradox. A performing paradox arises from competing goals, demands, and strategies, such as the simultaneous pursuit of economic, social, and environmental goals (Hahn et al., 2018). Most existing research on the sustainability paradox focuses on the performing paradox.

Some other researchers have also looked at multiple types of sustainability paradoxes. For example, the co-existence of a social mission and economic goals can involve various types of paradoxical tensions. First, an organizing paradox emerges when firms hire and socialize employees (Battilana and Dorado, 2010; Battilana et al., 2015), or (re)design their organizational structure (Battilana et al., 2012; Stadtler, 2018) and legal forms (Haigh and Hoffman, 2011; Battilana et al., 2012). Second, a belonging paradox occurs when organizational actors have opposing values, beliefs, or identities while confronting and resolving a set of competing goals (Phillips and Tracey, 2007; Battilana and Dorado, 2010; Smets et al., 2015; Demers and Gond, 2020). For example, employees conceptualize their roles differently in CSR activities (Seivwright and Unsworth, 2016). Third, a learning paradox could be salient since success in sustainability requires both short-term and long-term efforts (Midttun, 2007; Hahn, 2009; Pache and Santos, 2013).

However, in articles that identify multiple types of sustainability paradoxes, regardless of how the authors classify the types, they tend to simplify the complexity underlying the simultaneously co-existing paradoxes. Instead, the existing literature has concentrated on certain types of paradoxes (mostly the performing paradox), and/or discussed the identified paradoxes separately. This separation tendency could constrain our understanding of the sustainability paradox's intricate nature. A few exceptional studies have appeared recently. For example, Vallaster et al. (2020) adopt a comprehensive framework to investigate how dynamic capabilities affect various paradoxes differently. Winkler et al. (2020) show how agonistic rhetoric solves performing, organizing, and belonging paradoxes jointly. Therefore, the authors conclude that the complex relationships between various types of sustainability paradoxes, the interaction between paradoxes and management strategies, and the management process merit further research.

Resulting Downstream Effects

Theoretically, proactive responses to organizational paradoxes could lead to sustainable outcomes. In the short term, individuals, teams, and organizations are likely to display excellence through enhanced learning and creativity, flexibility and resilience, and stimulated potential, which would pave the way for long-term success (Smith and Lewis, 2011).

Short-Term Effects

A body of research has empirically proved that proactive strategies could lead directly to tension mitigation. For instance, Smets et al. (2015) reveal how contradictory elements could co-exist, alleviating tensions and bringing benefits in daily work at the same time. The proactive shift toward agonistic rhetoric helps the organization to transcend tensions and to foster CSR (Winkler et al., 2020). Proactive strategies could also facilitate knowledge creation. Bolton and Landells (2015) suggest that the knowledge base created during the process of management–stakeholder interaction could further generate the power that impacts business vision. While Hahn et al. (2014) theoretically propose that sustainability challenges stimulate creative insights, Calic and Mosakowski (2016) prove that a sustainability orientation improves the innovation of entrepreneurs' final projects. Wry and York (2017) also show that entrepreneurs who navigate dual logics have greater possibility of proactively integrating these and developing creative business models. Gümüsay et al. (2020) regard this resilience as the ability the organization gains from the adoption of a proactive mechanism to avoid permanently suffering the loss or being estranged. This can help the corporation to perceive and correct a tendency toward deviation and to handle emergencies. Some researchers have discussed how the management of the corporate sustainability paradox affects corporate legitimacy. For example, sustainability efforts (Calic and Mosakowski, 2016) and paradoxical thinking (Scherer et al., 2013) could enhance and maintain the legitimacy gained from collective awareness and value (Dart, 2004). Moreover, organizations could obtain other instant benefits, such as corporate credibility (Schneider and Clauß, 2020), greater market engagement (Kannothra et al., 2018; Soderstrom and Heinze, 2020), and competitiveness (Fosfuri et al., 2016) by positively reacting to sustainability paradoxes, which would contribute to long-term value creation.

Long-Term Effects

Scholars have usually used synergistically increased organizational economic and social performance to depict sustainability success, even though economic and social pursuits could be detrimental to each other in the short run (Margolis and Walsh, 2003) and the effects on social or environmental performance are assumed only to manifest after a long period of time (Hoffman et al., 2010). Typical indicators of economic performance include profit, sales, or their annual rates of increase (Pache and Santos, 2013). Social performance is reflected in greater social impact, such as higher social employment

(Pache and Santos, 2013; Battilana et al., 2015; Smith and Besharov, 2019), community regeneration (Slawinski et al., 2020), and community income increase (Kannothra et al., 2018). Proactive responses to the corporate sustainability paradox, which is the determining precondition for a virtuous cycle (Smith and Lewis, 2011), have been verified to enhance economic and social performance simultaneously (Crilly and Sloan, 2012; Pache and Santos, 2013; Smith and Besharov, 2019).

By contrast, defensive reactions that would lead to a vicious cycle cannot facilitate sustainable development (Smith and Lewis, 2011). Defensive responses, which are usually argued to be a potential barrier to sustainability, may counterintuitively bring some positive effects (Ferns et al., 2019). For example, a luxury leather producer that sells recycled material to other tanneries and refuse to produce inferior leather itself (a defensive strategy) successfully maintains the trust of its customers toward their own product quality (Daddi et al., 2019).

AGENDA FOR FUTURE RESEARCH

In this study, using the PRISMA methodology, the authors reviewed the existing research with a paradox perspective on sustainability. By adopting Smith and Lewis' (2011) dynamic equilibrium model, the authors revealed how the prior sustainability literature concerns the investigation of the manifestation process of tensions among sustainability goals, the management strategies that organizations use to respond to the tensions, and resulting outcomes.

During synthesizing and mapping of previous studies, ample future research opportunities appear. First, the authors propose that the nature of the corporate sustainability paradox (i.e., its constitution vs. its social construction) requires further exploration, including theoretical clarity and empirical examination. In the mainstream organizational paradox literature, there is an ontological debate on whether paradoxical tensions are inherent in the system or socially constructed (Clegg, 2002; El-Sawad et al., 2004; Ashcraft et al., 2009). Smith and Lewis (2011) propose an integrative approach by arguing for the corporate sustainability paradox's dual nature in simultaneously highlighting the roles of material conditions and organizational actors during the manifestation process. With a quantum approach, Hahn and Knight (2020) conceptualize the paradox as both inherent and socially constructed (for a counterpoint, see Li, 2020).

This debate penetrates sustainability research and potentially shapes management strategies. With a few exceptions, such as Sharma and Bansal (2017), who directly bring the opposing poles together by revealing the interaction between action and cognition, the nature of the sustainability paradox in the current literature is yet to be fully explored. Rather than looking for clues as to whether the researcher holds a material view (e.g., Waldman and Bowen, 2016) or a socially constructive view (e.g., Child, 2020; Vallaster et al., 2020), this fundamental question requires more in-depth exploration.

Second, it is desirable to investigate the sustainability paradox management of for-profit organizations. When investigating management of the corporate sustainability paradox, the main focus of the existing literature is on social enterprises or non-profit organizations, not for-profit organizations (Smith et al., 2013; Battilana et al., 2015; Wry and York, 2017; Child, 2020). Yet tensions are also embedded in the often hybrid forms of for-profit organizations, bringing paradox management insights to researchers (e.g., Smets et al., 2015; Acquier et al., 2018; Schneider and Clauß, 2020). Moreover, for-profit organizations, originally holding a business logic, may experience hurdles that are significantly different from those of social enterprises when pursuing corporate sustainability. Therefore, drawing from the "tensions" between researching social organizations and for-profit business organizations, the authors suggest that an organization's form (non-profit vs. for-profit) could largely influence how the organization responds to and manages the sustainability paradox.

Third, the authors encourage more research on the micro-foundation of management of the corporate sustainability paradox. Organizational psychology would shed light on this line of research. There is a need to explore how the cognitions, attitudes, and emotions of managers and employees (cf., Chin et al., 2013; Li et al., 2020; Sarfraz et al., 2020) play a role in corporate sustainability paradox management. For instance, the significant role of paradoxical thinking is reflected in its dual effect. On one hand, individuals with the paradoxical frame are more acutely sensitized to and aware of the interconnections among seemingly opposing demands. On the other hand, a general tendency to endorse paradoxical thinking can "motivate" actors to seek solutions proactively. In the organizational paradox literature, paradoxical thinking has been identified as an effective factor to benefit creative behavior and in-role performance (Miron-Spektor et al., 2011, 2018). In the sustainability literature, some researchers have investigated the paradoxical frames of managers (Hahn et al., 2014; Sharma and Jaiswal, 2018; Schneider and Clauß, 2020), specifically CSR managers (Carollo and Guerci, 2018). The authors argue that paradox leadership (behavior) (Zhang et al., 2015, 2017) also has the potential to foster the paradoxical thinking and behaviors of subordinates, thereby creating a supportive climate for corporate sustainability.

Furthermore, the role of employee engagement together with its underlying micro-foundation are greatly ignored when using a paradox perspective compared to those in the traditional CSR research (Glavas, 2016; De Roeck and Maon, 2018). Based on the current efforts (e.g., Demers and Gond, 2020), the authors consider the mechanisms underlying the actors' cognitive frames to be missing in the context of sustainability issues. While Child (2020) mentions that one's cognitive frame can be altered, questions like how managers reconstruct their frames or how the manipulation of framings on suitability issues impact the paradox management and sustainability outcome would extend our understanding of the micro-foundation of the sustainability paradox (Sharma and Jaiswal, 2018).

Fourth, some researchers challenge the prevailing opinion on proactive and defensive strategies, which urges more

investigations. Originally, a proactive strategy was favored as it would lead to a virtuous cycle and achieve sustainability outcomes (Smith and Lewis, 2011). There is increasing research, especially by those observing controversial industry practices, implying the lack of a direct link between proactive responses and immediately appealing performance outcomes (Iivonen, 2018; Ferns et al., 2019). Moreover, some recent studies have revealed successful sustainability achievement through defensive strategies, in addition to proactive management strategies (Daddi et al., 2019; Garst et al., 2020). The authors propose that these inconsistencies require further examination of hybrid of proactive and defensive strategies in corporate sustainability management.

Finally, a unified standard for a sustainability outcome is needed in future research. In some studies, the authors use the short-term effects to claim promising long-term achievements without substantial supporting evidence. In other cases, some researchers investigate whether the company could use its profit to cover the costs of social extension (e.g., Slawinski et al., 2020). Essentially, these examples reflect the lack of a unified standard on what sustainability outcomes actually mean. Therefore, the authors propose that sustainability scholars and practitioners should work together on a list of more effective indicators and a proper time span for which to evaluate sustainability outcomes.

DISCUSSION AND CONCLUSION

The paradoxical nature of corporate sustainability, namely, the need to address social, ecological, and commercial concerns simultaneously, is at the core of corporate sustainability research. The literature on how corporations and firm decision-makers should address the sustainability paradox has rapidly evolved in the past decade. Hence, in this study, the authors reviewed existing sustainability research prior to 2020 when the paradox perspective received direct attention (Van der Byl and Slawinski, 2015; Hahn et al., 2018). After a systematic review of 141 articles published in the top management and corporate sustainability journals, the authors adopted Smith and Lewis' (2011) dynamic equilibrium model to inductively reveal how prior sustainability researchers have investigated how tensions have manifested among sustainability goals, the management strategies by which organizations respond to the tensions, and the resulting outcomes. The authors then offered a road map for future inquiries on integrating the organizational paradox perspective and corporate sustainability research.

This review has several practical implications. Leaders of firms would best manage the corporate sustainability paradox by understanding the paradox and its equilibrium stages. Understanding how and why firms are affected by opposing tensions and the stage they are in enables firms to better position their firms and develop their own strategies, for example, by pursuing social aims associated with their core business (Kaul and Luo, 2018). Even though firms struggle to reach all their competing goals, which constitutes the sustainability paradox (e.g., Davies and Doherty, 2019), the key to achieving sustainability is not to ignore or escape any contradictory goals. Instead, leaders should learn to be "paradox-savvy" to promote proactive strategies at different levels of their management practice (Waldman and Bowen, 2016).

For middle managers of firms, this review suggests that firms could provide development training on how middle managers attend to these tensions and how middle managers communicate this information from firm leaders and top managers to operational managers and employees. Middle managers are recognized as the major force resisting organizational change (Miles, 1997; Floyd and Lane, 2000). Without adequate commitment to organizational change actions, middle managers can cause organizational inertia or chaos (Huy, 2002). Therefore, attention should be paid to how middle managers, as the information synthesizer and facilitator between top and operating management levels, categorize, blend, and sell information on the sustainability paradoxes in the overall setting of a firm's strategies and implementations.

In conclusion, an understanding of how the existing literature has advanced knowledge of the management corporate sustainability paradox is timely for both scholars and practitioners alike. By incorporating Smith and Lewis' (2011) dynamic equilibrium model, this review has distinguished the paradox perspective from previous major approaches in corporate sustainability management. It further provides findings on how corporate sustainability tensions manifest and are managed, and how they impact firms and society as a whole.

DATA AVAILABILITY STATEMENT

The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation.

AUTHOR CONTRIBUTIONS

BL proposed the research idea and developed the initial draft with YT. EC improved the theorizing. YT, SL, and DL collected, screened, and analyzed the articles together. BL, EC, and YT revised the draft. All authors contributed to the article and approved the submitted version.

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HRM 4.0 and New Managerial Competences Profile: The COMAU Case

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The digital revolution has generated huge changes in the world of work, with relevant implications for the Human Resources Management (HRM) function. New challenges arise in facing digital work, digital employees, and digital management, such that the connection between new technologies and HRM is now described as electronic HRM (e-HRM). Challenges and connection entail the possibility to review the notion of HRM itself, examining new research perspectives and lines of interpretation following a Critical Management Studies approach, thus developing a more contextualized view in conceiving HRM, a more expansive consideration of stakeholders, and a longer-term perspective in approaching the results of digital transformation and HRM outcomes. The article analyzes a specific organizational case, involving a multinational enterprise, and explores how the case study enhances the understanding of HRM as a social practice embedded in specific situated contexts. Such a conception enables the engagement of multiple rationalities, related to both internal and external stakeholders, overcoming a "mere antiperformance stance" and achieving forms of reconstructive reflexivity concerning the interconnection between the digital age, HRM, and the innovative generation of social value through an authentic corporate responsibility.

Keywords: HRM, E-HRM, digital transformation, social value, corporate responsibility

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INTRODUCTION: FACING THE FOURTH INDUSTRIAL REVOLUTION'S IMPACT ON HRM

Undoubtedly, the world is coping with huge changes in culture, society, and the economy that are direct consequences of the digital revolution. Technologies play an essential role in the upcoming Fourth Industrial Revolution, characterized by three main aspects: the increasingly widespread use of Internet, the introduction of artificial intelligence, and the diffusion of automatic learning (Schwab, 2016). Such revolutionary technological changes are transforming the world of work and, consequently, impacting management practices at different levels. The HRM function is strongly involved in coping with the spreading digital age, facing "digital employees," "digital work," and "digital employee management" (Strohmeier and Parry, 2014). Thereby, the demand for a strong revision of the traditional approach in conceiving the managerial function, specifically HRM (Janssens and Steyaert, 2009), and in achieving new competences and tools

for changing and aligning strategies and activities to these new labor features (Manuti and de Palma, 2017) is warranted.

The research aims to explore the challenge of the 2019 Business Roundtable (a think tank of 200 North American CEOs, founded in 1972) concerning the need to promote better and socially responsible corporate governance. Innovative statements on the purpose of a corporation were agreed by about 200 CEOs of the most important worldwide companies[1], such as having fair and ethical relations with employees and suppliers, supporting the communities embracing sustainable practices across businesses, and generating social and long-term value for shareholders as a meaningful manifestation of an authentic corporate responsibility. Such a new stance, compared to the neo-liberal approach, entails implications for a different way in conceiving management, specifically in the field of HRM, which represents a peculiar context in which social purposes unfold among tensions, contradictions, and situated practices. At stake is a different way in conceiving and studying the field of HRM as a set of social practices, embedded in a global/local economic, political, and sociocultural context. The authors refer to Janssens and Steyaert (2009), whose study reviews the notion of HRM by examining new research perspectives and lines of interpretation following a Critical Management Studies approach (Alvesson and Willmott, 1992, 1996; Alvesson and Deetz, 2000; Alvesson and Kärreman, 2007; Alvesson et al., 2008). Compared to a more traditional approach to HRM (scientific and rational; legitimate and authoritative; right to control others in the interests of efficiency and productivity), the authors suggest a different vision (complex and constructed; ideological and privileging; political, exploitative and open to critical thinking and moral debate), better suited to match the challenging dimensions that underpin the connection between digital technologies and HRM.

Janssens and Steyaert (2009) emphasize a practice-oriented research, claiming for alternative interpretations and new perspectives, suggesting to study HRM as a set of social practices. Such a suggestion entails going beyond a traditional inquiry of individual variables in studying HRM and its relationship with organizational process, achieving the political nature that underlines the HRM discourse. The authors argue that a more pluralistic perspective, analyzing real practices of HRM, "further provides ways to allow professionals to develop more skills approaches" (Janssens and Steyaert, 2009, p. 146). Their suggestion of "bringing the employee back" into HRM studies implies both micro- and macrolevels of analysis and to consider "the inherent pluralism of work life" (Janssens and Steyaert, 2009, p. 146), focusing more explicitly on the implications of new forms of work for employees without assuming a harmony of interests, also taking into consideration the broader political–economic forces influencing the way in which work is managed. They also claim for the introduction of new vocabulary, going beyond the dominance of the economic logic and developing different, alternative forms of reconstructive reflexivity around the HRM debate.

[1]https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans

The most fruitful direction for the field of HRM is studying HRM practices as social practices: researches should try to understand how in a specific organization or context HRM is produced through connecting and interweaving various discourses, micropractices, and rhetorical strategies. Indeed, HRM practice encompasses techniques, actions, and strategies inside the micro- and macrocontext of societal and political–economic circumstances and can be acknowledged as an outcome of human interpretations, conflicts, and confusions, including agency and subjectivity. In this sense, HRM study also entails a reflexive stance, connecting "different perspectives and voices. . .approaching the field of HRM as a heterotopic text where various academic languages, concepts and practices are assembled through more complex, social processes of arguing, influencing and experimenting" (Janssens and Steyaert, 2009, p. 152). In this article, the authors address these suggestions using a case study as a proper and coherent approach in order to examine some HR practices developed in a situated context, specifically the enhancement of new managerial competences in a 4.0 Industrial Revolution scenario. Similarly, Bondarouk and Brewster (2016) underline the challenge for a different and more contextualized point of view in conceiving HRM, a more expansive consideration of stakeholders, and a longer-term perspective in approaching the results of digital transformation. Arguing that "*good* HRM consists of policies and actions that work for the survival and success of firms in the long run, rather than just creating short-term returns to shareholders" (Bondarouk and Brewster, 2016, p. 2657), they criticize "the widespread silence of the academic community on HRM's culpability for contributing to the global economic crisis that began in 2008 and the failure of HRM specialists to suggest ways forward" (Bondarouk and Brewster, 2016, p. 2,568), aiming at a sustainable HRM that better reflects practitioners' reality.

The authors highlight the impact that the strong transformations of work in the twenty-first century have been generating on HRM, claiming for a less neo-liberal and more comprehensive view of this topic and seeking for new e-HRM research and practice. They plea for approaches able to give voice to those involved in the HRM organizational life, since "different situations have different cultures and different institutions" (Bondarouk and Brewster, 2016, p. 2656). The need to listen to line managers and employees depends on the fact that "the use of e-HRM is not necessarily binding for all stakeholders, and different target groups develop their own ways of coping with e-HRM, then organizations often face the situation when individual's technological enthusiasm and decision to first use e-HRM is different from the decision to enact and continuously work with e-HRM" (Bondarouk and Brewster, 2016 p. 2662). The authors suggest as a matter for empirical investigation the issue of how far companies are able to introduce e-HRM perspective both in practices and employee perceptions as well as in policies. Summing up the above theoretical background and frameworks, they underline the need for a new way in conceiving and studying HRM: more contextualized, open to different perspectives and voices, oriented toward effective practices, facing the

heterotopic text of HRM field, seeking for its capability to generate social and long-term values, and reshaping a new way of corporate responsibility.

Following such a perspective, in this article, the authors aim to understand the implications for those involved in HRM organizational life facing the new technologies yielded by 4.0 Industrial Revolution. Therefore, the authors focus on a specific situation related to the case study of a high-tech company in order to enhance the inquiry of the currently transformed HRM context. The authors selected a specific context, an multinational enterprise (MNE), aiming to detect the different configuration of digital sensitivity among internal stakeholders working inside a complex organizational workplace, following the theoretical request to listen to managers and employees, "bringing employees back," as a specific issue of the practices the article analyzes. The way people use and apply technologies is related to the context, while *per se* technologies tend to be boundaryless. In the chosen specific context, the connection between local and universal features of technologies is related to the diffused organizational culture of agile work and human management. Regarding the long-term outcomes, the authors addressed a specific project of the firm that considers not only the subjects within the organizational boundaries as stakeholders but also the larger society (in this case teachers, families, students, and schools).

The authors seek to answer the following research questions:

- What different technological dispositions (digital sensitivity) of internal stakeholders can be detected and acknowledged in order to develop goals regarding e-HRM, their e-HRM tasks, and their involvement in e-HRM processes;
- How an innovative organizational culture related to the diffusion and use of digital innovation can be promoted and spread;
- Why a specific practice, related to an innovative project, can be seen as an authentic and not sugar-coated way for a sustainable corporate responsibility, which generates value for the society.

In order to explore and provide empirical data related to the research questions, the article examines a case study. The three questions are sustained by the convergent attention to the context, the multiple stakeholders, and the long-term outcomes highlighted by Bondarouk and Brewster (2016) and refer to the solicitations of Janssens and Steyaert (2009) to approach HRM as a social practice, giving relevance to different levels and voices. The article is organized as follows. The first section begins by examining the connection between the digital age, the effects on institutional, social, and labor market fields, and the implications for innovative forms of HRM, which underpin the knowledge questions addressed. The Comau case study is then presented, focusing on three initiatives developed to point out the situated relationship between new technological developments and a specific HRM context, connecting the methodological choices with the research questions. The conclusions are drawn in the final section, where the findings are illustrated; some considerations, comments, limitations, and hints for future research are provided.

HRM CHALLENGES AT STAKE

The digital age is recognized as being a relevant phenomenon at a global level, having generated significant changes in different life environments, from culture to society and the economy, giving rise to important questions about the pros and cons and the benefits and disadvantages of the rapid spread of technological and digital innovation (Bennett et al., 2008; Nawaz and Kundi, 2010). Regarding the effects on society and institutions, Schwab (2016) highlights how the high connectivity provided by new technologies allows solutions able to develop both potentials (closeness and connection between people and institutions; simplification of hierarchies and bureaucracy in the production and diffusion of knowledge; more acknowledged and autonomous people and workers; more skilled and talented people) and risks (increase in the gap due to the unequal distribution of resources; growth of precariousness). In the labor market, two opposite effects on employment are spreading: the destructive effect, which leads to replacement of the labor force by pushing workers toward unemployment, and the capitalization effect, which by increasing the demand for new goods and services, leads to the creation of new jobs but also new companies and markets (Makridakis, 2017). The challenges generated by the 4.0 scenario asked for workers with new skills concerning problem solving and communication and also the HRM profession are expected to enable new ways of participation and of doing business, creating new products and services and providing new ways of organizing the workforce—all at a distance (Bondarouk and Brewster, 2016, p. 2662). The effect on competences (Ruël and Bondarouk, 2014; Bondarouk et al., 2015; Hecklau et al., 2016) highlights the need to develop both transversal skills (from execution to entrepreneurship) and digital capabilities for the interaction between humans and machines. The impact of the digital revolution specifically involves companies aiming to keep business competitive by becoming part of this new paradigm (Strohmeier and Parry, 2014). The players of the Fourth Industrial Revolution are organizations deeply involved in a transformation process that is both a powerful opportunity and a tough challenge. Although digital technologies offer possibilities to reduce costs, speed operational processes, and enhance collaboration among HR stakeholders (Strohmeier, 2009; Parry, 2011), they also yield disadvantages like digital divide, hyperconnectivity, reduction in face-to-face contact, and the loss of relevance facing technical professionals (Parry and Tyson, 2011). Regarding the current organizational scenario transformed by 4.0 Industrial Revolution and the connected new technologies, Bondarouk and Brewster (2016) remind to conceive e-HRM as the territory of "all integration mechanisms and all HRM content shared via IT that aim to make HRM processes distinctive and consistent, more efficient, high in quality and which create long-term opportunities within and across organizations for targeted users"

(Bondarouk and Brewster, 2016, p. 2659), hoping that the HRM research could contribute to improve the understanding of this phenomenon.

In the literature, the connection between new technologies and HRM is described as electronic HRM (e-HRM), which is what Ruël et al. (2004, p. 368) have defined as "a way of implementing HRM strategies, policies, and practices in organizations through the conscious and direct support of and/or with the full use of channels based on web-technologies." Coping with this emerging scenario, the HRM function itself is disoriented, seeking a new configuration, both theoretical and practical. At stake is the possibility to enhance a different model of HRM, going beyond the dominant neo-liberal view in which the purpose of the firm is solely and primarily to maximize the shareholders' value (Stout, 2012; Bondarouk and Brewster, 2016). Janssens and Steyaert (2009) advocate that a re(constructive) reflexivity (Alvesson et al., 2008) is needed for theorizing HRM. They propose to go beyond an idealized notion of HRM, considering the material and situated conditions in which HRM is practiced. In this direction, it becomes possible to reshape a realistic link between HRM and organizational processes, which is not taken for granted since it is characterized by conflicting goals and interests, tackling the political features of the employment relationship. A more pluralistic perspective is requested in order to overcome a too narrow vision based on strict economic criteria rather than social values. Such a perspective entails conceiving HRM as a social practice embedded in specific situated contexts, spreading the concept of outcome toward the notion of sustainable generation of value in a more complex understanding.

A common feature underlined in several contributions is that all organizations tackling digital transformations must lead their people into a new business culture, characterized by a massive use of digital technologies and by a set of technical as well as mental skills, to systematically acquire, process, produce, and use digital information (e.g., Nawaz and Kundi, 2010). Hence, the challenge for HRM is to rethink the way to interact with new expectations, attitudes, and values while coping with a changing workforce and reshaping work content and professional competences. In order to cope with increasing transformations, HRM has the chance to develop new ways for enhancing organizational contexts based on sustainability and value generation (Strohmeier, 2007, 2009), thus facing the dilemma of creating new possibilities or proposing a form of neo-Taylorism exasperated by technological devices. The challenge of a sustainable HRM and corporate social responsibility (Strohmeier, 2007, 2009; Bondarouk and Brewster, 2016) does influence the competences (Hecklau et al., 2016; Plumanns et al., 2017), knowledge (Simons et al., 2017), and learning (Erol et al., 2016) that are required by managers. The outlined theoretical framework points out HRM as a project of social accomplishment in which the microlevel of the organizational processes and the internal relationships are intertwined and where the macrocontext is related to the societal and political–economic historical environment. Hence, the need for a new research in the field of HRM, as Janssens and Steyaert (2009) claimed, arguing for approaching the field of HRM as a heterotopic text encompassing languages, concepts, and practices.

RESEARCH DESIGN, CONTEXT, AND METHODOLOGICAL APPROACH

Undertaking the study of the complex and articulated e-HRM world, the authors addressed both the three main key elements, highlighted by Bondarouk and Brewster (2016), and the multilevel plural voices stance related to HRM practice, solicitated by Janssens and Steyaert (2009), selecting an emblematic case and applying a practice-based approach. In relation to Bondarouk and Brewster's hints (context-driven research, implication of stakeholders, and long-term perspective in studying HRM), the architecture of the research allowed to consider:

- The context, taking into account the relevant differences and variations of external and internal conditions and circumstances (people, technology, values, laws, market, and business conditions), assuming the specific environment of an MNE: "Different sizes of firms and firms in different sectors of the economy have different HRM" (Bondarouk and Brewster, 2016, p. 2655);
- The stakeholders, internal and external employees, and social partners, overcoming the implicit paradigm in HRM that "its sole purpose is ultimately to improve financial returns to the owners of the business" (Bondarouk and Brewster, 2016, p. 2657);
- The long-term outcomes in order to enhance benefits and value for all the society seeking "the survival and success of firms in the long run, rather than just creating short-term returns to shareholders" (Bondarouk and Brewster, 2016, Bondarouk and Brewster, 2657).

The authors follow the practice-based research approach outlined by Janssens and Steyaert (2009) to develop a case study for a deeper understanding of meaningful experiences in facing the HRM digital innovation. The Comau case was selected for three relevant reasons. First, because Comau, as an innovative high-tech and robotic company and as an MNE, is facing the challenge of a new way in conceiving and practicing HRM, tackling with external and internal pressure due to the different situations, multiple cultures, and plural institutional subjects. Therefore, it can represent an emblematic, albeit not exclusive, example for an in-depth understanding of the object of study. Comau is the Italian leader in the robotic industry whose headquarters are located in Grugliasco, close to Turin, and fully integrated in the Mirafiori area, one of the most important European centers for the automotive industry. In this location, the FCA Group still has its main production plants (specifically Maserati, Fiat, and Jeep production). Thus, Comau is part of the FCA Group. Even if Comau is an independent corporation (S.p.A.), the control of the company falls on FCA. Moreover, this legal aspect is reflected in policies, procedures, and organization issues where the footprint of the FCA Group is perceived.

Comau currently has more than 9,000 employees worldwide with 15 manufacturing plants and 34 locations. Moreover, five innovation centers are spread across Europe, Asia, North America, and South America. In 1984, the company started its expansion program abroad, establishing different subsidiaries in China, Russia, and South America. The process continued in the 1990s, with the acquisition of companies around the world (France, Germany, Argentina, Brazil, United States, Mexico). In 1997, Fiat acquired all the subsidiaries of the company, formally becoming the holder of the group. As far as the organizational structure is concerned, Comau has four main business units: automation systems, powertrain, robotics, and services. Moreover, aerospace and green consulting (E-Comau) have been created in the last 10 years. Comau is also divided by regional area, with four main areas: EMEA, NAFTA, APAC, and LATAM. Therefore, the organizational matrix is quite complex and is currently under management review to better respond to market requirements. The company is not just selling large and fully integrated production lines for the automotive industry (even if it remains the largest market); it also sells robots, powertrain cells, and services. Robots are focused on the manufacturing industry (especially pick and place robots, welding robots, and agile robots). However, a new market is education, and Comau has just launched a new robot called e.DO for educational institutions (high schools and universities).

Second, the articulated investment in enhancing a different and innovative managerial culture and competence profile conveys interesting empirical evidence in understanding how a new idea of HRM is translated into practice. The investment in e-HRM and the use of digital technologies, coping with complex, plural, and articulated organizational configurations, has become crucial as well as strategic for the corporate HRM, hence the challenge of enhancing a transversal organizational culture able to match both digital competences and soft skills in an integrated view. Comau defined a set of competences 4.0, which incorporate data analytics and technology proficiency with others that cannot be automated:

- Critical thinking as the in-depth analysis of facts to form a judgment. Critical thinking as self-directed, self-disciplined, self-monitored, and self-corrective thinking;
- Cognitive flexibility as the ability to adjust one's thinking, shifting from old situations to new ones. It is the ability to overcome usual responses or thoughts and thus adapting them to new situations;
- Open-mindedness as receptiveness to new ideas. It relates to the way in which people approach the views and knowledge of others and the willingness to take new viewpoints seriously;
- Complex problem solving as identifying complex problems and reviewing the related information to develop and evaluate options for the implementation of solutions. It is the ability to solve new, ill-defined problems in a complex, real-world setting;
- Creativity as a process of becoming sensitive to problems, deficiencies, gaps in knowledge, missing elements, disharmonies, and so on; identifying the difficulty; searching for solutions, making guesses or formulating hypotheses about the deficiencies; testing and retesting these hypotheses, possibly modifying and retesting them again; finally communicating the results;
- Cooperative networking as sharing knowledge and expertise. Autonomy and independency are combined with the advantage of learning from others and being able to modify the way one works;
- Social intelligence as the ability to relate to others in an efficient, constructive, and socially compatible way;
- Emotional intelligence as the capability of individuals to recognize their own emotions and those belonging to others, to use the emotional knowledge to guide thinking and behavior, and to manage and/or adjust emotions adapting to environments or to achieve one's goals;
- Judgment as the ability to make reasonable decisions or come to sensible conclusions;
- Decision making as the process of selecting a logical choice from the available options, weighting the positive and negative aspects of each option and considering all the alternatives. A decision maker is able to forecast the outcome of each option as well and, based on all these items, to determine which option is the best for that particular situation;
- Influence as the ability to produce a significant effect on someone or something. If someone influences someone else, they are changing a person or thing in an indirect but relevant way.

The above values and dimensions underpin the declared *humanufacturing* (a crasis between humanity and manufacturing) organizational culture of Comau. In order to transfer such meaningful statements into a rooted, collective, and transversal mindset and attitude, the Comau HRM developed different initiatives and paths, which are the expression of an innovative way to conceive the HRM function and its outcomes. The company designed a Change Model process to better lead its own strategic processes. Comau's Change Model shows some affinities with the Design Thinking approach and consists of four main steps: (1) active listening, (2) diagnosis, (3) modeling, and (4) tool creation. The listening phase is fully dedicated to listening to the voice of employees in order to understand their points of view and define the best strategy to start a change.

Third, the authors had the possibility to achieve a research agreement with this company due to the belonging and role played by one of them in that firm[2].The authors of the article shaped and monitored the following three research paths, which allowed an in-depth analysis of the managerial practice in use and constituted the specific embedded contexts for gathering empirical data relevant for the research questions inquired:

a) A survey involving Comau employees worldwide who work in functions impacted by digital transformation;

[2]About the ethics compliance, the studies involving human participants were reviewed and approved by Serena Sansonetti, member of the Compliance Program Supervisory Body ex Italian Decree Law 231/2001 and of the Internal Control Committee of Comau S.p.A.

b) A digital assessment dedicated to the first lines of the company plus 70 key people worldwide who can contribute to stimulating and spreading the digital revolution within the company;
c) A pilot project to promote an innovative training approach for enhancing learning among young students using the e.DO Robot. The project, called Robo-School, was designed by four HR managers of the organization, in collaboration with the schools involved and the representatives of two Italian universities.

From a methodological perspective, the authors took into consideration the above three research paths in order to detect the following: the different configuration of digital sensitivity among the internal stakeholders as a key feature for developing tailored HRM practices (for example, promoting different training for multiple targets); the role middle managers and "ambassadors" could play in spreading and promoting an innovative organizational culture related to the diffusion and use of digital innovation; and empirical data of the customer satisfaction's result about an innovative educational project as empirical evidence of the capability to generate social values and corporate responsibility. Exploring the digital culture in Comau, selected as specific MNE context, allowed to interpret the Janssens and Steyaert (2009) suggestion to provide plural levels of inquiry and listening to multiple voices. The authors in the following paragraphs briefly highlight the connection between the three research paths and the related research questions.

The Digital Knowledge Survey for Digital Sensitivity

The first research question refers to possible different technological dispositions (digital sensitivity) of internal stakeholders in relation to their involvement in e-HRM processes. The tool used for gathering data was a survey (see **Appendix 1**) chosen as a consistent opportunity to achieve proper and coherent empirical knowledge about the above question since its main purposes were to (1) create awareness about digital transformation, (2) collect quantitative data, and (3) define the "state of the art" of Digital culture in Comau. The survey involved 3,585 Comau employees (worldwide managers and middle managers), considered as key persons close to the line and able to detect diffused knowledge embedded in daily practices and activities. In this early phase, the population excluded Blue Collars, HR/Legal/Finance/Internal Audit/Purchasing/Sales and Marketing/Security Safety Facilities.

The Digital Knowledge Survey aimed to explore cluster dimensions related to:

- *Digital skills and knowledge self-evaluation* [MES/PLM/MRP/ERP Systems, Programming Languages, Cloud, Communication API, Sensors Knowledge, Edge Computing, Internet of Things Infrastructure, Data Management (analysis, aggregation, security, database), Machine Learning Algorithms, Artificial Intelligence Techniques, Digital Twin Concepts, ICT Infrastructure (Networking, Wireless, Communication Protocols); GUI Design];
- *Digital areas of interest* (Apps Development/Programming Languages, Internet of Things, Cloud Technology, Data Management, Machine Learning/Artificial Intelligence, Digital User Experience, Digital Trends Outlook, Mobility and Connectivity); and
- Personal feelings about Digital (passionate, curious, low interest).

The Digital Assessment for Ambassadors' Involvement in Promoting Innovation

The second research question concerns the ways for promoting and spreading an innovative organizational culture related to the diffusion and use of digital innovation. A key role in Comau HRM processes was assigned to middle managers as "ambassadors" and boundaries spanners of such a diffusion. In order to identify the more suitable people, Comau—taking advantage from its partnership with Mercer, global leader in HR solutions—prepared a tailor-made Digital Assessment. Mercer, using a copyrighted approach and its international benchmark of managerial profiles (the database of Mercer client companies, for reasons of confidentiality, remains private), assessed 80 Comau employees—the first lines of the company plus 70 key people worldwide—in order to provide a Digital Profile Map and to measure their Digital Quotient Index. Both map and index entail the exploration of five important skills (information, innovation, communication and collaboration, cyber safety, and content creation), identified as relevant cultural and psychological dispositions for sustaining the spread of the digital innovation path. The profiles with higher levels for these capabilities were selected for the promotion of the innovative organizational culture, giving importance to the combination of communicative/collaborative stance with the knowledge of the innovative digital contents. The assumption was that communicative competences together with mastery of contents could better support conversations and negotiations needed for the promotion of digital innovation.

The Robo-School Project With e.DO for Authentic Social Responsibility

The third research question concerns why a specific innovative project can be seen as a way for enhancing an authentic corporate responsibility, able to generate long-term values for society and promote diffused digital culture. The Robo-School project is a meaningful example of how advanced technologies can be used to develop a new way of learning, capable of integrating and supporting traditional teaching tools and methods together with and alongside teachers. In particular, the application of e.DO was intended to: (1) stimulate interest among students; (2) facilitate learning through effective application and practice; (3) connect theoretical contents with everyday real life; (4) encourage active participation, collaboration, and inclusion; and (5) develop both technical competences (connected to the contents of the subjects proposed) and transversal competences. Therefore, the objective

of Robo-School is not to ask students to learn robotics but to interact with a robot as a tool to learn traditional subjects (like mathematics and art) in a more interactive, practice-based and collaborative way. In fact, as technology becomes more and more relevant, there will be a growing demand for "human skills" alongside technical and digital ones. Robo-School basically consisted in the implementation of two different modules: the first one focused on mathematics (named "geometry with robots") and the second one on art (named "the inventiveness of Leonardo"). The two modules were divided in different steps: a sensorial experience (first interaction between students and the robot), the introduction of subjects (presentation of the contents), a fun-applicative experience (practical activities with the robot), and lesson learned (final test based on contents and analysis of the learning experience). The modules were delivered within the schools while a Comau expert facilitated the activities with e.DO. The project is connected to corporate responsibility since it involves internal and external stakeholders in order to generate collective social value, related to the possibility of enhancing the quality and the effectiveness of learning at different levels. The authors adopted a qualitative approach, using a survey and in-depth interviews, to highlight the effectiveness of the project from an external point of view (being the internal one testified by the enthusiasm and the passion of managers and practitioners involved, together with the relevant investment, also an economical one, of the firm): the customer satisfaction data offer a relevant empirical evidence of the convergent acknowledgment and perception of the social and collective value generated by the project.

KEY FINDINGS AND DISCUSSION

In this section, the authors describe the main results for each of the three research paths. While for the first two research paths were used traditional methods of descriptive statistics for the data analysis, for the discursive data coming from survey and interviews conducted with teachers and students, the authors used both a phenomenological and semiotic perspective (Mininni et al., 2014; Mininni and Manuti, 2017) and a ricoeurian hermeneutic orientation (Bartunek and Louis, 1996; Cunliffe and Locke, 2019), seeking for the meanings and representations they deliver.

Findings of the Survey

The overall response rate was 64%. A total of 2,291 participants (out of 3,585) around the world answered the questions, which provided data for several relevant findings. From the graph (**Figure 1**, *Participation rate*), it can be noted that the APAC region scored the lowest rate of response, while LATAM scored the best rate. The EMEA and NAFTA regions showed different levels of involvement. Regarding the participant description (**Figure 2**, *Participation description*), the survey took into account six dimensions: (1) Age, (2) Seniority, (3) Grade, (4) Department, (5) PLM, meaning the results of the Performance and Leadership Management system adopted worldwide to assess FCA employees, and (6) Talent. Concerning the age, younger than 30 participated relatively less while 40–50 years old participants participated the most, relatively speaking.

These tests revealed some interesting findings, mainly related to three themes:

I First of all, 80% of respondents would like to participate in digital activities (**Figure 3**, *Participants' availability to participate*): digital transformation is a thrilling phenomenon and people want to be part of the change.

II Second, "taking a picture" of the passions and knowledge that Comau employees have is an effective way to identify the unspoken digital skills within the company.

   a. Starting from the area of interest, participants expressed their curiosity regarding the main phenomenon of the digital revolution: (Apps Development/Programming Languages; Internet of things; Cloud Technology; Data Management; Machine Learning/Artificial Intelligence; Digital User Experience; Digital Trends Outlook; Mobility and Connectivity) and their personal feeling about digital (passionate, curious, low interest).
   b. The results (**Figure 4**, *Participants' interest in the Digital Transformation*) show a great number of curious (1,376 participants) and 639 passionate people. The latter are mostly located in Italy, aged between 30 and 50 years. The passionate ones are mostly White Collars; they work in the Automation System Department and their rank in the PLM evaluation system is yellow.
   c. IoT, Artificial Intelligence, and mobile connectivity are considered as the most interesting digital enablers.

III The knowledge level of digital subjects was measured by means of a self-assessment system that mapped the following topics: MES/PLM/MRP/ERP Systems, Programming Languages, Cloud, Communication API, Sensors Knowledge, Edge Computing, Internet of Things Infrastructure, Data Management (analysis, aggregation, security, database), Machine Learning Algorithms, Artificial Intelligence Techniques, Digital Twin Concepts, ICT Infrastructure (Networking, Wireless, Communication Protocols), GUI Design.

The results (**Figure 5**, *Participants knowledge of Digital topics*) showed that a large part of the participants has some experience in a few of the topics (1,097/2,291). The greatest expertise is about MES/PLM/MRP/ERP Systems, Programming Languages, and Sensors Knowledge. These "subject matter experts" are mostly located in Italy, aged between 31 and 40. They are mostly Professionals and White Collars; they work in the Automation System Department.

The most remarkable consideration that emerges from the data is that the mix of passion and knowledge owned by the people is a real and valuable asset to start a change as complex as the digital revolution itself. Significantly, the survey identified 172 potential digital champions and 1,262 people ready to be

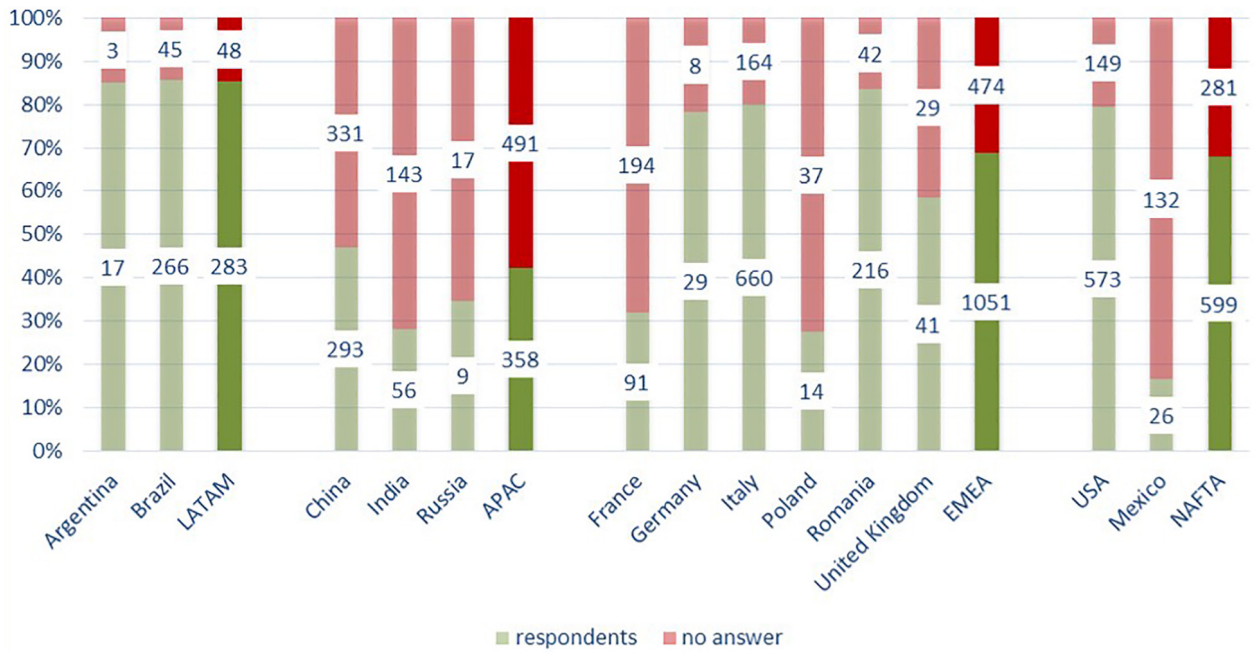

FIGURE 1 | Participation rate.

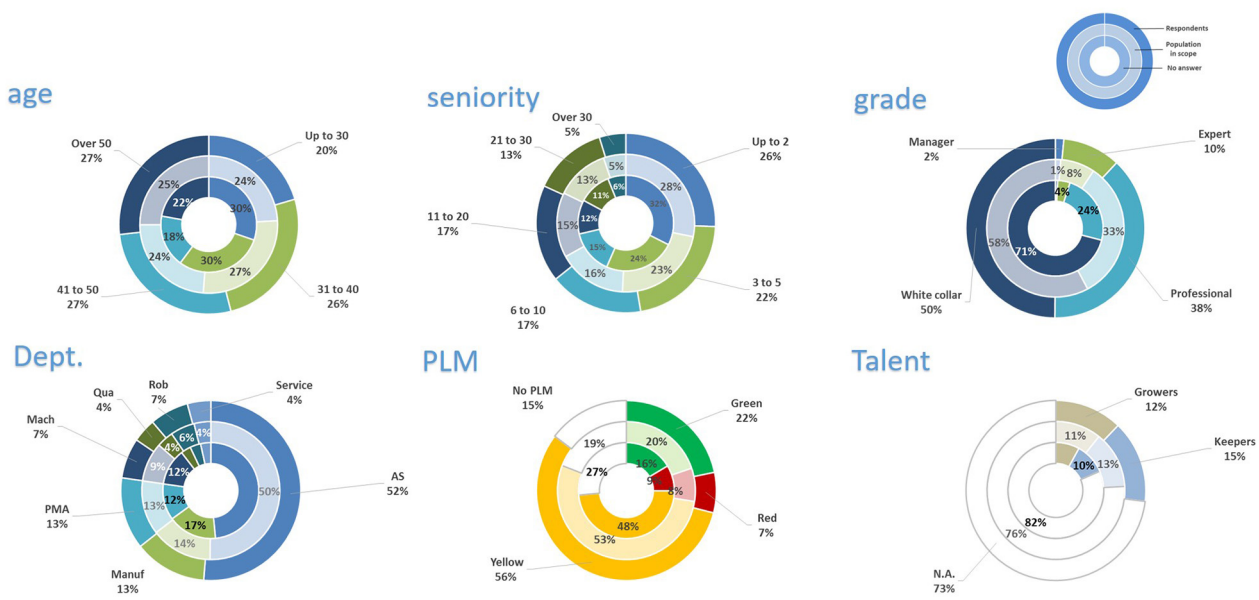

FIGURE 2 | Participation description.

involved. Comau will leverage them to start the digital change program because they have the motivation, the skills, and the disposition to diffuse the use of new technologies (**Figure 6**, *Potential digital champions and curious within the Comau population*). This insight goes along with the fact that Comau's perception as leader in the digital transformation playground increases with the technical proficiency of the participants. The graph (**Figure 7**, *The perception as leader in the digital transformation*) shows that the higher the level of knowledge, the greater the ambition to be a digital leader. The data in **Figure 7** provide an interesting insight concerning the first research question, in particular the champions and curious for their high level of digital sensitivity, representing a relevant leverage for promoting the employee involvement in e-HRM processes, even though the sample is not representative of all organizational contexts.

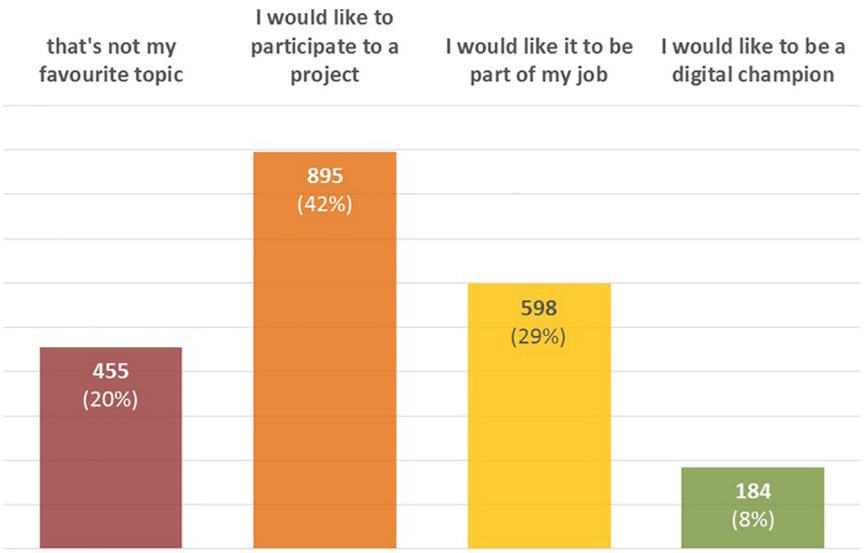

FIGURE 3 | Participants' availability to participate.

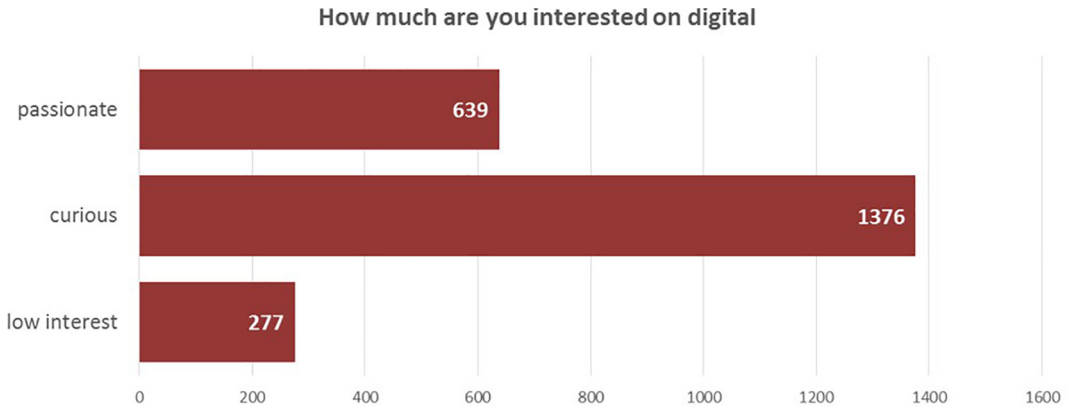

FIGURE 4 | Participants' interest in the Digital Transformation.

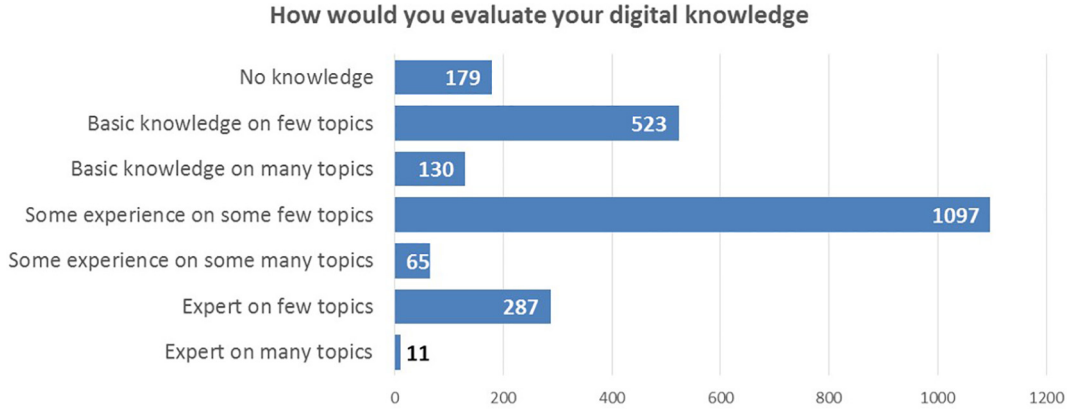

FIGURE 5 | Participants' knowledge of Digital topics.

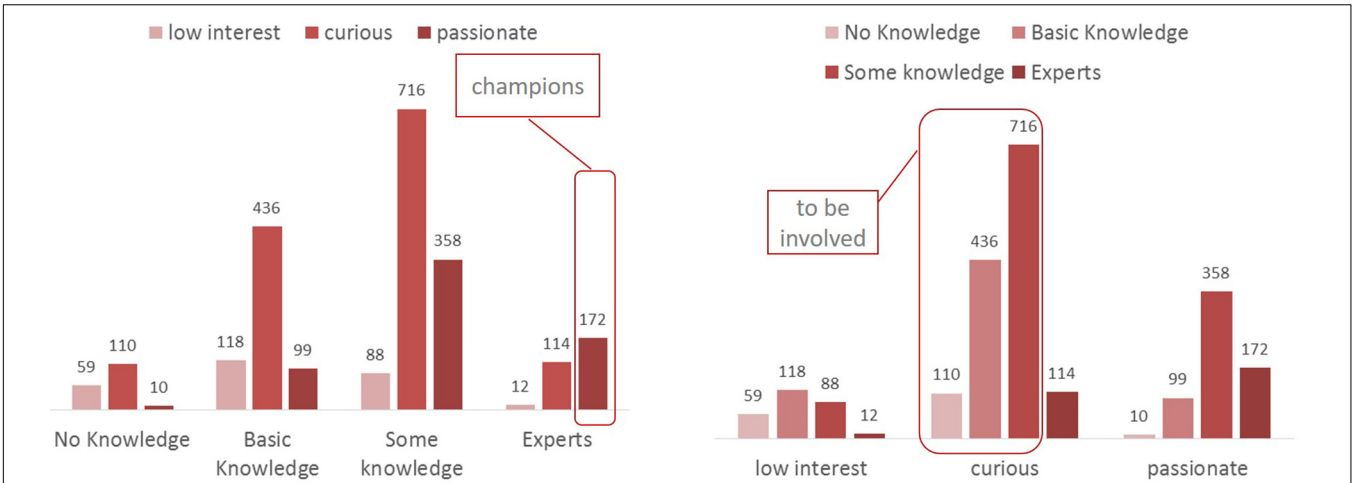

FIGURE 6 | Potential digital champions and curious within the Comau population.

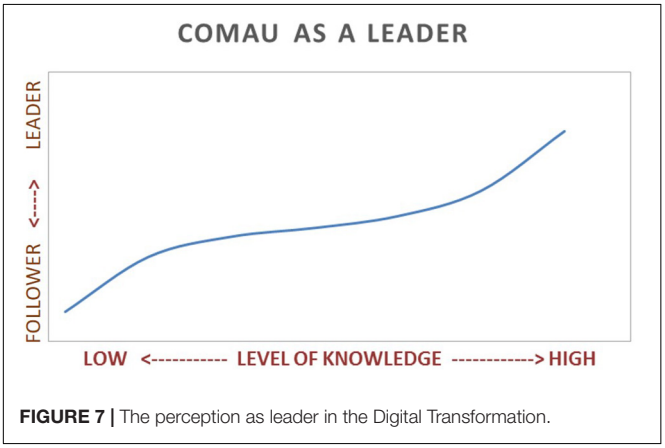

FIGURE 7 | The perception as leader in the Digital Transformation.

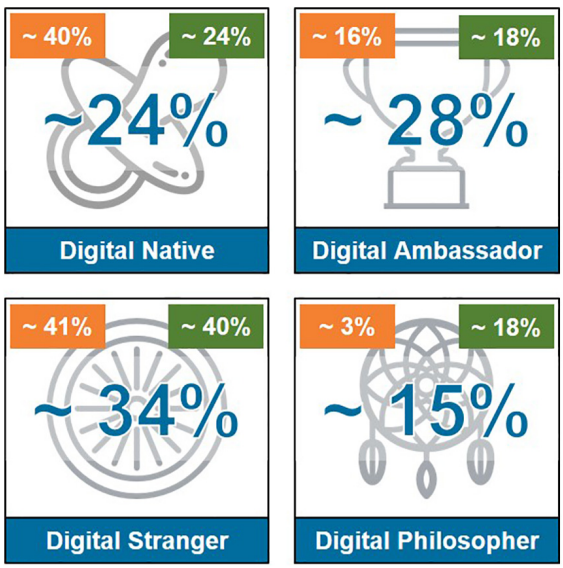

FIGURE 8 | Digital Profile Map.

Findings of Digital Assessment

The Digital Profile Map detects four digital profiles that are distributed in the digital change curve:

- *Digital Strangers*, who are not interested in the digital revolution and who refuse to use digital technologies;
- *Digital Natives*, who were born after the widespread adoption of digital technology and grew up in close contact with those technologies;
- *Digital Philosophers*, who were born before the digital revolution but fully understand and support its potential. They do not use technologies, and they will need to develop skills and capabilities to reach the Digital Ambassador level;
- *Digital Ambassadors* feel that digital is their natural ecosystem. Their role is to develop skills and capabilities to reduce the digital divide within their organizations.

The assessment showed (**Figure 8**, *Digital Profile Map; in the middle Comau values, at the right top corner Millennial values, at the left top corner benchmark values*) that the highest percentage of the assessed participants are Digital Strangers, but they are balanced by Digital Ambassadors and Digital Natives. In the figure, on the top left corner are highlighted the benchmark values related to the Mercer database (not public for copyright issues), while at the top right corner, the Millennials' values related to the same benchmarks; in the middle are presented the Comau values. There is an interesting presence of Digital Ambassadors who are not Millennials, meaning that first lines and key people born before 1980 are aware of the potential of the digital transformation for business. An interesting observation to emerge from the data comparison concerns two relevant differences: the company is "older" than the benchmarks, and Digital Philosophers are much more present within the organization than outside. The assessment was focused on

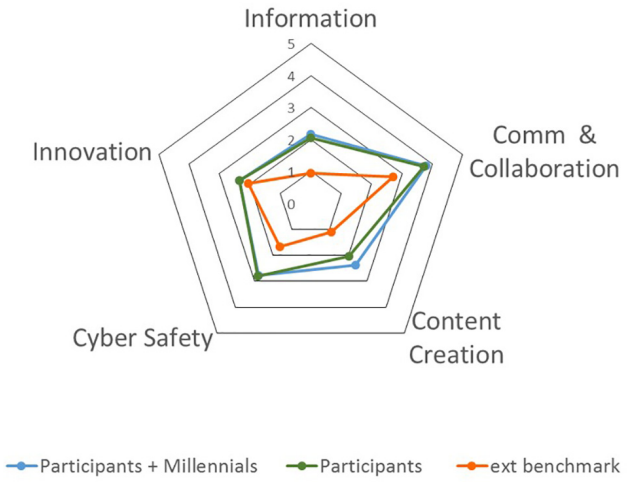

FIGURE 9 | Digital Skills average results.

five main dimensions: Information, Innovation, Communication and Collaboration, Cyber Safety, and Content Creation. These dimensions represent the most relevant skills that the digital age needs. The average results (**Figure 9**, *Digital Skills average results*) showed a higher mastery of Communication and Collaboration and Innovation skills than the benchmark. In general, average results are higher than benchmark results, and this is a strength for the organization. Finally, the assessment results enabled the measurement of the "Digital Quotient Index" (DQI), which compares the average values of the assessment unbundled in different age targets: baby boomers, born before 1960; Generation X, born between 1960 and 1979; Millennials, born between 1980 and 1989; Generation Z, born after 1989. As can be observed from the graph (**Figure 10**, *Digital Quotient Index*), the trend shows how DQI is strongly influenced by age, with a digital orientation that is clearly higher for Millennials and Generation Z.

Such evidence represents an important starting point for the next phase of the Comau digital change program. In fact, the company will create a global network of digital ambassadors and enthusiasts that will become the platform for designing, creating, managing, and measuring initiatives to spread the digital culture within the company. The first step will be a quick assessment of the 172 Digital Champions to integrate them within Digital Teams in order to start the change with the support and the engagement of the employees in the first phase. The program will also be promoted by a proper communication plan about current and future Comau Digital activities to spread more awareness within the company. The data collected through the assessment highlight not only the age as an influent feature that can produce different digital capabilities (see the DQI trend) but also the relevance of digital ambassadors and natives. The acquired relevance endorses what Bondarouk and Brewster (2016) underlined about how different target groups can develop their own ways of coping with e-HRM. Concerning the second question, the involvement of digital ambassadors from line managers and employees confirms how the enactment and continuously work with e-HRM is strongly related to dedicated figures, whose role is to sustain, spread, and promote innovative organizational culture related to the diffusion and use of digital innovation.

Findings of the Robo-School Project

The pilot project involved 38 schools in Piemonte, Italy (14 primary schools and 11 middle schools) for a total of 112 classes, 2,372 students and 120 teachers. It was implemented in the period between March and April 2017. At the end of each module, students had to complete a final test for assessing the experience. A survey and qualitative interviews to the students and the teachers involved in the project were delivered in order to understand if the experience had favored the acquisition and emergence of both technical and transversal knowledge and competences. Four items were assessed: whole

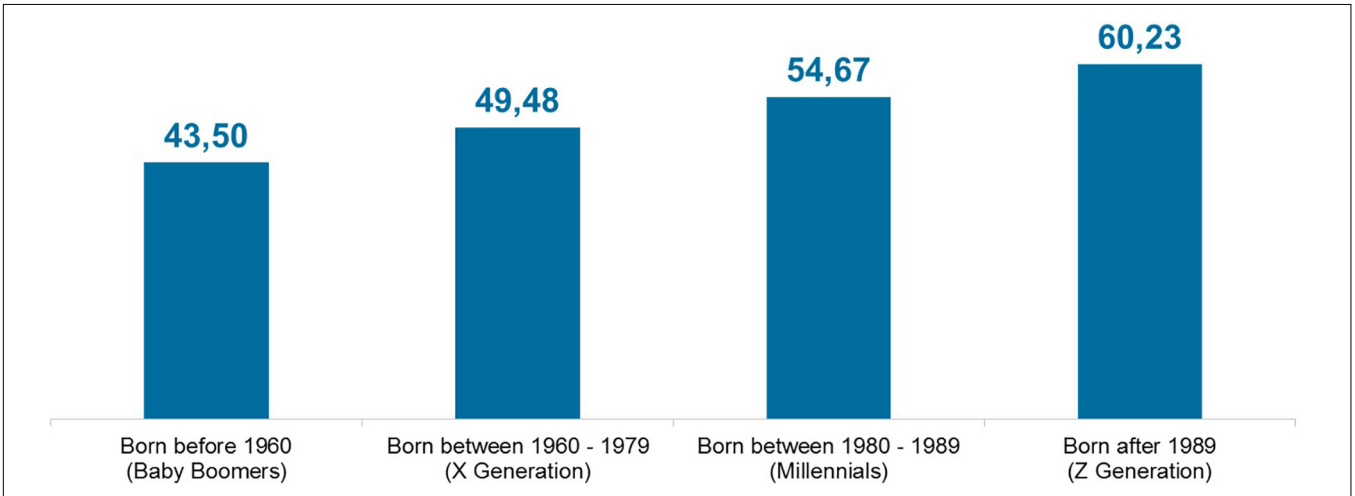

FIGURE 10 | Digital Quotient Index.

appreciation of the experience, learning, competence usefulness, and engagement. The findings refer to the project's effectiveness and support the practiced and not only declared intention to generate value for multiple stakeholders (in this case, schools, teachers, and students). Offering customer satisfaction details provides empirical evidence related to the capability of the project to generate social value (Comau SpA, 2018; e. Do, 2018).

The questionnaires do not show differences between the different types of schools. It was worth proposing the same questions to teachers and students of different educational stages so that the authors had the possibility to start from the same basis and proceed with a final comparison. For each question, there was a Likert scale of four lengths ranging from 1 (insufficient) to 4 (excellent). The scale, consisting of four possible options, forces those who fill out the questionnaire to make a negative (grades 1 and 2) or positive (grades 3 and 4) assessment. The last one was an open question. In the following tables, the authors present the high level of satisfaction achieved by the project both from teachers and students: that is a not-taken-for-granted result in the logic of value generation in the long-term perspective. **Table 1** (*Overall Results – Teachers*) shows the average values – for each educational stage – of the questions proposed to the teachers. **Table 2** (*Overall Results – Students*) shows the average values related to the students. In relation to the qualitative interviews (sample composed by 15 teachers and 60 students), the authors used a semiotic and hermeneutic lens to analyze the qualitative and discursive transcribed material, seeking for some emerging relevant meanings suitable to highlight long-term values generated by the investment in digital innovation. Collaboration, engagement, and funny experience were transversal dimensions analyzed, while the metaphor of the "bridge" emerged as a recurrent picture conveying aspects of connection and integration [bridging between past and future; human and robot/technical artifacts; individual and social; teachers and learners; engagement and fun (the label fun derives from Latin language *divertere*, which means both having pleasure and achieving different, divergent views); cognitive and affective dimensions). Some emblematic excerpts, taken from the interviews with the teachers (Gender/Subject/School Degree), are presented below as they convey aspects and features that characterize the meaning they give to the project (in *italic* the authors' highlights:

TABLE 1 | Overall results—teachers.

	Satisfaction	Learning	Competence usefulness	Engagement
Primary school	4.00	3.98	4.00	4.00
Middle school (first grade)	3.97	3.76	4.00	4.00
Middle school (second grade)	3.97	3.73	4.00	4.00
Average evaluation by teachers	3.98	3.82	4.00	4.00

TABLE 2 | Overall results—students.

	Satisfaction	Learning	Competence usefulness	Engagement
Primary school	3.93	3.78	3.92	3.90
Middle school (first grade)	3.87	3.65	3.88	3.83
Middle school (second grade)	3.82	3.53	3.88	3.86
Average evaluation by students	3.87	3.65	3.89	3.86

➢ Primary School

"*Innovative strategy* to provide and learn the basics of geometry." (Male, S.T.E.M., Primary School)

"*Happy combination* of technological and mathematical skills through the game experience: if I enjoy myself and do [things], I learn!" (Female, S.T.E.M., Primary School)

"Illuminating, an example of *modern teaching*. I could observe citizenship skills in children who are hardly observable in the classroom." (Female, S.T.E.M., Primary School)

➢ Middle School (First Grade)

"Addictive, interesting from an *educational* point of view because it involves a lot of transversal knowledge." (Female, S.T.E.M., Middle School, First Grade)

"*Captivating and engaging*; precious opportunity for the students." (Male, S.T.E.M., Middle School, First Grade)

"Very *useful*, also *to reinforce* what has been learned during the curricular activity." (Male, S.T.E.M., Middle School, First Grade)

"I also really appreciated *the aspect of group work*, which brought into play the ability to collaborate and interact with peers. Thanks, and congratulations!" (Female, S.T.E.M., Middle School, First Grade)

"360° immersive activity. Notable ideas. Problem solving and *cooperation skills*." (Male, S.T.E.M., Middle School, First Grade)

➢ Middle School (Second Grade)

"Very *captivating approach* and excellent group-class management." (Female, S.T.E.M., Middle School, Second Grade)

"*Synthesis between* algebra, geometry and technology. Very useful to introduce the Cartesian plan and the straight line." (Male, S.T.E.M., Middle School, Second Grade)

"Addictive to the nth degree!!! I found it very useful to work with "school" subjects with the support of *objects so loved by students as robots*." (Female, S.T.E.M., Middle School, Second Grade)

"*Active, collaborative, creative learning*. Very stimulating, didactically effective activity. The hours have flown, capturing the students' attention in an innovative way." (Female, S.T.E.M., Middle School, Second Grade)

"Finally, applied mathematics." (Female, S.T.E.M., Middle School, Second Grade)

"*Stimulation to openness*. Another way to treat known topics." (Male, S.T.E.M., Middle School, Second Grade)

"An activity that has been perfectly *linked to the activity carried out in the classroom*. Great!" (Female, S.T.E.M., Middle School, Second Grade).

As can be observed, teachers highlight the value generated by the project in relation to different aspects: the educational one, enabling processes of collaborative learning that support and integrate the more traditional individual cognitive process; the innovation of the teaching setting, which encompasses contents, tools, and relations among people; and the interaction with new incoming technologies as robots. In addition, the students (Gender/School Degree) expressed their remarks about the e.DO experience, as the following excerpts allow to underline [in *italic* the authors' highlights]:

➢ Primary School

"I liked this activity and I would like *to do it again with my friends*. Thank you!" (Male, Primary School)

"I enjoyed this experience so much! For the secondary school I don't know where to go, but if it exists, I'll go to *a robotics school*. Thank you." (Male, Primary School)

"Great fun and also responsibility because we used three unique pieces in the world." "*I had fun*, it intrigued me and I *discovered things* I didn't know." (Female, Primary School)

"It was *fantastic, fun* and at the same time I discovered new things with math and geometry, I also learned how to use a robot." (Female, Primary School)

➢ Middle School (First Grade)

"Interesting and *very fun* to see the robot making movements." (Female, Middle School, First Grade)

"An ancient-modern experience between *robots and Leonardo da Vinci*." (Male, Middle School, First Grade)

"For me, it was *a lot of fun* and educational too, an experience I would like to repeat. I enjoyed interacting with the robots." (Female, Middle School, First Grade)

"Reviewing topics in a constructive and fun way. Fantastic!" (Male, Middle School, First Grade)

➢ Middle School (Second grade)

"Association of mathematics in robotics in an *engaging way*." (Female, Middle School, Second Grade)

"A very interactive and *engaging lesson*, very interesting from the point of view of both robotics and art." (Male, Middle School, Second Grade)

"*Funny, engaging, enjoyable* and competitive. I had fun and I found this experience very useful." (Female, Middle School, Second Grade)

"A very interesting experience *to approach the world of robotics* and most likely that of a near future." (Male, Middle School, Second Grade)

"It was like taking a *step into the future*, amazing" (Male, Middle School, Second Grade).

The students stress the value of the possibility to learn as a funny, enjoyable, and engaging experience, bridging fun with engagement, the past with present and future (Leonardo da Vinci and step into the future), human and technologies (approaching the world of robotics). As a final result, the students—through the participation in the project—had the opportunity not only to improve their knowledge related to the issues involved (mathematics and art) but also to experience themselves in the application of specific soft skills, like those of collaboration, negotiation, creativity, and problem solving.

Concerning the third question, the e.DO robot experience is in the authors' perspective a relevant example of reinterpreting an authentic generation of value, not only for internal but also for external stakeholders, reshaping a new way of corporate social responsibility. Involving different people and stakeholders (Comau engineers and practitioners, teachers, students, schools, educational managers) in negotiated activities, the project matches technology with humans, providing a remarkable learning opportunity and testing the potential of educational impact for society at large. The findings show the effectiveness and the satisfaction for the people involved, since the project yields a new emerging culture focused on innovation and new technologies (robots) that can enhance both processes of contents learning (S.T.E.M. education) and core skills (as collaboration and networking) that students have to perform in order to achieve results. Such a result is a not-taken-for-granted collective value, related to the educational challenge for future generations facing a new technological environment. A meaningful clue about the generated value is that the project was extended (in 2017–2018 Fondazione Agnelli hosted more than 2,400 students in its spaces) with the enrichment of new contents.

As a whole, the findings highlight how the process of e-HRM is enacted in a contextual scenario. Referring to the context of e-HRM, Bondarouk and Brewster (2016) depicted three possible situations: the inertia-based e-HRM enactment, in which HRM professionals, line managers, and employees cope with e-HRM trying to maintain the "old-fashioned" way, preserving the existing technological circumstances; the mutual adjustment enactment, characterized by groups of users that strive to refine their "old" face-to-face HRM practices introducing IT possibilities; and the improvisation-based enactment of e-HRM, with a strong adoption and use of e-HRM applications connected to a great involvement of managers and users in the enactment process and the adjustments it requires. The authors claim that the more advanced, interconnected, and smart e-HRM becomes, the more diverse the involvement of all stakeholders can be expected. The Comau case highlights a possible intertwinement of such different scenarios, with the prevalence of processes of mutual adjustment and refinement of existing performance, as well as the improvisation of new methods, and a less and circumscribed presence of inertia.

In relation to the research questions, about the first one, the findings highlight how the connection between new technologies and HRM has to face differences in technological cognitive frames among the different internal stakeholders. The digital sensitivity varies from one digital generation to another, requiring the corporate Comau HRM to face the situation in which the individuals' technological enthusiasm and decision to first use e-HRM is different from the decision to enact and continuously work with e-HRM. For what concerns the second question, the role of Ambassadors becomes relevant and crucial, coping with

fragmented situations, as Comau's decision to invest in the Digital Champions to integrate them in Digital Teams clearly points out. Comau's digital change program, whose purpose is to start the change with both the support and the engagement of the employees, is an emblematic clue of the attention that has to be paid to internal stakeholders in a specific organizational context, like a MNE. A future indicator of the successful implementation of skillful and task-consistent operations will be the application of the new adopted digital practices by the targeted employees. As Bondarouk and Brewster (2016) remark, the implementation is completed only when users are contentedly working with IT and have acquired the necessary skills to master and fully understand it, achieving the objective of a stable use of an e-HRM technology, rather than the stabilization of the technology itself.

The prominent and decisive role attributed to the users in the adoption of digital practices relies on the belief that various stakeholders engaging in implementation exert social influence in order to change the pattern of technology use. In this perspective, Comau is an interesting context, since the e-HRM deployment itself is a result of HRM managerial decision making. Investment in organizational culture and technological engagement emblematically highlights how a firm has to cope with its owners, employees, customers, and communities as stakeholders in HRM. Regarding the third question, the e.DO Robo-School project constitutes a meaningful example of the external stakeholders' consideration and the intention to generate value in a long-term perspective. The success of the project is given by the combination of multiple drivers: the wide range of players who have worked in synergy to design and deliver the modules (Comau managers and employees, school teachers and students cooperated to shape and enrich the experience); the design of the modules as a balanced mix among content, action, and relation-driven learning, considering as a priority educational (not financial) issues; the integration of disciplines (each module is focused on a specific subject but adopts technology, robotics, and soft skills to be effective); and the gamification lens (asking the students how leveraging on fun and game elements in order to be more involved and participative).

Hence, the engagement of multiple rationalities related to both internal and external stakeholders and achieving forms of reconstructive reflexivity, concerning the interconnection between the digital age, HRM, and the innovative generation of social value through an authentic corporate responsibility. Indeed, investing in such an object and target requires rethinking who the HR managers are asked to be: not just rational agents who organize roles, tasks, and activities but also (and above all) responsive and responsible authors, meaning that they, along with others, actually construct and shape social and organizational realities (Cunliffe, 2014), like the promotion of an innovative digital culture in the Comau case, hither the chance to go beyond the dominant neo-liberal view that maximizes the shareholders' value seeking for sustainable stakeholder social value (Stout, 2012; Bondarouk and Brewster, 2016). The three research paths and the connected findings outline how HRM is embedded in a specific situated context and which practices are socially developed. Therefore, the possibility to understand and interpret HRM as a lever for generating social value not only inside the specific organization but also outside of it, creating an impact on society at different levels, as in the case of educational aims of the e.DO experience (Fenzi et al., 2013; Pinto et al., 2018).

CONCLUSION

Inspired by Janssens and Steyaert (2009) and their approach to HRM as a "heterotopic text" and by Bondarouk and Brewster (2016) with their hint for new ways in conceiving HRM, the authors focused on some emblematic initiatives of HRM developed in Comau, a specific organizational context, that conveyed different voices and languages. This choice is coherent with the theoretical background adopted by the authors, related to the e-HRM field that underlines the need for more contextualized ways in studying the HRM issue, adopting a practice-oriented approach and pluralistic levels of analysis in order to explore the complexity of the dimensions at stake, as the transformation of managerial competences and culture facing the digital innovation conveyed by 4.0 Industrial Revolution. The research questions addressed have been undertaken through the analysis of the Comau case, gathering empirical data that are connected to the conceptual framework, since the analyzed situated research paths are focused on specific contextualized practices that a specific and emblematic organization develops, coping with the digital innovation and its impact on HRM organizational life. Regarding the first question, related to the acknowledgment of different digital sensitivity among the internal multiple organizational players, the case study underlines the necessity to enhance articulated and target-tailored forms of involvement for all stakeholders, detecting their technological proficiency and disposition. The need to face the existing differences entails an investment, which cannot be taken for granted, in knowledge gathering and people management processes. Including employees and managers in studying the interface between HRM and new technology represents a different approach in coping with innovative HRM perspectives. Perhaps, the awareness of differences in digital sensitivity can become one of the new KPIs in order to measure the impact of HRM in generating value, going beyond the too narrow focus on the financial indicators and the implicit paradigm of the financial return as the sole purpose of the owners (Paauwe, 2004).

Regarding the second question, among the ways for promoting and spreading an innovative organizational culture related to the diffusion and use of digital innovation, the role of key persons to be selected and involved as "ambassadors" appears crucial and decisive in order to promote a social and negotiated influence, changing the pattern of technology use. At stake is neither an illusorily manipulation nor a top–down pressure to change but a long-term process of organizational learning and sustainable transformation of usual practices/routines, looking for new and more suitable ones. The last question, related to the possibility to consider a specific innovative project as a proper example of sustainable corporate responsibility, finds a meaningful answer in the Comau e.DO robot project, a promising and emblematic manifestation of the difference existing between a stakeholder approach rather

than a shareholder one, due to the involvement of internal and external stakeholders in the practiced effort (and not only declared intention) to generate social an collective value, in this case related to the educational challenge for new generations facing the digital innovation era. It also represents a practical example of the possibility to rethink the conception of the HRM function, assuming alternative perspectives compared with the only economic focus in measuring the HRM outcomes. Sustainable HRM and looking toward a sustainable HRM (Ehnert and Harry, 2011; Taylor et al., 2012) appear as promising and successful new labels, to be studied in depth in their implications in further researches on the future of HRM models. The authors' observations have several implications for further researches that could be developed, comparing HRM practices among similar organizational fields or monitoring the longitudinal process of e-HRM to be integrated into daily HRM processes enacted by human players.

The article clearly presents some limitations, as it refers to a specific context and studies a particular historical phase of the firm in object; additionally, the MNEs represent a small minority of the business realities around the world. Another limitation is that, referring to a survey, a digital assessment and a pilot project might yield some confusion, but they are connected by the need to achieve different voices, languages, and dimensions embedded in HRM practices of a specific context seeking to promote digital innovation. To sum up, the authors have provided further evidence that it is possible to conceive "HRM as a socio-cultural artifact and understanding the field as a hologram, capturing the ambiguity of the concept and documenting the 'multiple, shifting, competing, and more often than not, contingent identities"' (Janssens and Steyaert, 2009, p. 152, quoting Keenoy, 1999, p. 5).

DATA AVAILABILITY STATEMENT

The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation, to any qualified researcher.

ETHICS STATEMENT

The studies involving human participants were reviewed and approved by the Compliance Program Supervisory Body ex Italian Decree Law 231/2001 and the Internal Control Committee of Comau S.p.A. Written informed consent to participate in this study was provided by the participants' legal guardian/next of kin.

AUTHOR CONTRIBUTIONS

All authors contributed equally to constructing the conceptual framework, collecting the empirical data, analyzing the data, and writing the manuscript.

SUPPLEMENTARY MATERIAL

The Supplementary Material for this article can be found online at: https://www.frontiersin.org/articles/10.3389/fpsyg.2020.578251/full#supplementary-material

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CONCEPTUAL ANALYSIS
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Understanding Independence: Board of Directors and CSR

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On August Business Roundtable (2019), the Business Roundtable redefined the purpose and social responsibility of the corporation. Yet, this statement must be followed by substantial changes in the business models of corporations for it to avoid becoming empty rhetoric. We believe that the figure of the independent director may be one of the catalysts needed for this change of paradigm for corporations. In spite of the positive correlation between Corporate Social Responsibility (CSR) and board independence, the development of the independence of boards during the last decade has not lead to the expected CSR results. Academics and regulators point to a weak definition and the non-standardized measurement of both independence and board independence (BI) as one possible explanation, and agree that a broader definition is needed. This paper aims to contribute to this debate. We develop a second-generation definition of independence based on a positive approximation to the concept by integrating an Aristotelian perspective of virtue ethics with the best practices of corporate governance. Thus, we define independence as a virtue guided by practical wisdom, that implies autonomy and autarky and which enables a person to act with integrity, fairness and truthfulness. In the context of corporate governance, independence is associated with an honest disposition to serve. Our proposal has political implications for supervisors that make decisions relating to the suitability of board members.

Keywords: board independence, independent director, CSR, corporate governance, virtue ethics, practical wisdom, integrity

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INTRODUCTION

On August 19, Business Roundtable (2019), 181 top CEOs from the Business Roundtable (BRT) signed a statement that redefined the main purpose and social responsibility of the corporation. While a previous declaration in Business Roundtable (1997) fostered shareholder primacy, defending Friedman (1970)'s view that the only responsibility of business is to increase profits, the new guidelines seek to benefit all stakeholders, taking into consideration customers, employees, suppliers, community members and shareholders. Such corporate purpose is broader and more complete, closer to creating long-term value and shared prosperity in a sustainable way. This change of paradigm can be understood as a response to rising challenges to the social legitimacy of corporations in the wake of widespread inequality and environmental degradation.

Although the BRT statement is a promising start, it needs to be followed by substantial changes in the business model of many of the companies of the signatories. Otherwise the statement is just empty rhetoric (Bebchuk and Tallarita, 2020). Corporate governance cannot be alien to change and it must embrace instruments that make it more sensitive to its social and environmental impact.

Corporate Social Responsibility (CSR) initiatives are strategic by nature. As such, they fall under the mandate of the board of directors in a critical way (Gordon, 2007; Fassin and Gosselin, 2011). Indeed, theoretical and empirical literature have shown a positive correlation between CSR initiatives and the increased role played by independent directors (Chang et al., 2012). In a survey of 307 board members, Ibrahim et al. (2003) found that independent directors exhibit greater concern about the discretionary component of CSR. Webb's (2004) analysis suggests that CSR is associated with independent and women directors. In other empirical study, Harjoto and Jo (2011) also discovered the CSR choice is positively correlated with Board Independence (hereafter BI), one of the essential characteristics of an effective board. Htay et al. (2012) found a similar correlation, this time with environmental aspects of CSR.

Independent directors are neither executive nor proprietary. Initially, within the framework that the purpose of the corporation was to create value for the shareholders, independent directors were meant to represent all those shareholders not represented on the board. However, in the context in which the company acquires more responsibilities, beside profits, expanding the field of action to all stakeholders on whom it has an impact, independent directors are entrusted with the responsibility to serve those stakeholders not represented in the board, taking into account their interests, needs and aspirations. Thus, when directors perform their duty well, the composition of the board of directors should improve CSR practices. This is attested by different studies (Haniffa and Cooke, 2005; Cai et al., 2006; Rouf, 2011) that, however, indicate that the progression is not as expected (Cf. Cuadrado et al., 2015).

Since the financial crisis in 2008, and thanks to general regulatory requirements and shareholder pressure, BI has become one of the most recommended practices in financial corporations (Pathan, 2009; Mehran et al., 2011; Sharpe, 2011; Adams and Mehran, 2012). Considered as an antidote to new corporate crises, independent members of the board have increased exponentially in financial corporations, reaching up to 70–85% in the United States (Adams, 2012) with similar figures in non-United States and some OECD countries (De Andres and Vallelado, 2008). In the context of the United States, Gordon (2007) shows that the presence of independent board members has augmented from 20% (in the 1950s) to 75% (in the 2000s). The increase is also exponential in non-financial large public corporations (Htay et al., 2012; Walls and Hoffman, 2012).

Given the positive correlation between BI and CSR, the growth of BI should be good news for social responsibility as it may be one of instruments with which to foster the balancing of stakeholder interests in current business models, as demanded by the BRT statement. However, the expected CSR results have not been produced. In the search for answers, (Bartukus et al., 2002; Cho and Kim, 2007; Arora and Dharwadkar, 2011; Chang et al., 2012), academics and regulators have pointed to a weak definition and measurement of both BI and independence as one possible explanation, and agree that a broader definition is needed (Joseph et al., 2014) especially if the social purpose in organizations needs to advance by integrating profits with other business purposes.

When it comes to BI, the literature focuses on its current definitional shortcomings. To start with, purely quantitative descriptions for it (understood as the ratio of outside/independent directors to inside directors) are criticized as inadequate. Adams (2012) emphasizes that this ratio alone is not a sufficient metric of "good governance", and Rao and Tilt (2015) highlight the importance of using more qualitative methods. Similarly, Roberts et al. (2005) argue that having high numbers of independent members alone is of little use, as they must be active in order to be effective. Following these arguments, John et al. (2016) emphasize the importance of the "quality" of these independent directors, and recommend developing new and effective measures for it. Mehran et al. (2011), in turn, discuss whether board members can indeed exercise *intellectual independence* in the performance of their duties.

As for independence itself, the search for a global and consistent definition has been eluded both by regulators and academics (Hooghiemstra and van Manen, 2004). We have identified two main approaches currently used to consider someone to be independent: one based on the status and the other based on the context. The status-based approach – used by the Sarbanes-Oxley Act (SOX) or Nasdaq–, describes an *ex ante* materiality; the contextual approach – followed among others by the European Central Bank (ECB) (Rodrigues, 2008; Sharpe, 2011) – distinguishes between formal independence and Independence of Mind (IoM). Although with a different focus, both approaches depend solely on negative and passive descriptions to define the independence of members, whether as "outsider," "non-executive," "non-employee," "non-interested," or "disinterested."

We believe these first-generation definitions are incomplete and they fall far short of enabling the change in corporate governance decisions that the BRT requires. A more complete definition should aim for an integral approach of the individual, thus taking into account the past, the context, and the objective and subjective qualification of the person (Kaptein and Wempe, 2002; Calderón et al., 2018), and make independent directors truly empowered to make decisions with a strong ethical, as well as economic, consequences.

Evidence has proved that whenever executives failed, it was rarely because of a lack of expertise or technical training, but due to interpersonal skills and practical wisdom (Bennis and O'Toole, 2005). In this line, we propose a second-generation definition of independence that hinges on its positive and active role, integrating an Aristotelian perspective of virtue ethics with the best practices of corporate governance. We define independence as a virtue guided by practical wisdom, that implies autonomy and autarky and which enables a person to act with integrity, fairness and truthfulness. In the context of corporate governance, independence is associated with an honest disposition to serve.

Practical wisdom (*phronesis)* is the habitual disposition of doing the right things the right way (Shotter and Tsoukas, 2014). Judgment is the inherent action of independent directors and *phronesis* the virtue of "good judgment" (Solomon, 1992: 328–29). Practical wisdom develops the moral character, the priority lies with whom directors become as a result of their actions.

Independence implies a way of being that is intimately related to the concepts of autarky and autonomy. This is an acquired, conquered and configured capacity aided by both wisdom and will, which translates into three fundamental characteristics that are exhibited by the person that seeks to be independent: integrity (Tanner et al., 2019), fairness (Diao et al., 2019; Trinh, 2019) and truthfulness (Zagzebski, 1996). In addition, the independent person that occupies an executive responsibility also exhibits an honest disposition to serve (Heintz et al., 2016), since governance is synonymous with service and thus requires continuous learning, training, updating and commitment. Our contribution becomes especially important to guide supervisors – such as the ECB – that make decisions relating to the suitability of board members, with independence being one of its key elements. Yet, it is not our intention to provide a step-by-step guide to evaluate the degree of independence of a candidate but to set the general guidelines that should inspire normative efforts to achieve this.

This paper proceeds as follow. Section "The Current Situation of Independence: The First Generation" offers a critical description of the first generation of independence and its two main approaches. Section "The Second Generation: A Positive Approach to Independence" analyses the key dimensions of independence and it proposes a positive definition of the concept, referred to here as the second generation of independence. Section "Conclusion" summarizes the main conclusions of the paper.

THE CURRENT SITUATION OF INDEPENDENCE: THE FIRST GENERATION

BI has exponentially increased in financial and large public corporations, without a debate about its defining conditions. As Fairfax (2010:133) details "the term *independent director* has no uniform definition; instead judges and legislators define the term differently. Moreover, the term is used differently in various contexts."

Belonging to a board of directors, whatever the category of the director, implies that person is bound to a duty of care and a duty of loyalty, the purpose of which is to align the interests of the administrators and the shareholders with those of the stakeholders, with the objective of creating value and ensuring its distribution, as well as giving confidence to the market. To carry out these duties, the members of the board, whatever their category, must perform their functions and hold their opinions independently, that is, without being conditioned by the interests of others and with the strength or soundness of character that their position requires.

However, in corporate governance when we talk about an independent director, we do not refer to that generic independence but to a more specific and regulatory one. Accordingly, two different approaches have been adopted to describe an independent member: the status-based approach and the contextual approach which together formed the first generation of independence.

The Status-Based Approach to Independence

In response to the Enron and subsequent debacles, and to the recurrent implication of executive directors in the scandals, regulation adopted an incisive spirit of "command-and-control" with the aim of mitigating agency costs and restoring lost integrity (Thibodeau and Freier, 2014). In this context, it was understood that the most outstanding characteristic of an independent member to inspire confidence as a controller was precisely to be able to ensure that she had no relationships or potential conflicts of interest with the firms she was trying to supervise. In this line, SOX, which was one of the major regulatory responses in this spirit, described the independent director through the status approach.

Most regulators from the Anglo-Saxon tradition follow the line marked by SOX, such as NASDAQ or the New York Stock Exchange (NYSE), and understand that the distinguishing characteristic of the independent director is the status of outsider, analyzed from the point of view of her past relationships with the company. Thus, the status-based approach defines independence as a sign of non-dependence referring to the independent director as an "outsider," "non-executive," "non-employee," or "disinterested" board member. The non-dependence status, which can be certified *ex ante* by looking into the past and with no reference to the context of the transaction, reflects the absence of both financial links with the corporation and family ties with management, and it must be ratified by the board.

The NYSE and NASDAQ stipulate that an independent member cannot have any "material relationship" with the listed company [NYSE, §303A (2) (a)], meaning not only that she should not be directly related as a partner, shareholder or officer, but also that she should pass an exhaustive test of materiality. The definition of materiality, assessed at the time of entry of the new member to the board, requires verifying (a) the present and (b) past relationships of the individual, and (c) of her family members or their associates to the corporation. Regarding past relationships, materiality is described both by the type of relationship itself, by the intensity or by the years elapsed since those relationships ceased to the present. Each regulator develops its own materiality test along these lines.

For instance, the NASDAQ materiality test considers that any trace of previous service to the corporation will be eliminated after 3 years instead of five; it uses a broader definition of family member, which includes any person who is related by blood, marriage or adoption or who has the same residence; it recognizes dependency in any person who has received more than $60,000 from the company for consulting or other services in the previous 3 years, or when the director had been a partner, officer or majority shareholder of a company that made or received payments above a certain amount in the previous 3 years.

This view of non-dependence is directly correlated with the agency problem, perhaps the central problem of corporate governance in banks (Rodrigues, 2008), which has been found at the core of many scandals (Bainbridge, 2002).

Large public corporations and banks are characterized by fragmented and dispersed ownership and the lack of power,

incentive or means to monitor the actions and decisions of the managers (Mehran et al., 2011). In this context, managers may act in their own best interest rather than in the interest of the firm (Gilson and Schwartz, 2015). Independent members should contribute (a) to align the financial interests of executives with those of shareholders, decreasing agency costs and "opportunistic" behavior and (b) to preserve the long-term interest of the company when conflict between majority and minority shareholders arises, curbing the extraction of private benefits to the detriment of other stakeholders, and (c) to align social responsibility (Courteau et al., 2017).

Independent members should help shareholders to solve this agency problem because they have no "need or inclination to stay in the good graces of management and (. . .) will be able to speak out, inside and outside the boardroom, in the face of management's misdeeds in order to protect the interests of the shareholders" (Clarke, 2007: 84). As Dallas (2003) emphasizes, while insider-dominated boards perform the role of formulating corporate strategy more effectively, an outsider-dominated board is preferred to perform the function of management monitoring more effectively.

Judged from a historical perspective, the status-based approach contributed considerably to the good corporate governance of the entities enhancing their materiality tests in order to overcome the ambiguous nature of these subjects. However, this approach has been criticized accordingly for its negative perspective and especially for its static and *a priori* assessment.

Indeed, in the context of the resolution of agency problems, independence, that is non-dependence, is understood as distance and even as preventive mistrust. However, necessarily over time, an independent director will acquire familiarity with the company and its executives, which would prevent her from being qualified literally as an outsider, or as a disinterested member. This familiarity, increasing over time, nevertheless has a positive interpretation, since with a closer knowledge of the company and its management, a constructive director may contribute to a greater degree and with higher quality in the decision-making process. In sum, the fact that a person fulfils some criteria *ex ante* does not guarantee an *ex post* independent behavior. As Sharpe (2011) highlights, the independence that is only verified *ex ante* cannot be more than cosmetic. As Roberts et al. (2005, pp. 16–17) point out, under certain circumstances, independence will not be "an independence *from* executives, but rather exercising an IoM *in support of* executive and company success. In bad times, non-executives can support executives with suggestions and advice about how to weather a storm. In good times, they can act as a guardian against executive exuberance."

Furthermore, taking into consideration the increasing complexity of the corporate activity and its opacity, a complete lack of familiarity with the subject would be counterproductive but a strong familiarity with it would result in the rejection of many candidates (Adams, 2012).

On the other hand, we can argue that non-dependence does not guarantee a correct decision if it is not accompanied by other factors. In other words, being non-dependent is not always or even in any case, synonymous with being independent (Fairfax, 2010). In that vein, Sharpe (2011) distinguishes between a *cosmetic independence* that takes into account only a corporate relationship with the corporation and not the tools a director needs to achieve substantive independence, and a high-performance independence, which includes the critical components of good decision-making: time, information and knowledge.

The argument that materiality must be completed with other elements has opened the door to a more contextual view of independence. We agree that the status-based approach falls short since it does not guarantee that an independent director would act with the required independence of character. However, we believe that the materiality of independence, defined unambiguously in negative terms, becomes a prudent safeguard of the preliminary conditions. That is, materiality is a necessary condition, but it is not enough and, therefore, it is partial and incomplete (Bainbridge, 2002). In the negative terms and as a starting condition, independence points to *someone who is shown as independent*, who *seems to be* independent because certain circumstances occur around her, but albeit necessary, this approximation falls short.

The Contextual Approach to Independence

Considering an *ex ante* definition of independence as essentially impossible, the contextual approach proposes the analysis of each conflict of interest, observing a combination of factors as an alternative to the rigid and pre-programmed status view. Hence, it distinguishes between an independent and an interested member. A director is interested in a given transaction if she stands to gain monetarily from it in a way that other shareholders do not or if she expects to derive any personal financial benefit from it in the sense of self-dealing (Clarke, 2007). The focus is not reduced to the area of financial interest. It must be examined whether a director is in some way committed to, or exhibits affinity toward another individual who is interested, or whether she is influenced by personal considerations. Therefore, circumstances such as belonging to the same university, being involved in the same charitable donations, sharing a common religion or friendships may be factors to be taken into consideration.

The approach endeavors to ensure the "no interest" of the director, but not her disinterest. If independent directors must address complex instruments and trading activities (Andrés et al., 2012) they must be professionals in an area which is akin to the financial sector, therefore a rigid catalog of *ex ante* materiality cannot contemplate all the situations that are likely to take place *ex post* (Langevoort, 2001).

It is this line of thought which underpins the doctrine of supervisors such as the ECB, responsible for the prudential supervision of credit institutions located in the euro area and participating non-euro area member states. The ECB articulates the Single Supervisory Mechanism (SSM) with internal governance being one of the top supervisory priorities. The ECB must adopt decisions relating to the suitability of board

members, and independence is one of the elements which it has to watch over.

Starting with a regulatory position in line with the status-based approach, in recent years, the ECB evolved its stance developing a new approximation around the concept of IoM. It tries to overcome the problems generated by the approach to independence based exclusively on the status of the director.

The (European Central Bank [ECB] (2016): 8) first introduced this contextual approach of independence in its publications in 2016 highlighting that "from a theoretical point of view, independence should be understood both as 'formal' independence and 'in mind'." "Formal" independence was associated with the proportion of independent directors on the board, whereas independence "in mind" is identified with the absence of potential conflict of interests. Initially, no mention is made to whether that condition must hold *ex ante* or *ex post.*

One year later, the SSM retrieves and expands the concept of independence. It is interesting to highlight that the SSM makes a small twist in the terminology that it uses, and it starts to speak of independence "of mind" rather than the independence "in mind". This tiny detail has major philosophical implications since the former alludes to the behavior or the action of the individual, and the latter to her character. The SSM defines "to act with IoM" as "being able to make sound, objective and independent decisions" (European Central Bank [ECB], 2017a, p. 15) and it points out that IoM can be affected by conflict of interests either actual, potential– i.e., reasonably foreseeable–, or perceived–i.e., by the public.

In this context, the supervised entities are required to adequately address any sort of conflict of interest and explain to the competent authority how it is being prevented, mitigated or managed. Interestingly, the SSM emphasizes that having a conflict of interest does not necessarily imply that the person cannot be considered suitable as an independent director as long as the conflict does not impose a material risk and it is adequately prevented, mitigated or managed according to the written policies of the supervised entity. The SSM states that any material conflict of interest should be assessed on a case-by-case basis. Hence, it leaves a door open that invites one to look beyond the status of the director.

Moreover, for the first time, a temporal view is introduced. The SSM (European Central Bank [ECB], 2017a) highlights, in a non-exhaustive manner four potential sources of conflicts of interests – with respect to the corporation, including the parent or subsidiaries – that are evaluated within different time frames. Personal and financial causes are evaluated in the present, whereas professional or political sources of conflicts are binding within a 2-year lag. Furthermore, these sources apply not only to the independent directors themselves, but also to the circle of their close personal relations.

In a later report (European Central Bank [ECB], 2017b), the SSM goes one step further and explicitly differentiates between the notion of IoM and the principle of "being independent;" the former is applicable to all members of the management body of an institution whereas the latter is required for certain managers in their supervisory function. Hence, the fact that a member is considered as "being independent" does not mean that she should automatically be deemed to be IoM as the member might lack the required behavioral skills. The SSM (European Central Bank [ECB], 2017b) clarifies that acting with IoM is actually a pattern of behavior, revealed particularly during discussion and decision-making, which enables the making of sound, objective and independent decisions and judgments. "Being independent" means that the person does not have any present or past relationship or connection of any nature with the institution that could influence the capacity of the member to act with IoM.

In that same report (European Central Bank [ECB], 2017b), the SSM provides some criteria for assessing the IoM: it must be evaluated according to two main conditions; behavioral skills and the absence of conflicts of interests, which would handicap the ability to act with genuine independence. At this point it can be noticed how the SSM expands the context of independence not only outward–toward the circumstances surrounding the director–, but also inward, appealing to the virtues and the traits of the character of the individual. In particular, it points out that in order to have IoM a director should exhibit courage, conviction and strength, having the capacity to ask questions and demonstrate resistance to "groupthink."

When it comes to independent directors, the SSM (European Central Bank [ECB], 2017b) recalls that they should ensure that the interests of stakeholders are taken into account in the discussions and decision-making. The formal independence of the directors is defined in negative terms, again by way of their status, so that if the person "is not" anything that is specified by SSM, she is deemed to be independent.

The mere fact of meeting in a positive sense one of these requirements does not automatically qualify a person as not being independent; in that case, the institution may demonstrate to the competent authority the reasoning why the person is able to act with IoM. Hence, the SSM affords vital importance to the context and the evaluation of the particular circumstances in which the director makes decision and acts beyond their status.

In one publication concerning good governance practices, the SSM (European Central Bank [ECB], 2018) recalls the importance of a contextual approach: "Banks need to have a sufficient number of independent members on their boards. These members play a key role in providing the necessary checks and balances. However, formal independence is not enough in itself: all board members need to be independent thinkers too. In board discussions, the view of each board member must count. This is a prerequisite not only for sound collective decision-making, but also for fostering critical thinking and diversity, which are essential qualities in counterbalancing the risk of groupthink."

Beyond reconciling the status and the context, the great contribution of the SSM approach is to direct the debate toward the essence of the individual who performs the role of the independent director. The are two landmarks in this process. First, when the SSM–albeit rather timidly and perhaps unwittingly – raises the question of whether the directors should act with independence "of mind" or "in mind," and second, when it expands inward, to the interior of the human being, the context in which independence ought to be evaluated, pointing out some virtues and character traits that are deemed desirable. This point

directly opens up a gap for a third way which should unite the condition of the character and the performance of the individual, which must encompass both the status and the context.

THE SECOND GENERATION: A POSITIVE APPROACH TO INDEPENDENCE

The first generation of independence is characterized by a person *not* immersed in a conflict of interests, someone who does *not* depend on another or who does *not* undergo interventions by another. In sum, the independent member is defined as the one that is *not* subject to another.

A definition of independence based on the status that only takes into account the potentially harmful relationships between the director and the corporation that may have taken place prior to her entry onto a board is completely biased, describing only a mere appearance of independence (Cf. Kaptein, 2018) and it does not guarantee that the director will act with independence. While the concept of status is valid as a condition, as a first step or prudent safeguard against agency problems, it is not valid to build a complete definition of independence around it (Bainbridge, 2002).

Advancing a further step, by adding *a priori* conditions which would seem to guarantee that the director is not disinterested – in spite of not having a direct interest–, allows the contextualization of the condition of independence and ensures that the decision-making process is more effective (Rodrigues, 2008; Fairfax, 2010). However, the sort of independence in decision making that should be incarnated by the independent director is not guaranteed by this approach either.

We believe that a complete definition of independence should be based on an integral vision of the person, encompassing her virtues and character (Cf Kaptein and Wempe, 2002) beside her formal qualifications. Neither things nor words are "independent." Only people can be and also not be. Avoiding certain positions–status–, or meeting certain conditions–context–, enables the set of potential candidates to be ranked, which is a filter that shareholders must demand to shield their interest in dealing with agency problems, but it does not imply *being* independent as independence is an eminently practical condition that manifests itself in a "way of acting," in a "way of being in the world," and finally it reflects a "way of being." Hence, the second generation of independence must be described in positive terms. We defined independence as a virtue guided by practical wisdom, that implies autonomy and autarky and which enables a person to act with integrity, fairness and truthfulness. In the context of corporate governance, independence is associated with an honest disposition to serve.

Independence demands practical wisdom (*phronesis).* Aristotle defines *phronesis* in the Nicomachean Ethics (henceforth NE: 1144a) as the virtue of choosing the suitable means to the right end (Aristotle, 1991). But what are the distinctive features of practical wisdom that make us associate it with the ideal of independence in corporate governance? We follow through Sison and Hühn (2018) to highlight the main characteristic of practical wisdom for corporate governance. First, practical wisdom is a moral virtue that implies doing the right thing, the right way, for the right purpose, and in the right circumstances (NE: 1126b). That is, performing the morally right action correctly. It establishes habitual alignment between proper perception, rational deliberation, choice and behavior (NE: 1140a–b). Second, practical wisdom expresses normativity beyond moral absolutes (NE 1110a) and general rules (NE 1137b). It implies accepting rules or codes, but only as general guidelines, since they are never sufficient. Proper rule-following invariably needs "prudential judgment" in its interpretation and implementation since rules are not perfect, and they may not foresee all the contingent circumstances. Practical wisdom studies the norms applicable to a situation, the circumstances or features of a problem, and decides how to proceed (Moberg, 2007). Third, practical wisdom exercises an integrative function between dispositions to action and virtues (NE 1145a); without it, no genuine virtue exists. Fourth, practical wisdom constitutes a perceptual subjective standard of who the agent has become as a result of previous action rather than an objective, external rule of behavior available to any independent observer. Finally, Aristotle lists practical wisdom among the character traits (*ethos*) that a speaker must have to convince or persuade an audience (Rhetoric: 1356a). Together with virtue (*arête*) and goodwill (*eunoia*), practical wisdom allows speakers and leaders to form correct opinions over concrete, contingent issues, enabling them to express views justly and fairly, and ensuring sound advice to listeners. They form the basis of a person's credibility and trustworthiness.

Independence must be synonymous with freedom, self-government, self-control (Cf. Rua et al., 2017). An independent person is thus the one who has the possibility to present and sustain her opinions without interference or intervention from others. This is well expressed by Langevoort (2001) when he points out that independence should not consist only in the lack of financial ties with the administration, it also includes a clear expression of the will to provide a high degree of rigor and skeptical objectivity regarding the evaluation of the administration of the company, and its plans and proposals. Both independence and autonomy are acquired, conquered capacities, configured in the full deployment of wisdom and will. It is a deployment that, by assuring that all the necessary elements are possessed to carry out the action to the end, is carried out firmly, in the sense of solidity, and morally right with the help of practical wisdom. Practical wisdom guarantees a proper alignment between this sort of IoM and the action of the independent director. This task also requires autarky and autonomy which could be understood as an intermediate step toward independence.

From a theoretical perspective, autonomy reminds us of the capacity to empower ourselves with laws of our own, that is, that the person freely and voluntarily imposes upon herself a criterion of action, a norm that guides her behavior. The key to autonomy is in the action of giving to oneself, not so much in the exercise or in the compliance of that norm that we have given ourselves. The strength of that action rests in the fact that the individual considers that this norm has a foundation with which she agrees. The importance of the foundation also lies in

its scope: the basis can be subjective, objective, intersubjective. As an objective principle, the norm is self-imposed upon the will; as a subjective principle, the norm is an exercise of one's will; as intersubjective, the key lies in the conviction that it will be assumed by a good number of people who will appreciate in the standard not just a mere particular occurrence, but a principle that can be assumed by a community as a whole. In this sense, independence is close to being a categorical imperative in which what governs the action is not a particular interest, even if it is legitimate, but in which the independent action is an end in itself.

The practical consequence of autonomy is autarky in a three-fold sense. First, because autonomy puts us in a position to exercise self-government. Second, autonomy also allows the subject of the action, by virtue of the assumption of her own criterion, to exercise a detachment from the outside. Independence is like an inner conquest that does not renounce to the exteriority, to the other, but, having examined it all, it exercises the decision to separate oneself from that exteriority. And, third, the most practical consequence is the exercise of action itself: not only the examination of the conditions of the action, but the exercise itself, its implementation, taking as a horizon that the virtue of governance is, in reality, the governance of virtue (Moore, 2012).

Independence leads to three fundamental characteristics that chatacterize the actions of the independent director: integrity, fairness and truthfulness.

Integrity is a kind of completeness that results from adequate intellectual and technical formation and, at the same time, denotes a moral significance, in the sense that whoever is integral can never be someone outside of an ethical code and, therefore, whose action always has consequences that affect other people. Integrity derives from the social nature of independence.

Fairness is a consequence of the proportionality and balance that reign in the decision making and in the execution of the acts of the independent agent. Independent is never synonymous with "fickle" and much less "arbitrary" (Diao et al., 2019; Trinh, 2019). A person who acts independently, is someone who weighs the pros and cons; who examines carefully and in a balanced way the factors that affect a certain issue; who deliberates by showing prudence, without resorting to hasty actions that can lead to or facilitate error; who with respect – and even cordiality – is able to put themselves in the shoes of the other, with empathy and delicacy.

In addition, independence is necessarily linked to truthfulness, since only a precise knowledge of reality enables the formation of a solid criterion of action. Of course, our rationality is limited and our knowledge may not be optimal, but what is undeniable is that we can do no less than endeavor to acquire the maximum possible correct, rigorous, contrasted information.

A final nuance associated with the independent person who reaches executive responsibility levels is the disposition to the service. Governance implies service and that task requires continuous learning, training, updating and commitment.

In this positive perspective, independence is simultaneously a value and a virtue. It is a virtue insofar as it is a human excellence and it produces positive feedback among other virtues found in multiple operational trajectories. It is not possible to be independent without being practically wise (*phronimos*), just, temperate and courageous at the same time. Hence, it is not possible to be a good independent director without trying to render different stakeholders their due, being moderate in the pursuit and use of resources, and persevering in the struggle against obstacles. Independence as a virtue leads to flourishing (NE: 1140a), the final end of human beings which is essentially social and relational, not individualistic and utilitarian. From an Aristotelian perspective, the goal of the independent director should refer to how to make people capable of joint performance so that the firm, as an economic unit, can contribute to flourishing (*eudaimonia*) in political communities, the ultimate end of human existence. The purpose of the firm displays the characteristics of a common good: something that can only be accomplished if all group members do so simultaneously (Sison and Fontrodona, 2012), which undoubtedly resonates to the principles of the BRT statement.

Independence is a virtue and as such it is voluntary (NE: 1114b). It is not a simple act of doing, but it is exercised because of the goodness of the action itself, and in this sense, it is the best clarification of an action not mediated by any conflict of interest – which is the premise for formal independence. The action of the independent person is not motivated by secondary interests, but rather it is driven by the final end (*eudaimonia*). Independence should overcome the tyranny or pressure exerted by other interests which are not ordered means to lead the corporation toward the common good of all its members.

Independence becomes a value in itself because it turns the person who possesses it into someone "special," who is supposed to have a strong moral character as well as aptitude, skill, efficiency, and display exemplarity and leadership (Neubert et al., 2009). Value and virtue can only be understood if they are incarnated in the practical life of a specific individual, Therefore, there is no gap between being independent and acting with independence (Sen, 2009: 158), because we can only identify the genuine independent person by her actions; without action, there is no independence because there is no practice. Thus, independence as a way of being – and not only as a way of acting – is intimately related to integrity.

The second generation of independence is radically linked to an ethical and psychological perspective. The "*ethos*" is not only a certain type of character but above all, a way of being that directs the way of acting (Chun, 2005). Perhaps it is to this dimension that the European Central Bank [ECB] (2016) refers when it mentions the aspiration to achieve an "independence *in* mind" that goes beyond mere formality, which finds its meaning more than in normative codes, but in concrete behaviors of specific people.

For the second generation, we have defined independence as a virtue guided by practical wisdom, that implies autonomy and autarky and which enables a person to act with integrity, fairness and truthfulness. In the context of corporate governance, independence is associated with an honest disposition to service. In the end, independence is an ideal that is only incarnated in people, and these are the clearest expressions of fragility. There is no independence without independent directors and these are neither automatons nor infallible, but they have the conditions

and the position to lead the change in business models that the BRT statement demands.

CONCLUSION

Corporate Social Responsibility has been correlated with BI and, in recent decades, the value and weight of BI has become imperative in corporate governance. However, CSR has not developed at the same pace. One explanation is the lack of a consistent definition that identifies the characteristics of independent directors. Traditionally, there have been two different approaches to identify a director as being independent: the status-based approach – used by SOX and Nasdaq–, which describes an *ex ante* materiality, and the contextual approach – followed by the ECB – which distinguishes between formal independence and IoM. Both approaches are part of a first generation of definitions that are characterized by a negative conception of independence, centered on its supervisory function, that turns out to be partial. They do not guarantee that a director that qualifies as independent actually behaves with the independence that her position demands. We believe that a complete definition of independence should be based on an integral vision of the person, encompassing her virtues and character, besides her formal status and the contextual circumstances, because there is no independence without independent people. This paper provides a second-generation definition of independence based on a positive approximation to the concept. We defined independence as a virtue guided by practical wisdom, that implies autonomy and autarky and which enables a person to act with integrity, fairness and truthfulness. In the context of corporate governance, independence is associated with an honest disposition to serve.

We believe that if corporations are able to sustain their BI with independent members inspired by this second generation of independence, they will be able to implement effective changes in their business models to align their corporate and social purpose with the demands of the BRT statement.

Following the Aristotelian social tradition, corporate governance refers to how the corporation, as an economic unit, could contribute to flourishing (*eudaimonia*) in political communities, the ultimate end of human existence. The purpose of the firm displays the characteristics of a common good: something that can only be accomplished if all group members do so simultaneously (Sison and Fontrodona, 2012). We believe that this account of the purpose of the corporation is in line with the principles set by the BRT statement, and it stresses the political dimension of business. Business should not be conceived independently of society, and thus corporate directors must display an honest disposition to serve to all the stakeholders on whom the corporate activity impacts.

Independence requires practical wisdom. *Phronesis* guarantees that independent directors look for goods of effectiveness – i.e., external standards of success such as profits, market share, share price – in so far as they enable goods of excellence – i.e., the virtues people develop in support of the firm which are conducive to flourishing (Sison and Hühn, 2018). Hence, it debunks Friedman (1970)'s thesis that stresses the supremacy of shareholders' interests.

Understanding independence as a virtue implies that it is voluntary, a good in itself, perfective of the individual that acts with independence. The actions of the independent director are not mediated by any conflict of interest – the goal of formal independence–, but rather they are motivated by the final end (*eudaimonia*). Accordingly, the second-generation of independence will be more effective than its first-generation counterpart as an antidote to corporate scandals, which has been the main concern of the regulatory efforts that developed the figure of the independent director.

Finally, independence is associated with a set of virtues that reinforce each other in a positive feedback effect. An agent may not be independent without being prudent, courageous or a person of integrity and justice. Hence, a good independent director will strive to render the various stakeholders their due, being moderate in the pursuit and use of resources, and look for the wellbeing of the communities linked to the corporate activity and society as a whole.

Future research should focus on designing specific selection criteria and evaluation methods for second-generation independent directors, regulatory reforms and policies to translate this second generation of independence onto boards, and strategies to promote the development of a corporate culture that fosters a second generation of independence.

AUTHOR CONTRIBUTIONS

RC is professor of corporate governance and an independent member of some boards of directors. RP is professor of ethics and aesthetics. The research of DMR focuses on virtue ethics in business and management. All authors contributed to the article and approved the submitted version.

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The Extent to Which Obesity and Population Nutrition Are Considered by Institutional Investors Engaged in Responsible Investment in Australia - A Review of Policies and Commitments

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Introduction: Responsible investment (RI), in which environmental, social and governance (ESG) considerations are incorporated into investment decision making, is a potentially powerful tool for increasing corporate accountability and improving corporate practices to address broad societal challenges. Whilst the RI sector is growing, there is limited understanding of the extent to which pressing social issues, such as obesity and unhealthy population diets, are incorporated within RI decision making. This study aimed to investigate the extent to which obesity prevention and population nutrition are considered by Australian institutional investors engaged in responsible investment.

Methods: A desk-based review was conducted of investment approaches of prominent Australian asset managers and superannuation funds identified as engaged in responsible investment. Relevant information on the incorporation of ESG issues related to obesity and population nutrition was extracted for each investor, drawing on websites, published policy documents and annual reports. Strategies were categorized as: (1) negative/exclusionary screening; (2) positive/best-in-class screening; (3) norms-based screening; (4) ESG integration; (5) sustainability-themed investing; (6) impact/community investing; and (7) corporate engagement and shareholder action. These strategies were compared across investors and by themes related to obesity and population nutrition.

Results: Eighteen of the 35 investors indicated that they applied investment strategies that considered issues related to obesity and population nutrition. The most commonly identified strategy was ESG integration (n = 12), followed by sustainability-themed investing (n = 6), and positive screening (n = 4). The ways in which obesity and population nutrition were considered as part of these approaches included relatively high-level general health considerations (n = 12), considerations around the healthiness of food company product portfolios (n = 10), and consideration of specific company

nutrition policies and practices (n = 4). The specificity and depth to which RI strategies were disclosed varied.

Conclusion: There is significant potential for investment decisions to contribute to efforts to address key social issues, such as obesity and unhealthy diets. Some institutional investors in Australia have recognized the potential importance of incorporating obesity- and population nutrition-related issues into decision-making processes. However, the extent to which these considerations translate into investment decisions and their impact on companies in the food sector warrant further exploration.

Keywords: responsible investment, obesity prevention, population nutrition, corporate accountability, corporate practices, sustainable finance

INTRODUCTION

Unhealthy diets and dietary risk factors are the leading contributor to poor health worldwide (Afshin et al., 2019). The main drivers of unhealthy diets are unhealthy food environments, which are dominated by the supply, distribution and marketing of processed, packaged foods that are often high in salt, sugar, saturated fat and energy (Swinburn et al., 2011). In Australia, 8.4% of the burden of disease is specifically associated with overweight and obesity, and 7.3% associated with dietary risks (Australian Institute of Health and Welfare, 2019a). Two in three Australian adults and one in four Australian children and adolescents are now living with overweight and obesity (Australian Institute of Health and Welfare, 2019b). Australians are not consuming diets in line with dietary guidelines, with only 1 in 10 Australian adults consuming enough vegetables, and one third of energy in the Australian diet coming from unhealthy foods and beverages (Australian Institute of Health and Welfare, 2018). This has wide ranging impacts for not only health, but also the economy. Overweight and obesity has been estimated to cost the Australian economy AUD$8.6 billion between 2011 and 2012 in direct and indirect costs (not including reduced wellbeing and forgone earnings), primarily through loss in productivity, health systems costs and carer costs (Australian Institute of Health and Welfare, 2017). Considering the extensive health and economic costs, overweight and obesity presents one of the most pressing social issues facing the Australian population.

Global recommendations have identified the importance of a comprehensive response to improving the healthiness of food environments, including government policy, action from the food and agricultural industries, and broader societal change (World Health Organization, 2004, 2013; Swinburn et al., 2019). However, governments globally have been slow to develop and implement recommended policies and actions for addressing food environments, often due to a lack of political leadership as well as strong opposition from food industry actors (Mozaffarian et al., 2018; Swinburn et al., 2019). This is also true in Australia, with recent monitoring (conducted in 2017, 2019) of government action for healthy food environments finding that governments in Australia vary considerably in their implementation of internationally recommended policies, with a lack of comprehensive action (Sacks et al., 2017, 2019a). Additionally, recent evaluation of 27 actions to address obesity through the Australian National Preventive Health Taskforce found that in 10 years, only one action had been completed, 20 had progressed to a limited extent, and six had not progressed at all (Obesity Policy Coalition, 2020). Given the lack of government action to prevent obesity and related non-communicable disease in Australia and globally, it is especially important to investigate additional avenues that can contribute to a meaningful shift toward healthier food environments.

The financial sector is one such avenue that has significant potential to be a vehicle for change. As environmental and social challenges increase globally, the financial sector can play an integral role in driving a more sustainable and resilient society by considering stakeholder interests more broadly (UNEP Finance Initiative, 2017; Schoenmaker and Schramade, 2019). Whilst the traditional view on the purpose of financial agents and markets was to ensure profit maximization for shareholders, this approach is now being recognized as unsustainable and undesirable by global financial sector initiatives focused on sustainable development, such as the United Nations (UN) Environment Programme Finance Initiative and the UN Principles of Responsible Investment (Sandberg, 2015; United Nations Principles for Responsible Investment, 2020). Leading statements of good corporate governance are also recognizing the need to reconsider whether the purpose of the corporation is purely to maximize profit. In 2019 the Business Roundtable, which represents the Chief Executive Officers of leading companies in the United States, issued a new "Statement on the Purpose of a Corporation" which redefined the role of the corporation to deliver value for all stakeholders (Business Roundtable, 2019). This was a significant shift from previous Principles of Corporate Governance issued by the Business Roundtable, which maintained the traditional view that corporations exist primarily to serve their shareholders (Grove et al., 2020).

The concept of "sustainable finance" was borne out of the need for a revised global economic model, and can be defined as the integration of environmental, social and governance (ESG) criteria within financial decision making (Schoenmaker and Schramade, 2019). Sustainable finance can be viewed as an approach to finance that seeks to manage ESG-related risks, create long-term value and align

decision-making with environmental, economic and societal goals, such those expressed through international agreements (European Commission, 2020b). The launch of the United Nations Sustainable Development Goals (SDGs) in 2015 provided a global framework for achieving sustainable societal and economic goals, and now presents a roadmap for all of society, including the financial sector, to address social and environmental issues (United Nations, 2015). At a government level, the European Union (EU) is arguably leading the way in sustainable finance, with the launch of the EU Green Deal, a roadmap for achieving climate neutrality in Europe by 2050 and the mobilization of <€1 trillion in sustainable investments over 10 years (European Commission, 2019, 2020a). In Australia, there have been some steps made toward a sustainable financial system through the Australian Sustainable Finance Initiative (ASFI). The ASFI aims to deliver a Sustainable Finance Roadmap for Australia to "support greater social, environmental and economic outcomes for the country" (Australian Sustainable Finance Initiative, 2019).

Investors are particularly well positioned to support and grow sustainable companies, industries and projects, as well as influence corporate behavior and governance through investment decision-making and shareholder actions (Thompson and Davis, 1997; McLaren, 2004; Oh et al., 2013). There has been a substantial rise in "responsible investment," which incorporates ESG considerations into investment decisions (Wagemans et al., 2013; Global Sustainable Investment Alliance, 2018). The UN Principles of Responsible Investment (UNPRI) is one of the leading organizations promoting responsible investment, and over 3000 signatories have committed to a set of six voluntary principles aimed at contributing to a more sustainable global financial system (United Nations Principles for Responsible Investment, 2020). In 2018, according to the Global Sustainable Investment Alliance (GSIA), responsible investment assets across five major markets (Europe, United States, Canada, Japan, and Australasia) were equivalent to $30.7 trillion (Global Sustainable Investment Alliance, 2018). In Australia, the Responsible Investment Association of Australasia (RIAA) reported that responsible investors managed 44% of professionally managed assets in 2018, up 13% from the previous year (Thompson and Bayes, 2019).

Institutional investors [specialized financial institutions which collect funds from third parties to invest on their behalf (OECD, 2011)] have a high level of influence as they control significant assets (European Centre for Corporate Engagement, 2012). Through their diversified portfolios and longer term investments, institutional investors can be seen as reliant on a healthy economy for long-term positive financial performance (Dourma et al., 2017). Accordingly, efforts to improve economic and societal sustainability are important to their long-term and ongoing success. Institutional investor motivations for responsible investment thus often reflect financial considerations (to increase financial performance and ensure sustainable profit growth) as well as non-financial considerations (to reflect shareholder and stakeholder values) (Wagemans et al., 2013). Responsible investment can include strategies such as screening to exclude or include certain industries/companies, integration of ESG considerations into investment decision-making, and direct engagement with companies and shareholder action to address ESG considerations (Michael and Jacob, 2011; Eurosif, 2018; Global Sustainable Investment Alliance, 2018; Thompson and Bayes, 2019). These strategies can act in different ways to achieve different outcomes. For example, exclusionary screening is often focused on aligning portfolios with investor values; whereas positive screening and ESG integration are typically used to improve financial performance and achieve positive ESG-related outcomes (Kumar et al., 2016). Company engagement and shareholder action strategies primarily aim to influence company practices and behavior to generate long-term value (Kumar et al., 2016).

Whilst conflicting evidence exists, there is a growing body of research that indicates that responsible investment can have an impact on the ESG performance and ESG related disclosure and transparency of companies (Mackenzie et al., 2013; Eccles et al., 2017; Dyck et al., 2019). According to KPMG, approximately 71 percent of companies (out of 4,100) surveyed globally in 2013 now publish sustainability and Corporate Social Responsibility reports (KPMG International, 2013). Additionally, companies are increasingly reporting on ESG-related metrics through industry-led global reporting initiatives and assessments (Weber, 2018). Leading initiatives include the Global Reporting Index (GRI) (Global Reporting Initiative, 2018), and the SAM Corporate Sustainability Assessment, which forms the basis of the Dow Jones Sustainability Index and the S&P ESG Index family (RobecoSAM, 2019; S&P Global Ratings, 2020). Another global reporting initiative, the Task Force on Climate-related Financial Disclosures (TCFD), has developed recommendations on climate-related financial disclosures that can be used by both financial sector and non-financial sector organizations to assess climate related risks and opportunities (Task Force on Climate-Related Financial Disclosures, 2017, 2019). In Australia, regulatory disclosure rules also exist, with Recommendation 7.4 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* stating that listed companies must disclose material exposure to economic, environmental and social sustainability risks as well as how they manage (or intend to manage) those risks (ASX Corporate Governance Council, 2019).

Food sector companies are exposed to a number of risks related to obesity and unhealthy population diets. Regulatory risks are increasing for many companies in the food sector as a number of governments globally move to introduce policies such as: restrictions on the marketing of unhealthy foods and beverages (Global Food Research Program, 2020); front-of-pack labeling and warning labels on products high in salt, sugar and fat (Reyes et al., 2019; Taillie et al., 2020); and fiscal policies such as taxes of sugar-sweetened beverages (Colchero et al., 2017; Backholer et al., 2018). Reputational risks also exist, with increasing pressure on food sector companies (e.g., through public health and consumer advocacy groups) to better address health-related issues, and public exposure of the tactics employed by food and beverage companies to undermine public health (Ethical Investment Research Services, 2006). Additionally, consumers are increasingly informed about

the negative health and planetary impacts of unhealthy foods and beverages, which is likely to present a risk to food sector companies that derive sales from these types of products (Access to Nutrition Initiative, 2020).

Several initiatives focus on engaging investors as part of a transition to a healthier food environment. ShareAction, a United Kingdom (UK) based charity, leads a campaign to mobilize institutional investment to improve the practices of food and beverage retailers and manufacturers in the UK (ShareAction, 2020). Similarly, the Access to Nutrition Initiative (ATNI) – a global benchmarking initiative that assesses prominent food and beverage companies on their policies and practices with regards to nutrition – has a large body of work dedicated to engaging with investors around the need to improve the policies and practices of major food and beverage manufacturers (Access to Nutrition Initiative, 2020). The "Farm to Fork" strategy as part of the EU Green Deal also aims to facilitate sustainable investments that support a transition to a healthy and sustainable food system, including actions to address food labeling, availability and affordability of healthy food and tax incentives (European Union, 2020). Whilst there are a number of initiatives in this area, there is limited academic research on how investors consider ESG issues related to obesity and population nutrition. Clapp and colleagues 2019 have explored how investment in agriculture and food (agri-food) businesses by large scale asset managers (e.g., BlackRock, Vanguard) is leading to increased corporate power and concentration amongst these businesses (Clapp, 2019). They show that a small number of large-scale asset managers hold significant investments in the same major agri-food businesses (common ownership), which leads to anti-competitive behavior and has negative implications for the sustainability and governance of food systems (Clapp, 2019). A previous study by Sacks and Robinson (2018) investigated existing mechanisms by which the investment sector could contribute to obesity prevention. The study found that whilst these issues were incorporated within the disclosure requirements and assessment indicators for initiatives that have widespread use amongst investors, such as the GRI, they were limited in scope and made up only a minor component of such initiatives (Sacks and Robinson, 2018). To the authors knowledge, there is no other academic literature exploring the extent to which issues related to obesity and population nutrition are considered within investment decision making and the investment strategies being used by investors to incorporate these issues.

This study aimed to make a contribution to addressing the identified knowledge gaps by: (i) investigating the extent to which ESG issues related to obesity and population nutrition are considered by institutional investors engaged in responsible investment in Australia; (ii) identifying the investment strategies declared in relation to the consideration of these issues; and (iii) exploring the specific obesity- and population nutrition-related themes investors use to guide their decision making.

This study adopted an interdisciplinary perspective to understand how a key social issue (i.e., obesity and population nutrition) is framed and addressed as part of the "S" in ESG by a sample of investors that are likely to broadly consider societal issues. This study contributes to the public health literature by exploring innovative avenues for addressing obesity and achieving population health goals. With respect to the business and finance literature, the study helps to shed light on an ESG issue that has received relatively little attention in Australia but is of significance given the societal costs and long-term risks that obesity and unhealthy population diets present to investors. From an organizational psychology perspective, the study contributes to the literature around advancing "social purpose" in organizations (Aguilera et al., 2007; Aguinis, 2011), in this case via increased attention to societal health issues within companies in the investment sector and the food industry.

The following part of this paper sets out the methodology for the desk-based review. The third part presents the results. The fourth part discusses the results and draws some conclusions around the implications for investors, the public health community and potential areas for further research and action.

METHODS

This study involved a desk-based review of a sample of asset managers and superannuation funds operating in Australia that are engaged in responsible investment. A desk-based review approach is consistent with a number of other initiatives that assess corporate practice and performance in regard to food system issues on the basis of publicly available information [such as the Business Benchmark on Animal Welfare (Amos et al., 2018), the Coller FAIRR Protein Producer Index (The FAIRR Initiative, 2019) and Plating up Progress (Nicholson, 2019)]. Details of each step of the desk-based review are outlined below.

Identifying Asset Managers and Superannuation Funds for Inclusion in the Review

The most prominent asset managers and superannuation funds operating in Australia that are engaged in responsible investment were identified from recently published (2019) reports by the RIAA. The RIAA is the leading industry association for responsible investment in Australia and releases yearly reports that monitor and benchmark the size and ESG performance of Australian responsible investment asset managers and superannuation funds. The sample of 35 asset managers and superannuation funds included in this study was drawn from these benchmarking reports (further details provided below) and can be considered a best practice sample of responsible investors in Australia.

First, the sample included the 21[1] Australian asset managers identified by RIAA as "applying a leading approach to ESG integration" in the 2019 RIAA Responsible Investment

[1]One of the asset managers identified in the 2019 RIAA Responsible Investment Benchmark Report, JCP Investment Partners, was no longer operational at the time the study was conducted and, as such, was excluded. One other asset manager identified in the 2019 RIAA Responsible Investment Benchmark Report, New Forests, invested exclusively in forestry real assets and was also excluded because of the highly focused nature of their portfolio with limited relevance to the topic of the study.

Benchmark Report (Thompson and Bayes, 2019). "Leading approach" was defined by the RIAA as having scored over 80% on the RIAA ESG integration assessment. This assessment was based on a desktop review, conducted by RIAA, of each investment manager against a framework of leading practice in ESG integration. Only 28% of those investment managers assessed by RIAA were included in this leading group, and this, therefore, represents a best practice group in Australia, as judged by the leading industry association.

Second, the sample included three additional asset managers that were identified in the 2018[2] RIAA Responsible Investment Benchmark Report as the largest asset managers using responsible investment strategies other than ESG integration (Responsible Investment Association Australasia, 2018). These other strategies include negative and positive screening, norms-based screening, sustainability-themed investing, impact/community investing, and corporate engagement and shareholder action. Largest in this context refers to the amount of assets under management. The other 11 largest asset managers identified by the RIAA as using these other strategies had all already been included in our sample (see above).

Third, the sample included the 12[3] Australian superannuation funds classified as "leading" funds in the 2019 RIAA Responsible Investment Super Study (Boele et al., 2019)[4]. The 2019 RIAA Responsible Investment Super Study defined the "leading" superannuation funds as the top 25% of all superannuation funds assessed with reference to RIAA's "Framework of Good Responsible Investment Governance" and a scale "indicating the quality and scope of disclosures" (Boele et al., 2019). Asset managers and superannuation funds were only included if they were headquartered in Australia or identified as Australian investors by RIAA.

Data Collection

Searches of publicly available information were conducted (up until December 2019) relating to the responsible investment approaches of the institutional investors included in the study. First, a general search of the websites of each institutional investor was conducted to identify pages related to the investor's responsible investment strategies, policies or approaches. Relevant webpages were then searched using key terms related to obesity and public health nutrition, refined based on a preliminary assessment of content on investors' websites. Terms included: obesity, nutrition, health, diet, disease, food, soft drink, sugar, beverage. Additionally, a search of publicly available data in the 2019 UNPRI transparency reports was conducted, using the same key terms. Signatories to the UNPRI report on their responsible investment activities each year through these transparency reports.

References to "health and safety," "occupational health," or "healthcare" were excluded. References to food sustainability-related issues (including food scarcity) were also excluded and are the subject of a separate study. Relevant documents, articles and webpages were downloaded, or images captured.

Content Analysis

A content analysis of the data collected from websites and documents was conducted using Microsoft Word. Content analysis includes a range of approaches to analyzing text data in order to understand the research phenomena under enquiry (Nandy and Sarvela, 1997; Hsieh and Shannon, 2005). In this case, a "directed content analysis" approach was adopted, in which prior research was used to develop an initial coding scheme as part of a deductive analysis – described further below (Hsieh and Shannon, 2005).

Where investors referenced relevant obesity and nutrition-related key words, the responsible investment strategy to which it related was identified. Identified strategies of responsible investment were coded based on the RIAA's definitions, which also align closely with definitions used by other responsible investment industry associations, such as the European Sustainable Investment Forum and the Global Sustainable Investment Alliance. These strategies included: (1) negative/exclusionary screening; (2) positive/best-in-class screening; (3) norms-based screening; (4) ESG integration; (5) sustainability–themed investing; (6) impact/community investing; and (7) corporate engagement and shareholder action. See **Table 1** for information on these responsible investment strategies and their definitions. A set of criteria was developed to assist in coding the different strategies. Refer to the **Supplementary Table 1** for details of the criteria for coding of strategies.

The approach noted by each investor was then coded based on the way in which issues relevant to obesity and population nutrition were considered. This process was initially done deductively, with the coding framework drawn from a food environment monitoring framework developed by the International Network for Food and Obesity/NCD Research, Monitoring and Action Support (INFORMAS) (Swinburn et al., 2013)[5]. These initial codes included food composition, food labeling, food marketing, food provision, food retail, food prices and food trade and investment (Swinburn et al., 2013). Data that did not apply to the initial codes were subsequently analyzed inductively to identify additional codes. All the coded data were then reviewed and compared, with data grouped together by various themes related to obesity and population nutrition in an iterative process. The themes were: (1) general health considerations relevant to obesity and population

[2]There was no useable list of largest funds in the 2019 benchmark report, so this group could not be updated for 2019.

[3]One superannuation fund identified in the 2019 RIAA Responsible Investment Super Study, Future Fund, was excluded due to it being a sovereign wealth fund, and, therefore, was considered to have different strategic and operational requirements to the other funds included in the sample. NZ Super Fund was excluded because it is not based in Australia.

[4]Australian superannuation funds were not included in the scope of the 2019 RIAA Responsible Investment Benchmark Report, with the exception of Australian Ethical. Australian Ethical was already included in the first group of asset managers and, as such, was only counted once in the overall total of included investors ($n = 35$).

[5]INFORMAS is a global network that aims to monitor, benchmark, and support public- and private-sector actions to create healthy food environments Swinburn et al. (2013). INFORMAS (International Network for Food and Obesity/non-communicable diseases Research, Monitoring and Action Support): overview and key principles. *Obesity Reviews* (S1), 1.

TABLE 1 | Responsible investment strategies and definitions.

Responsible investment strategy	Definition[1]
(1) Negative/exclusionary screening	Screening that systematically excludes specific sectors, companies or practices based on ESG criteria. Common criteria used in negative screening include gambling, alcohol, tobacco, weapons, pornography and animal testing.
(2) Positive/best-in-class screening	Involves the inclusion of sectors, companies or projects based on positive ESG or sustainability performance relative to industry peers. It involves identifying companies with superior ESG performance from a variety of industries and markets.
(3) Norms-based screening	Screening of investments that do not meet minimum standards of business practice, based on international norms and conventions (e.g., those from the United Nations). This often results in the exclusion of assets that contravene these norms and conventions, or inclusion of assets that uphold them.
(4) ESG integration	ESG integration involves the systematic and explicit inclusion of environmental, social and governance factors into traditional financial analysis and investment decision-making by investment managers.
(5) Sustainability-themed investing	Investment in themes or assets that specifically relate to improving social and environmental sustainability. This commonly involves funds that invest in clean energy, green technology, sustainable agriculture and forestry, green property or water technology.
(6) Impact and community investing	Impact investing included targeted investments aimed at addressing social or environmental issues whilst also creating positive financial returns. Community investing includes investment in underserved individuals or communities, as well as businesses with a social and environmental purpose.
(7) Corporate engagement and shareholder action	The employment of shareholder power to influence corporate behavior in relation to ESG issues. This may be conducted through direct corporate engagement such as communications with senior management or boards, filing or co-filing shareholder proposals and proxy voting.

[1]*Adapted from the Responsible Investment Association of Australasia (RIAA), Responsible Investment Benchmark Report 2019 (Thompson and Bayes, 2019).*

nutrition; (2) company nutrition policies and practices; and (3) company product portfolio. "General health considerations relevant to obesity and population nutrition" included broadly defined investment considerations related to health, obesity and nutrition, and/or Sustainable Development Goals 2 and 3 (where nutrition, obesity or health is specifically mentioned). "Company nutrition policies and practices" included investment considerations and/or engagement activities related to the policies and practices of companies in the food industry directly related to obesity and population nutrition, including: food marketing; food reformulation and product development; and disclosure and transparency around relationships with external groups. "Company product portfolio" included investment considerations related to the "healthiness" of the product portfolio of companies in the food industry. Full details of the themes and sub-themes are outlined in the **Supplementary Table 2**.

All coding and thematic analysis were initially performed by one coder (ER) and then were cross-checked by a second coder (CP). Any discrepancies in agreement between the two coders were then discussed and resolved by the authorship team.

RESULTS

Investors Included in the Sample

A total of 35 institutional investors were included in the sample (**Table 2**). Twenty-four were asset managers, and twelve were superannuation funds[6]. Amongst the superannuation funds, two were retail funds (for profit, owned by financial institutions, offered to the public), six were industry funds (not for profit, traditionally focused on a single industry, often co-owned by employers and unions in that industry), and four were public/non-regulated funds (not for profit, established for government sector employees, generally only available to public sector employees). Fourteen investors had <$10 billion assets under management (AUM), 15 had between $10 and $100 billion AUM, and five had >$100 billion AUM. Two investors (RealIndex Investments and Stewart Investors) were subsidiaries of First Sentier Investors at the time and as such their AUM were included within First Sentier Investors.

Strategies Used by Investors to Incorporate Obesity and Population Nutrition Issues Into Investment Decision Making

Table 3 provides an overview of strategies used by investors to incorporate obesity and population nutrition issues into investment decision making. A total of 18 asset managers and superannuation funds used responsible investment strategies that related to obesity and population nutrition. The most commonly identified strategy was ESG integration (n = 12), followed by sustainability-themed investment (n = 6), positive/best-in-class screening (n = 4), corporate engagement and shareholder action (n = 3) and negative/exclusionary screening (n = 2). No investors were shown to use norms-based screening or impact/community investing strategies. Twelve investors used strategies that involved the theme of "general health considerations relevant to obesity and population nutrition," of which the majority were ESG integration and sustainability-themed investment strategies. Ten investors used strategies that involved the "company product portfolio" theme – these primarily related to an ESG integration investment strategy. Only four investors used strategies involving the theme of "company nutrition policies and practices," and unlike the other themes, these strategies almost exclusively involved corporate engagement and shareholder action. For a summary of the relevant investment strategies disclosed by investors, refer to **Supplementary Table 3**. For in-depth details on investment strategies of asset managers and superannuation funds and obesity/population nutrition related themes addressed, refer to the **Supplementary Table 4**.

[6]Australian Ethical was included in both the asset manager and superannuation fund sample.

TABLE 2 | Characteristics of asset managers and superannuation funds included in the sample, as at 2019.

Asset managers	Total assets under management (AUD billion)[1]	Superannuation funds	Total assets under management (AUD billion)[1]	Type of fund and broad focus[2]
AMP Capital	$187.25	Australian Ethical	$2.82	Retail – Ethical focus
Ausbil Investment Management	$10.48	Australian Super	$142.19	Industry – Default fund for all industries (largest super fund in Australia)
Australian Ethical Investment	$2.82	Care Super	$14.76	Industry – Professional and service industries
Dexus Property Group	$27.20	Cbus	$46.69	Industry – Building and construction
First Sentier Investors	$204.19	Christian Super	$1.42	Industry – Christian community schools
IFM Investors	$117.09	First State Super	$70.56	Public/non-regulated – originally for NSW Government employees, later merged with health and teaching funds
Investa Property Group	$11.00	Future Super	$0.34[3]	Retail – Environmental sustainability focus
Lendlease Investment Management	$33.00	HESTA	$46.87	Industry – Health and community services
Magellan Asset Management	$45.50	Local Government Super	$7.79	Public/non-regulated – Local government employees
Maple-Brown Abbot	$14.34	UniSuper	$70.54	Industry – Higher education and research
Mercer Australia	*n/a*	VicSuper[5]	$21.21	Public/non-regulated – Public sector
Pendal	$92.82	Vision Super	$9.65	Public/non-regulated – Community sector
Pengana Capital Group	$3.01			
Perpetual Investments	$30.80			
QIC	$85.01			
RARE Infrastructure	$3.53			
Realindex Investments[5]	*n/a*			
Resolution Capital	$7.78			
Solaris Investment Management	$7.61			
Stafford Capital Partners	$4.86			
Stewart Investors[4]	*n/a*			
U Ethical Funds Management	$1.12			
Uniting Financial Services	$1.63			
Wavestone Capital	$3.90			

[1]*As at 2018. Sourced from United Nations Principles of Responsible Investment. Transparency reports (2019), unless otherwise indicated (United Nations Principles for Responsible Investment, 2019). Total assets under management includes subsidiaries and excludes advisory/execution only assets.*
[2]*Retail fund = for profit, owned by financial institutions, offered to the public; Industry fund = not for profit, traditionally focused on a single industry, often co-owned by employers and unions in that industry; Public/non-regulated = not for profit, established for government sector employees, generally only available to public sector employees.*
[3]*As at June 2018. Sourced from the Future Super. Annual Report, 2018 (Future Super, 2018).*
[4]*Wholly owned subsidiary of First Sentier Investors.*
[5]*VicSuper merged with First State Super as of July 01, 2020.*
n/a = Information not available.

Negative/Exclusionary Screening

Two investors reported using a negative/exclusionary screening strategy. Australian Ethical, an ethically focused fund that only invests in businesses that align with their Ethical Charter, screened investments based on their positive and negative impacts on people. They avoided any investment in products, goods or services that have a harmful effect on humans. Australian Ethical specifically stated that they avoid investment in food producers and food products that do not align with a healthy diet. This included producers of foods that were "overconsumed (e.g., sugar)" and food products high in *trans*-fat, sugar and salt. Notably, Australian Ethical referred to using World Health Organization guidelines to assess the nutritional quality of products. Christian Super, a Christian-values based industry fund originally formed for teachers in Christian community schools, specified that they would avoid investments in companies that produced addictive or harmful goods and services, which explicitly included the fast food industry. Both Christian Super and Australian Ethical were ethically focused smaller investors (<$3 billion AUM).

Positive/Best-in-Class Screening

Four investors used a positive screening strategy. The positive screening approach of two investors, Pendal and U Ethical, were classified as relating to the "general health considerations relevant to obesity and population" theme. Pendal reported using positive screens that included industries with products and services that "improved health and community wellbeing." Similarly, U Ethical, a Christian-values based asset manager that is an autonomous enterprise of the Uniting Church, used a positive screening approach that encouraged investment in companies that produced goods or services that enhanced the health and welfare of individuals and communities.

Two investors reported positive screening approaches that were based on companies or products that were considered "healthy." Future Super, a climate change focused fund set up

TABLE 3 | Investment strategies of asset managers and superannuation funds and the obesity/population nutrition theme to which they relate.

Investment strategy	Theme related to obesity and population nutrition		
	General health considerations relevant to obesity and population nutrition[1]	**Company nutrition policies and practices[2]**	**Company product portfolio[3]**
Negative/exclusionary screening	• Australian Ethical		• Australian Ethical • Christian Super
Positive/best-in-class screening	• Pendal • U Ethical		• Australian Ethical • Future Super
Norms-based screening			
ESG integration	• HESTA • Magellan Asset Management • Mercer Australia • Pendal • Perpetual Investments • Stafford Capital Partners	• Christian Super	• AMP Capital • Ausbil Investment Management • Australian Ethical • Christian Super • First Sentier Investors • Magellan Asset Management • Pendal • Stewart Investors
Sustainability-themed investing	• CareSuper • First Sentier Investors • Pengana Capital • U Ethical • Uniting Financial Services		• Pengana Capital • Stewart Investors
Impact/community investing			
Corporate engagement and shareholder action		• AMP Capital • Local Government Super • Stewart Investors	• AMP Capital
No investment strategy identified in relation to obesity and population nutrition themes	Australian Super, Cbus, Dexus Property Group, First State Super, IFM Investors, Investa Property Group, Lendlease Investment Management, Maple-Brown Abbot, QIC, RARE Infrastructure, Realindex Investments, Resolution Capital, Solaris Investment Management, UniSuper, VicSuper, Vision Super, Wavestone Capital.		

[1]Includes broadly defined investment considerations related to health, obesity and nutrition, and/or Sustainable Development Goals 2 and 3.
[2]Includes investment considerations and/or engagement activities related to the policies and practices of companies in the food industry directly related to obesity and population nutrition, including: food marketing; food reformulation and product development; and disclosure and transparency around relationships with external groups.
[3]Includes investment considerations related to the "healthiness" of the product portfolio of companies in the food industry. ESG = environmental, social and governance.

by activists, had a positive screening process that sought out companies involved in the production of healthy foods and support for healthy lifestyles. Australian Ethical stated that, as part of their "Ethical Charter," they would positively screen companies involved in the production of healthy food:

> *"Food must be nutritious before we can invest in its production. In assessing whether a food can form part of a balanced and healthy diet we take into account credible sources like the World Health Organisation's (WHO) healthy diet guidelines. In practice, this means we are unlikely to invest in producers of food that is overconsumed* (e.g., *sugar*) *and look more favorably on producers of fruits, vegetables, legumes, nuts and whole grains."* – Australian Ethical (Australian Ethical, 2019).

Both Australian Ethical (the superannuation arm) and Future Super were smaller retail funds with an ethical focus (<$3 billion AUM).

Norms-Based Screening

No norms-based screening strategies were identified in relation to obesity and population nutrition related themes.

ESG Integration

Environmental, social and governance integration was the most commonly identified of the investment strategies, with a total of 12 investors applying this strategy in relation to obesity and population nutrition themes.

Environmental, social and governance integration was primarily seen in relation to the "company product portfolio" theme, with eight investors reporting considerations related to the "healthiness" of a company or product. This predominantly centered around companies or products that were "unhealthy," and to a lesser extent companies or products that were "healthy." Christian Super reported that they would review major food producers on their product range and would exclude those that performed below industry standards. AMP Capital, Ausbil Investment Management, First Sentier Investors, Magellan Asset Management, Pendal and Stewart Investors (all relatively large asset managers, > $40 billion AUM) all raised concerns around unhealthy food sector companies and products being exposed to financial risks due to the public health issue of obesity. For example, the threat of government regulation (e.g., through a sugar-sweetened beverage tax) and changes to consumer preferences (e.g., shifts to healthier or "wellness" products) were seen as posing a risk to earnings for exposed companies, particularly sugar-sweetened beverage or snack food manufacturers.

> "*The "obesity" theme is well documented and presents both opportunities and risks for investors. . .. there are food & beverage*

companies that are negatively exposed and with limited possibility for adaptation to changing consumer and regulatory trends, for which it is hard to see an easy transition" – Ausbil Investment Management (Ausbil Investment Management, 2016).

Investors' responses to considering obesity-related risks varied, with the majority, including AMP Capital, Ausbil Investment Management, First Sentier Investors and Magellan Asset Management flagging this as an area for investors to monitor. Stewart Investors, a boutique stewardship focused firm whose fund management approach aims to benefit all stakeholders and the wider community, Pendal and Christian Super, explicitly stated that they had sold out of or reduced investment in some exposed companies.

"Coca Cola Amatil (CCL) is one of Asia-Pacific's largest bottlers and distributors of alcoholic and non-alcoholic beverages. . .. For many years, Pendal Group Limited (Pendal) has held concerns regarding headwinds from structural shifts in consumer demand for healthier options and regulatory risks relating to sugar consumption and their associated impacts on corporate profitability. Pendal has held an underweight position in CCL across its Australian fixed income funds for a number of years, given these concerns" – Pendal Group (Pendal Group, 2018).

Stewart Investors and Australian Ethical also reported ESG integration activities in relation to companies or products that were "healthy." Stewart Investors had invested in two companies that were focused on providing healthier products. Australian Ethical stated that they considered the health impacts of food produced when making investment decisions around agricultural activities and companies.

The ESG integration strategies of six investors were classified under the theme of "general health considerations relevant to obesity and population nutrition." HESTA, an industry fund set up for the healthcare and community services sector, reported looking at the impact of investments on people and planet as part of their decision-making process, including considerations related to "good health and wellbeing." Magellan Asset Management reported that companies that have a major detrimental impact on human health are high risk investments and warrant scrutiny by investors. Mercer Australia reported exploring ESG investment themes that included health, which was reflected in their investment advice, research and portfolio monitoring. Pendal noted a range of financially material ESG factors that were reviewed as part of the ESG integration process, including products or services that have positive impacts like improved health and community wellbeing and disease prevention. Perpetual Investments reported evaluating companies based on their performance in various ESG issues areas, one of which included obesity. Stafford Capital Partners reported assessing companies for alignment with the SDGs as part of their ESG integration approach, including SDG2: Zero Hunger and SDG3: Good Health and Wellbeing. Stafford Capital Partners is a boutique firm that specializes in real assets and reports that responsible investment is core to their long-term strategy.

Only one investor, Christian Super applied ESG integration in relation to the "company nutrition policies and practices" theme, specifically in relation to food marketing practices. Christian Super reported that they would review major food producers on their marketing practices and would exclude those that performed below industry standards. They did not specify which industry standards were being applied.

Sustainability-Themed Investing

Six investors explicitly identified sustainability-themed investments that considered obesity- and nutrition-related issues. Among those investments explicitly identified as sustainability-themed investments, the most frequently noted considerations related to the theme of "general health considerations relevant to obesity and population nutrition." First Sentier Investors, Pengana Capital and Uniting Financial Services (a Christian-values based charitable investment service) all reported sustainability-themed investments that targeted companies with a positive impact on health. U Ethical reported sustainability-themed investments that supported the Sustainable Development Goals, specifically SDG2: Zero hunger, which had led to investment in two food companies (Unilever and the A2 Milk Company). Similarly, CareSuper reported choosing investments that aligned with the SDGs, specifically including SDG3: Good Health and Wellbeing. CareSuper also reported seeking out positive investments that included improved nutrition.

Two investors, Pengana Capital and Stewart Investors, reported sustainability-themed investments that related to the "company product portfolio" theme. Pengana Capital reported that their Sustainable Impact Fund would not invest in Kraft Heinz or Unilever due to those companies producing products that contribute to unhealthy lifestyles. Stewart Investors stated that their sustainable goods and services theme seeks out companies that provide food and beverages that are positive for human health. Stewart Investors also reported focusing their investments on companies that appreciate the risks associated with malnutrition and are working toward improving access to nutritious products.

"The private sector, by virtue of its scope and pervasiveness, has a vital role to play in developing a sustainable solution to the problem of malnutrition. As such, we continue to aim to allocate clients' capital to companies that we feel are beginning to realize the necessity improving access to nutritious products, and believe that this is beneficial both for society and long-term investment returns" – Stewart Investors (Stewart Investors Sustainable Funds Group, 2018).

Impact/Community Investing

No impact/community investing strategies were identified in relation to obesity and nutrition.

Corporate Engagement and Shareholder Action

Only three investors reported using corporate engagement and shareholder action strategies that related to obesity and population nutrition issues. Unlike the other strategies, corporate engagement and shareholder action was almost exclusively in

relation to the "company nutrition policies and practices" theme. AMP Capital, Local Government Super and Stewart Investors reported activities that related to food reformulation/product development policies and practices. AMP Capital noted that they were engaging with food and beverage companies on their progress to meet sugar reduction targets. Similarly, Stewart Investors reported that they continued to engage with a food company on the sugar content of their products. Local Government Super reported engaging with companies on how they were improving the nutritional benefits of their products. AMP Capital and Local Government Super also reported engaging with companies around generally improving policies and practices related to obesity and population nutrition and discussed how they were using the findings of the Access to Nutrition Initiative (ATNI) in their engagement with companies. Local Government Super was the only public/non-regulated superannuation fund to disclose investment strategies related to obesity and population nutrition. Both investors disclosed that they had asked companies to report on how they were integrating recommendations from the ATNI. AMP Capital went further in that they also reported meeting with the boards and management of food and beverage companies with the goal of reducing marketing to children and young adults and requesting disclosure on political donations and funding of scientific research.

> *"AMP Capital fund managers have been meeting with the boards and management of Australia's largest food and beverage manufacturers asking for reductions in sugar usage and changes to the way the companies advertise to children. AMP capital has been asking food and beverage companies to report on their progress meeting sugar reduction targets as well as for details of advertising policies and information about how they fund scientific research."* – AMP Capital (AMP Capital, 2019).

AMP Capital was the only investor to report on corporate engagement and shareholder action activities in relation to the "company product portfolio" portfolio. They reported engaging with food and beverage companies on the need to diversify earnings streams. AMP Capital was one of the larger investors in the sample, with >$187 billion AUM.

DISCUSSION

This study involved a desk-based review of the extent to which Australian institutional investors engaged in responsible investment incorporate ESG issues related to obesity and population nutrition. Eighteen of the 35 investors included in the sample were identified as using responsible investment strategies to incorporate issues related to obesity and population nutrition. The findings indicate that the way in which obesity and population nutrition are considered varies substantially across a best practice sample of institutional investors in Australia. While issues related to obesity and population nutrition are discussed by some institutional investors as part of their approach to considering social issues within ESG, the ways in which these issues impact decision-making and the extent to which they are prioritized when compared to other environmental, social and governance issues is not clear.

Responsible Investment Strategies Adopted by Investors to Address Obesity and Population Nutrition Related Issues

The most common strategy observed was ESG integration, which was usually in relation to the healthiness of a company's product portfolio. A number of investors also reported on sustainability-themed investment activities, generally in relation to specific funds or investments that aimed to improve sustainability with regards to health. Some investors declared that they used positive screening approaches, and others reported using negative screening approaches. In most of these screening approaches, as with ESG integration activities, decisions were typically based on the healthiness of a company's product portfolio. Interestingly, only a small number of investors were identified as using corporate engagement and shareholder action for concerns related to obesity and population nutrition. These investors reported that they engaged with food and beverage companies to improve policies and practices related to nutrition. Eurosif (2013) notes that corporate engagement and shareholder action is frequently combined with ESG integration and negative screening (Eurosif, 2013), and, as such, may not have been specifically reported against as part of an overall responsible investment strategy.

The findings from this study align with data from the Global Sustainable Investment Alliance (GSIA) and the RIAA which suggest that ESG integration is the dominant strategy used by the responsible investment community in Australia (Global Sustainable Investment Alliance, 2018; Thompson and Bayes, 2019). The comprehensiveness and specificity of ESG integration strategies varied significantly across investors, with some investors discussing obesity and population nutrition issues in terms of potential risk exposure, and others providing more detail on the actions they had taken as a result of factoring in obesity- and population nutrition-related ESG considerations into investment decision-making processes. It has been argued that ESG integration is largely in line with traditional financial analysis, expanding on financial factors that are included in the decision-making process to also include ESG, with the underlying motivation being higher returns and financial risk management (Parfitt, 2019). It is therefore not surprising that institutional investors in this study were observed engaging in a range of activities that fell under the category of "ESG integration," as there is likely to be significant variability in what investors decide are financially material risks, and how these will affect the performance of an investment portfolio or company.

While a number of investors were identified as using responsible investment strategies to incorporate issues related to obesity and population nutrition within their investment decision-making, investors were not ranked based on their disclosed approaches to the topic. Australian Ethical and Stewart Investors were identified as disclosing the most investment strategies (three strategies) related to obesity and population nutrition. Five investors (AMP Capital, Christian Super, First Sentier Investors, Pendal, and U Ethical) disclosed two strategies, eleven investors disclosed one strategy and the

remaining 17 investors did not disclose any investment strategies related to obesity and population nutrition. Future research should consider which responsible investment strategies are the most effective from a public health nutrition perspective. Furthermore, this study did not assess investors based on their approach to responsible investment more broadly or their reputation as a leader or laggard in responsible investment. For example, while AMP Capital (a subsidiary of AMP), whose corporate engagement and shareholder action approach aligned with ATNI recommendations, was criticized in the 2017-2019 Royal Banking Commission (Commonwealth of Australia, 2019), this was not incorporated into our analyses. Several superannuation funds, such as Cbus, First State Super, VicSuper and VisionSuper were recently recognized as leaders in responsible investment at a global level through the UNPRI Leaders' Group 2019 (United Nations Principles of Responsible Investment, 2019), although they were not identified in this study as leaders in relation to obesity and population nutrition specifically. This indicates that obesity and population nutrition related issues are likely still emerging and not being comprehensively addressed, even by those investors that demonstrate best practice in responsible investment more broadly.

Characteristics of Investors

Several investors that were identified as incorporating obesity and population nutrition related issues had a specific ethical focus (Australian Ethical, Future Super) and/or had a Christian values-based focus (Christian Super, U Ethical, Uniting Financial Services). Screening strategies were almost exclusively disclosed by investors that had an ethical or Christian values-based focus. Stewart Investors, a boutique firm that focuses on stewardship and responsible investment for long-term value creation, and Australian Ethical, disclosed the most responsible investment strategies related to obesity and population nutrition overall (n = 3). Investor motivations for considering obesity and population nutrition and ESG issues more broadly are likely to vary between investors, including predominantly financial motivations, motivations that are focused on responding to pressure from governments or the public and more ethically driven motivations (von Wallis and Klein, 2015). Considering the desk-based nature of this study, conclusions as to the motivations driving the consideration of obesity and population nutrition by different investors were not able to be drawn. The proportion of investors that disclosed approaches to considering obesity and population nutrition was similar across asset managers and superannuation funds (13/24 versus 6/12). Three of the superannuation funds were industry funds, two were retail funds (noting there were no other retail funds in the sample), and one was a public/non-regulated fund. There may be a number of additional investors that are taking action in this area but are not publicly reporting on it. Further research that engages directly with investors should investigate the barriers and enablers to consideration of these issues. This research could also investigate whether investors who are in the business of "health" (e.g., HESTA whose membership base is primarily the healthcare sector, or health insurance companies) might be more motivated to take the lead in this area.

The following sections discuss the obesity and population nutrition themes identified during this study, the need for comprehensive reporting and ESG data on obesity and population nutrition issues and what implications these findings have for the public health community.

Obesity and Population Nutrition Themes Identified

General Health Considerations Relevant to Obesity and Population Nutrition

"General health considerations relevant to obesity and population nutrition" was the most common theme identified. This is unsurprising considering the broad nature of this theme, which included a wide range of non-specific considerations related to health, obesity and nutrition. The majority of strategies in relation to this theme were in regard to "health" broadly, with relevant strategies involving ESG integration related to the health of individuals and communities as well as sustainability-themed investments focused on health-related outcomes. However, it was typically unclear whether investors considered obesity and nutrition as part of general "health" considerations, and the extent to which general considerations around health translated into investment with regards to companies in the food sector was unclear.

A small number of investors specifically reported responsible investment activities that incorporated SDG2 "Zero Hunger" and SDG3 "Good Health and Wellbeing." These two SDGs have clear links to obesity and population nutrition, and investment focus on SDG2 and SDG3 are likely to consider obesity and population nutrition issues to some extent. The 2017 Global Nutrition Report and the World Obesity Federation have noted that almost all of the SDGs can be linked to obesity and nutrition (Development Initiatives, 2017; Cooper, 2019). Despite this, obesity is not explicitly mentioned by the SDGs, with only one indicator out of 231 mentioning overweight specifically, and only in relation to children under 5 years of age (United Nations, 2015). The almost complete omission of overweight and obesity within the SDGs may present a roadblock for investment action in the area, particularly because of increased focus on achieving the SDGs by the investment community (Dourma et al., 2017).

Company Product Portfolio

In Australia, the RIAA reported in their 2019 Responsible Investment Benchmark Report that negative screening of "junk food" was on the rise, with 13% of respondents in 2018 reporting this as an issue being screened, up from 5% the previous year (Thompson and Bayes, 2019). However, few investors included in this review disclosed screening strategies based on a company's product portfolio. The exceptions in this study were Australian Ethical, who stated that they would avoid investment in unhealthy foods, and Christian Super, who explicitly reported that they avoid investment in the fast food industry. The discrepancy in findings between this study and the RIAA benchmark report is likely due to RIAA using more detailed self-reported survey data (rather than publicly available)

and surveying a larger sample of investors (n = 68) (Thompson and Bayes, 2019). Based on the findings from RIAA, there are likely to be a number of other institutional investors in Australia that use screening strategies based on the healthiness of company product portfolios. Future research should explore the extent to which investors screen companies based on the healthiness of their product portfolios through direct engagement with the investment community.

The primary strategy observed in relation to the company product portfolio theme was ESG integration. Taxation and the threat of government regulation were highlighted as growing financial risks to the food and beverage industry by several investors included in this review. These risks were noted particularly for sugar-sweetened beverage and unhealthy snack food manufacturers, but also in relation to food and beverage companies more generally as well as meat products. Furthermore, consumer wellness trends leading to decreases in consumption of "less healthy" products and increases in demand for "healthier" products were also recognized as a financial risk to the sector. These types of risks to earnings for the food sector have been noted previously in reports published by the investment sector. For example, in 2006, Vigeo-EIRIS (then EIRIS), an ESG ratings and research company, produced a report on the risks associated with obesity and how these were likely to emerge for food and beverage companies and fast food chains (Ethical Investment Research Services, 2006). Key risks identified in the Vigeo-EIRIS report aligned with those identified in this review, including regulatory changes (e.g., restrictions on marketing to children and mandatory labeling), legal risks (e.g., litigation from consumer advocacy and public health groups) and damaged brand reputation (e.g., through negative brand exposure). Vigeo-EIRIS also developed a risk exposure methodology based on a company's relative and absolute turnover derived from the production or sale of "unhealthy" food and beverage products. More recently, Credit Suisse published a 2013 research report on the negative health impacts of sugar and associated risks for food and beverage companies (Credit Suisse Research Institute, 2013). As with the Vigeo-EIRIS report, Credit-Suisse highlighted the risks posed by regulation and taxation, as well as negative public opinion and consumer awareness of the, so called, sugar debate (Credit Suisse Research Institute, 2013). While these reports highlight obesity-related risks for companies and industries that are exposed, there are also significant investment opportunities, as noted by several investors included in this review, who had invested in food sector companies that produced healthier and more sustainable products.

Overall, the methods through which investors determine the healthiness of a company's portfolio appear to be inconsistent. For example, UEthical reported investing in Unilever due to its provision of "nutrition" products; however, Pengana Capital reported that their sustainable impact fund would not invest in Unilever due to its unhealthy products brands (e.g., Ben and Jerry's ice cream). As major food and beverage manufacturers, retailers and fast food companies often have diverse portfolios or product offerings, determining their overall "healthiness" and its associated risk exposure may prove difficult. Tools such as the Access to Nutrition Initiative are likely to be helpful for investors when making these decisions. The Access to Nutrition Initiative published a comprehensive product portfolio assessment of 21 major food and beverage manufacturers across nine markets (Access to Nutrition Initiative, 2017). This assessment provided each company's product portfolio with a score (out of 10) based on the proportion of the company's sales derived from products of different categories of "healthiness" (with a score of 10 meaning all sales are derived from the "healthiest" products, and a score of 0 meaning all sales are derived from the least healthy products). The methodology used the Australian Government endorsed Health Star Rating nutrient profiling system and the "WHO Europe Nutrient Profile model for marketing to children" (Access to Nutrition Initiative, 2017) for assessing product healthiness. Similarly, the George Institute for Global Health has conducted a product portfolio assessment of major food and beverage manufacturers and fast food companies in Australia which assigns a mean Health Star Rating (from 0.5 as the least healthy, to 5 as the most healthy) to a company's portfolio or product offerings (Neal et al., 2019; Howes et al., 2020). These types of composite and easily understood assessments of the "healthiness" of food sector companies can provide investors with evidence-based tools to make investment decisions that incorporate company product portfolio considerations.

Nutrition Policies and Practices

The few observed examples of the "nutrition policies and practices" theme were primarily in relation to corporate engagement and shareholder action. This aligns with the common motivations behind corporate engagement and shareholder action, which are generally focused on influencing corporate practice and behavior for long term value creation (Kumar et al., 2016; McNulty and Nordberg, 2016). There are a small number of not for profit initiatives that focus on engaging investors to improve food industry policy and practice with regards to obesity and malnutrition. Initiating corporate engagement and shareholder action activities from investors is likely to be a key component of this approach. The most prominent global initiative is the aforementioned ATNI, which, alongside a product portfolio assessment, benchmarks major food and beverage companies on their nutrition-related policies and practices (Access to Nutrition Initiative, 2018). ATNI has a strong focus on investor engagement, and 72 investment organizations representing over USD$7 trillion assets under management had signed on to the ATNI investor statement by mid-2020 (Access to Nutrition Initiative, 2020). Signatories recognize that health and nutrition are key issues facing the food sector, and that companies able to anticipate and respond to these issues are better positioned to deliver financial performance (Access to Nutrition Initiative, 2020). Additionally, ShareAction, a charity based in the UK, are leading an initiative (ShareAction's Healthy Markets Initiative) aimed at leveraging institutional investment to improve the obesity and nutrition related performance of UK food retailers and manufacturers (ShareAction, 2020). This includes improving policies and practices related to the healthiness and affordability of products, advertising of sugary products to children, and food labeling.

In Australia, a recent initiative from INFORMAS assessed the nutrition-related policies and commitments (including in relation to product composition, marketing to children, and food labeling) of the largest food and beverage manufacturers, food retailers and fast food companies in Australia (Sacks et al., 2018a,b,c). The methods for assessment were derived from ATNI, but were tailored to the local context and to each sector (Sacks et al., 2019b). While the initiative was not specifically directed at investors, the results provide Australian-specific data that could be used to inform corporate engagement and shareholder action activities. Research involving investment industry experts in Europe found that effective engagement activities need to include a business case for making changes and actionable demands that can be presented to companies (Eurosif, 2013). However, recent research from the UK indicates there are a number of barriers to shareholder action and engagement that aims to influence company practice and performance with regards to ESG (Ivanova, 2017). These include a misalignment of interests within the investment chain, a lack of transparency from companies on ESG issues, a lack of investor experience in shareholder action and engagement, conflicts of interest, diversified portfolios and a lack of resources; and limited demand for engagement from clients (Ivanova, 2017). The Australian Council of Superannuation Investors (ACSI), through their Stewardship Code, recommend that approaches to engagement should be publicly disclosed to facilitate greater accountability and good practice across the sector (Australian Council of Superannuation Investors, 2018). Future research should explore the barriers and enablers to shareholder action and engagement activities for ESG issues related to obesity and population nutrition specifically.

Only three of the institutional investors included in this review were signatories to the ATNI investor statement (AMP Capital, Local Government Super and Christian Super). AMP Capital and Local Government Super reported that they were engaged with the findings of the ATNI and were involved in corporate engagement regarding nutrition policies and practices of companies in the food sector. AMP Capital provided the most details of their corporate engagement and shareholder actions regarding obesity and population nutrition issues, reporting meeting with the boards and management of large Australian food and beverage companies to request disclosure around scientific funding and political donations, reducing marketing to children and young adults, reducing sugar content and reporting on sugar reduction targets. The engagement approach of AMP Capital was in line with recommendations from the ATNI, which highlights "products" (product formulation and nutrient profiling system), "marketing" (responsible marketing policy and auditing and compliance) and "engagement" (influencing governments, policy makers and stakeholder engagement) as three of seven key policy areas. Only one other investor, Christian Super, referred to marketing as part of their investment approach, specifically that they would be reviewing fast food companies on their marketing practices. Initiatives such as the ATNI and the ShareAction campaign can provide investors with a clear framework for engagement with food sector companies on improving their nutrition-related policies and practices. Outside of engagement and advocacy, these initiatives may be used to inform investment approaches that are based on the performance of food sector companies in relation to good practice benchmarks.

Need for Comprehensive Reporting and ESG Data on Obesity and Population Nutrition Related Issues

While Corporate Social Responsibility reporting is now widespread (KPMG International, 2013, 2017), the lack of standardized metrics for reporting on obesity and population nutrition issues means that food sector companies are unlikely to be disclosing their nutrition-related policies and practices in a consistent and transparent way. The Sustainability Accounting Standards Board's (SASB) (Sustainability Accounting Standards Board, 2020) reporting standards currently has "product health and nutrition" and "product labeling and marketing" metrics within their standards for the food and beverage, food retailing and restaurant sectors, although uptake and use is not yet widespread. The GRI previously had sector-specific standards (G4 Sector Disclosures) for the food processing sector (Global Reporting Initiative, 2019). Whilst reporting against these standards was voluntary, these sector-specific standards provided a framework for companies to report against policy and practice areas, such as product nutrition labeling, marketing communications (including marketing to children), product composition, programs and practices to promotion of healthy lifestyles, prevention of chronic disease, and access to healthy, nutritious and affordable food (Global Reporting Initiative, 2014). However, the G4 Sector Disclosures were superseded by the GRI Standards which do not include specific reporting indicators for nutrition-related policies and practices (Global Reporting Initiative, 2019). Furthermore, the variety of different ESG reporting initiatives and frameworks that currently exist, the various metrics and indicators employed across initiatives, and the voluntary nature of this reporting leads to significant heterogeneity in the ESG reporting of companies (Lokuwaduge and Heenetigala, 2017; Stubbs and Higgins, 2020). This heterogeneity may make it difficult for investors to receive comparable information on the obesity- and population nutrition-related ESG performance of food sector companies.

A number of investors included in this review noted that they used external ESG data providers to inform their decision making around investments, sometimes in addition to in-house ESG analytics. ESG data has previously been shown to lack comparability and consistency across providers, with significant variation in data sources and methodologies used (Wong et al., 2019). There are now also a large number of ESG data providers (more than 125 according to the Global Initiative for Sustainability Ratings), with some of the largest ESG data providers, such as RobecoSAM, MSCI, and Sustainalytics, all offering different data packages to investors (Kumar and Weiner, 2019). This further suggests that data on the ESG performance of companies provided to investors is likely to be highly variable. There is a need for comprehensive and consistent data on the performance of companies in the food sector that is widely

available and can be used by investors in assessing performance related to obesity and population nutrition.

In Australia, whilst financial reporting for listed companies is regulated and required by law, ESG related disclosure rules are vague and form a minor component of overall disclosure requirements. Recommendation 7.4 of the Australian Stock Exchange (ASX) Corporate Governance Principles and Recommendations states that, "A listed entity should disclose whether it has any material exposure to environmental or social risks and if it does, how it manages or intends to manage those risks" (ASX Corporate Governance Council, 2019); however, there is limited detail on what this disclosure should include. Environmental and social risks mention "shortages of food;" however, they do not refer to direct risks related to obesity and nutrition. Australian standard-setters, such as the ASX Corporate Governance Council, could play a role in improving the comprehensiveness and consistency of disclosure related to ESG issues, including those related to obesity and population nutrition. There is also potential for the Australian Sustainable Finance Initiative, as a multi-stakeholder platform, to devise guidance and standards regarding these issues. This could include recommending disclosure of risks related to obesity and population nutrition in line with guidance from public health bodies such as the World Health Organization (World Health Organization, 2004) and benchmarking initiatives like the ATNI.

Implications for Public Health

Institutional investors represent a potentially powerful vehicle for improving corporate governance and improving corporate practices in the food and beverage sector, as part of efforts to address key societal issues such as obesity and population nutrition. Encouragingly, the findings from this study indicate that investors are considering these issues to some extent, with some strong examples of how it is being addressed. However, there is currently substantial variation, and, for the most part, social issues related to obesity and population nutrition appear to be addressed in a minimal way within ESG. From a public health perspective, it is not clear what the most effective investment strategies (e.g., screening vs corporate engagement) and approaches (e.g., focusing on product portfolio versus policies and practices) to addressing issues related to obesity and population nutrition issues are likely to be. Nevertheless, it is likely that more comprehensive consideration of obesity and population nutrition issues, and clear statements of expectations from investors, will have a more substantial impact on food sector companies than current approaches. Selected application (e.g., by a small number of investors) of negative screening and divestment campaigns against unhealthy food sector companies may not be effective from a public health perspective as other investors may re-invest in their place. Positive screening and sustainability themed investments are promising in that they encourage investment in higher performing or healthier food sector companies; however that may have less of an impact on lower performing companies or those companies with less healthy portfolios, particular if the screening strategies are not applied by all investors. Corporate engagement and shareholder action activities may be an effective long-term option for improving the practices and performance of food sector companies, but this will rely on consensus around what is best practice for food companies and investors, consistent reporting (guided by clear reporting frameworks), detailed ESG data related to obesity and population nutrition, and use of standard nutrient profiling systems with respect to food sector companies.

In order to take advantage of increasing investor momentum around the SDGs (UN Global Compact, 2015; Dourma et al., 2017), there would appear to be value in building broader awareness for investors around the importance of addressing nutrition and obesity as part of achieving the SDGs by 2030. This could take various forms, such as highlighting the institutional investment case for addressing obesity and population nutrition as a key component of achieving a number of the SDGs. Explicit links to the SDGs could also be made by highlighting the co-benefits to environmental health of efforts to improve population nutrition. This could capitalize on the UN Decade of Action on Nutrition (2016 to 2025), of which Action Area 4 "Trade and investment for nutrition" mentions the need to invest responsibly in food systems (Food and Agricultural Organization of the United Nations, 2020).

Strengths and Limitations

This study was the first to review major institutional investors in Australia on their approaches to incorporating ESG issues related to obesity and nutrition within their decision making. The desk-based review included a large sample of best practice institutional investors (36 asset managers and superannuation funds), which provides good insight into the current strategies being used by investors engaged in responsible investment in Australia.

A major limitation of this study was that it included only publicly available information, which may limit the comprehensiveness of data included in the study, with some investors not disclosing detailed responsible investment activities in the public domain. The desk-based approach was chosen primarily to manage the scope of this exploratory study, and is consistent with the approach taken by a number of other initiatives [such as the Business Benchmark on Animal Welfare (Amos et al., 2018), the Coller FAIRR Protein Producer Index (The FAIRR Initiative, 2019), and Plating up Progress (Nicholson, 2019)] that assess corporate practice and performance in regard to food system issues on the basis of publicly available information. Further research that draws on data from other sources, such as in-depth interviews and surveys, will enable better understanding of current practice and a more detailed assessment of leading investors in this area. Nevertheless, it is important that investors publicly disclose the bases on which they make responsible investment decisions, to facilitate good practice within the responsible investment community and to ensure key social issues like obesity and unhealthy diets are systematically considered. Moreover, a focus on publicly available information may encourage increased disclosure from corporations and enable corporations to be assessed in a consistent and objective way (Amos et al., 2018).

A second limitation of this study was that investment with regards to obesity and population nutrition issues was categorized into single responsible investment strategies for the purposes of reporting results. However, investors may apply multiple investment strategies sequentially or concurrently during investment and decision-making processes. Furthermore, many of the investors in this sample apply their approach to responsible investment in different ways for different funds. The desk-based nature of this study was not able to take these differences into account. Future research should involve in-depth discussion with the investment community to understand the investment strategies that are being applied in practice. It will be important to include a broad range of stakeholders in these discussions, including investors, ESG data providers, and regulatory bodies.

A third limitation was that the study did not evaluate investor strategies against the companies they actually invested in. There are likely to be a number of investors included in this sample that do not own food sector related assets, and, as such, issues related to obesity and nutrition are less relevant for these investors. Future analyses should explore the relationship between investors' disclosed investment strategies and the companies in which they invest. This will also allow an analysis of the extent to which disclosed strategies are applied.

An additional area that warrants further exploration is investors' motivations for consideration of obesity and population nutrition, and barriers and enablers to their inclusion within investment decision making processes. This should include international comparisons to investigate how the investment community is addressing these issues in other countries, and what key lessons there are for investors in Australia. In addition, it is recommended that other investors are investigated as part of future research in this area. Research from Clapp and colleagues (Clapp, 2019) indicates that a small number of large-scale asset managers (not those included in this study) are significant shareholders in some of the largest global food sector companies (Clapp, 2019). Engaging these and other large-scale global asset managers in discussion of ways to move toward healthier food systems is likely to be important and may hold the most potential for influence over companies in the food sector.

CONCLUSION

There is significant potential for institutional investors to contribute to efforts to address obesity and improve population nutrition, as part of their approach to considering social considerations within ESG. The findings from this desk-based review indicate that a number of institutional investors in Australia are identifying ESG issues related to obesity and population nutrition as considerations, albeit in a limited way. The extent to which these considerations translate into investment decisions and the impact this has on companies in the food sector warrants further exploration. There is a need for future research that engages directly with investors to explore these uncertainties and identify opportunities for further progressing an investment agenda that contributes to efforts to address obesity and improve population nutrition in Australia.

DATA AVAILABILITY STATEMENT

The original contributions presented in the study are included in the article/**Supplementary Materials**, further inquiries can be directed to the corresponding author/s.

AUTHOR CONTRIBUTIONS

ER, CP, RC, and GS were involved in the conceptualization and design of the study. ER conducted the data collection and data analysis and drafted the manuscript. CP and GS were involved in cross-checking data. All authors reviewed and edited the manuscript.

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SUPPLEMENTARY MATERIAL

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The Challenge of Generating Sustainable Value: Narratives About Sustainability in the Italian Tourism Sector

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Tourism is capable of distributing wealth and participating substantially in the economic development of many countries. However, to ensure these benefits, the planning, management, and monitoring of a sustainable offer become crucial. Despite the increasingly widespread attention to sustainability in this sector, however, the concept of sustainable tourism still appears fragmented and fuzzy. The theoretical frameworks used in many studies often reduce sustainability to its environmental or social aspects and consider such pillars as separate issues. Furthermore, although most studies acknowledge that a potentially wide number of stakeholders play a role in sustainable tourism production, they have so far focused on host communities, tourism producers, or tourists themselves independently. Fewer explorations have addressed simultaneously different stakeholders, their perceptions of sustainable tourism experience, and the various concerns and tensions that may arise. This study aims to investigate sustainability issues in tourism by considering the voices of two relevant stakeholders involved in "co-producing" the tourism experience: tourists and tour operators. Based on a qualitative study conducted in Italy, the article critically discusses how travelers and tour operators craft the sustainability idea, the implicit assumptions that rely on their different perspectives, and their practical implications. The results highlight four different narratives on sustainable tourism, which are related to different assumptions on sustainability and actions legitimated to generate sustainable value. Finally, the article offers insights into how to develop a more holistic and critical approach to sustainable tourism through education and communication.

Keywords: sustainability, tourism, narrative research, stakeholder, environment

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INTRODUCTION

Over the past few decades, tourism has grown continuously and now represents 10% of global employment and 10% of global gross domestic product (GDP). With the number of domestic and international arrivals estimated to reach 15.6 billion and 1.8 billion by 2030, respectively, tourism is expected to continue generating significant benefits in terms of both socio-economic development and job creation worldwide (World Tourism Organization and International Transport Forum, 2019). In Italy, tourism contributes significantly to the economy. In 2019, it accounted for 13% of

GDP through direct and indirect effects. In 2018, the tourism industry employed 2 million people, accounting for 8% of total employment. Travel exports represented about 40% of total service exports in 2018 (Organization for the Economic Cooperation and Development [OECD], 2020).

Therefore, tourism is capable of distributing wealth and participating substantially in the economic development of many countries (Higgins-Desbiolles, 2017). However, to ensure these benefits, the planning, management, and monitoring of a sustainable offer become increasingly crucial. The risks of tourism are many, including pollution, the deterioration of destinations, and the absence of a consolidated international regulatory system (World Tourism Organization and International Transport Forum, 2019). Tourism thus represents a unique context for studying sustainability and sustainable behaviors, both at the individual and the organizational levels.

A commonly acknowledged definition of sustainable tourism states that any form of tourism can be defined as sustainable when the current and future economic, social, and environmental effects meet the needs of visitors, the environment, and the host communities (World Tourism Organization and United Nations Environment Programme, 2019). In recent years, tourism policies and programs in Italy have focused explicitly on sustainability. As reported by Organization for the Economic Cooperation and Development [OECD] (2020), the vision is to "generate sustainability in economic, social, and cultural terms by drawing on the value of the wider tourism offer underpinned by local businesses" (p. 208). An increasing number of tourists and tour operators also appear sensitive to sustainability. In a recent Italian survey, 81% of respondents have reported knowing the definition of "sustainable tourism" as an experience that respects the environment and seeks to reduce energy and other resources. Sustainable development is finally viewed as an opportunity to increase destinations' competitiveness and growth, according to 89% of respondents (Report Fondazione Univerde, 2019).

Despite the increasingly widespread interest in and attention to sustainability in this sector at both the Italian and international levels, the concept of sustainable tourism still appear ambiguous and fuzzy. Many research studies in this field have focused on identifying sustainability indicators to assess the effect of a tourist's experience, while other studies have explored the profiling of so-called responsible tourists or sustainable locations, which are now becoming a very promising market segment (see, for instance, Zavattaro, 2014). However, as Caruana et al. (2014) stated, many of these studies have relied on standardized indicators that are too general and fragmented to explain the complex and situated processes that influence a sustainable tourism experience. For example, the sustainability frameworks used in many studies often reduce the concept to its environmental or social aspects and consider such pillars as separate issues. Their interconnectedness and the tensions between them remain under-explored (Smith and Lewis, 2011; Galuppo et al., 2014). For these reasons, these indicators still fight to be useful for practice (Baden-Fuller and Mangematin, 2013; Jones, 2014). Finally, although most research studies acknowledge that a potentially wide number of stakeholders play a role in sustainable tourism production, they have thus far focused on host communities, tourism producers, or tourists themselves separately. Fewer explorations have addressed different stakeholders' voices simultaneously, paying closer attention to how stakeholders frame their experience of sustainable tourism and considering the various concerns and tensions that may arise. For these reasons, in recent years, several scholars have called for a more integrated approach to sustainability to advance the understanding of this concept and make it more useful for practice (Banerjee, 2003; Bradbury, 2003; Allen et al., 2015, 2017).

In the article, the authors adopt an interpretive and critical approach to tourism sustainability by referring to the framework proposed by Allen et al. (2015, 2017). This framework supports the exploration of how people and organizations conceptualize sustainability in their everyday talks and narratives. The authors also propose the deconstruction of how issues of sustainability are discoursively crafted, for example, by questioning the idea of a natural environment separated by people and by addressing contradictions stemming from multiple stakeholders' voices and concerns (Galuppo et al., 2014). It is assumed that this lens might enhance the debate on tourism sustainability since it could help scholars and organizations avoid simplified views and embrace complexity with greater awareness. Therefore, the purpose of the article is to explore and deconstruct sustainability issues in the field of tourism by considering the voices of two relevant stakeholders who are always involved in "co-producing" the tourism experience: tourists and tour operators (Goodwin and Francis, 2003). Based on a qualitative study conducted in Italy, the article critically discusses how travelers and tour operators craft the sustainability idea, its implicit assumptions, and their practical implications. Finally, the article offers first insights into how to develop a more holistic and critical approach to sustainable tourism through education and communication.

SUSTAINABLE TOURISM AND SUSTAINABILITY: A REVIEW OF THE KEY CONCEPTS

Despite the multiple elements considered in the definition of sustainable tourism, both the current practice and the research on this theme still struggle to maintain a holistic and integrated approach to it (Allen et al., 2017). The polysemy that exists around the operationalization of sustainable tourism reflects this situation. This term encompasses different coexisting meanings of tourism: ecotourism, responsible tourism, and community tourism are the most common terms. This variety is primarily attributable to the different interpretations of the value produced by sustainable tourism practices. For instance, when the concept of sustainable tourism is mainly identified with "ecotourism," it focuses on the value of preserving the environment and existing cultural manifestations that must be admired and enjoyed in their beauty and integrity (Cobbinah, 2015). The esthetic dimension, the conservation of the environment, and the efforts to minimize tourism influence represent the main focus in this field. It might be stated that much of the discussion about sustainable tourism

currently converges on this tradition. On the other hand, the so-called responsible tourism fits the spirit of the alternative tourism movement of the 1970s. According to Goodwin, responsible tourism "recognizes the importance of cultural integrity, ethics, equity, solidarity, and mutual respect placing quality of life at its core" (Goodwin, 2011, p. 16). Here the preserved value is the social well-being and cultural integrity of the local communities (Caruana et al., 2014). In this perspective, the awareness that tourism is a process that inevitably challenges consolidated balances and affects the wealth of the actors involved, which must be respected, preserved, and at the very least re-founded, takes on a central role. Finally, community-based tourism affirms an even more focused perspective on the local community, where residents are seen as the first authors and protagonists of the tourist experience and its management. In this definition, the community controls and directs the resources and goods available in a certain place based on its needs (Dangi and Jamal, 2016). Community tourism's concerns remain highly local, as community development, community ownership, and resident control over decision-making and local benefit are prioritized (Ramkissoon, 2011; Dangi and Jamal, 2016).

The debate about which stakeholders are adept at assessing the value generated by sustainable tourism also reflects the concept's heterogeneity and ambiguity. According to Castiglioni et al. (2019), only a few scholars have explored whether travelers or local stakeholders (destination managers, local tour operators, and small businesses) perceive sustainable tourism initiatives as such (e.g., Goodwin, 2011; Scheyvens, 2012; Passafaro et al., 2015; Loìpez-Saìnchez and Pulido-Fernaìndez, 2016). Furthermore, even when considering their representations and experiences, literature shows that stakeholder groups, for instance, the so-called responsible travelers, do not share a coherent cultural ethos, but there is significant heterogeneity in their conceptions of sustainable tourism (Caruana et al., 2014). In most cases, the awareness of the complexity and multidimensional nature of sustainability (Loìpez-Saìnchez and Pulido-Fernaìndez, 2016), which is mostly associated with environmental conservation that focuses on consumption rather than on the regeneration of the local resources, is lacking. Other studies have even reduced the concept of sustainable tourism to the mere recognition of a generally positive effect of tourism on local populations [see, for example, Gursoy et al. (2018)].

The polysemy of sustainability also involves the actions that trigger sustainability. When sustainable tourism is meant as ecotourism, the emphasis is on conservative actions and the idea of "low impact" and "safekeeping" tourism practices, which maintain the integrity of the resources and do not exhaust them. In the view of responsible tourism, the emphasis is on actions aimed at balancing between demands, needs, and resources held and exchanged by different stakeholders. From the perspective of community tourism, there is a radical shift in favor of the generation of new welfare through the promotion of active involvement of the local stakeholders (Caruana et al., 2014). Such different perspectives and approaches testify that sustainability is an umbrella term for many practices. This has several consequences for the field of tourism. First, the sustainability indicators, which refer to diverse definitions of sustainability, result to be too fragmented and, in many cases, too general to explain the complex and situated processes that influence a sustainable tourism experience (Miller et al., 2010; Caruana et al., 2014). Second, although several studies have considered ecotourism, responsible tourism, and community tourism, the dialog between these streams is limited, and the interrelation and tensions between the socio/cultural, the environmental, and also the economic "souls" of sustainability are still underexplored (Smith and Lewis, 2011; Allen et al., 2017; Galuppo et al., 2014). Third, most studies have exploited the sustainability of tourism mainly from the perspective of either the travelers or the host communities/businesses, while fewer explorations have addressed and confronted these different perspectives or discussed possible tensions and contradictions between them (McCabe and Stokoe, 2004; Mahrouse, 2011; Allen et al., 2015).

The article addresses these challenges by adopting the critical and holistic approach to sustainability proposed by Allen et al. (2017). This framework, grounded in the management learning and education field, could also be adopted to advance the knowledge and practice of tourism sustainability. Allen et al. (2017) theorize sustainability as an "embedded process" where human and non-human aspects are seen as entangled so that "the environment, communities, and people shape each other in mutually defining ways as they interact in lived experience" (p. 789). This proposition questions several taken-for-granted assumptions that affect most literature on sustainability management: the idea of a natural environment separated by people, the assumption that the sustainability pillars should be harmonically integrated with no tensions or contradictions, and the proposition that the sustainable development concept is reduced to a "(low) consumption practice", linked to the pragmatic idea of "doing more with less." To overcome these views, Allen et al. (2017) indicate the need to embrace a new concept of sustainability that "views humans as *attached to* rather than *detached from* nature" (p. 781), thus becoming more aware of the interrelations and eventual tensions between the *people*, the *planet*, and the *profit* pillars. This requires a different way of thinking and new reflexive attitudes. More specifically, a radical reflexive approach is invoked in people and organizations to enable them to appreciate their embeddedness and responsibility for sustainability by bringing attention to the interrelationship between their values, their actions, and their social and material world. Sustainability research should also apply a radical reflexive approach to explore how different underlying assumptions and values may shape discourses and practices of sustainability, confront eventual multiple positions and truth claims, and finally explore their practical consequences. In effect, radical reflexivity is not just about "unsettling" ways of thinking about sustainability but also about considering the relationship between a person's view of the world and the practical outcomes of that view. Therefore, the present article aims to reflect on tourism sustainability through the lens of an "embedded" and radical reflexive approach, using bottom-up qualitative research that accounted for the voices of two relevant stakeholders—tourists and tour operators. It further aims to explore the taken-for-granted assumptions and practical

implications of their sustainable tourism accounts. It is argued that this exploration might offer first insights into how to develop a more holistic and critical approach to sustainable tourism and how to promote such a view through education and communication.

MATERIALS AND METHODS

The present study aims to qualitatively explore how Italian tourists and tour operators make sense of sustainable tourism and construct their practices as "sustainable" in order to understand the meanings and value orientations that contribute to the definition of sustainable tourism and the implications of these positions. The study adopts a socially constructed perspective on reality, where sustainability is viewed as narratively constructed, mediated by people's accounts, talks, and images (Zavattaro, 2014; Allen et al., 2017). In this work, previous qualitative studies on stakeholders' perceptions of tourist sustainability [see, for instance, Caruana et al. (2014) and Zavattaro (2014)] have been expanded by considering the viewpoint of tour operators together with the tourists and by confronting the two "voices" to highlight positions as well as possible strategies to favor a more complex and reflexive view of sustainability. Although it should be noted that other voices, *e.g.*, those of residents, could have been included in the study, this first exploration has been limited to travelers and tour operators as the first and the most salient stakeholders involved in co-producing a tourism experience. The relevance of their interests and effects on the destinations makes them indispensable—although not the sole—informants when dealing with sustainability.

The specific objectives of the research, therefore, have been to explore how:

- Tourists and tour operators describe sustainable tourism by focusing on the underlying beliefs, values, and attitudes related to a "sustainable tourism experience,"
- Tourists and tour operators present and justify themselves and their practices as "sustainable,"and
- "Sustainable" tourists and tour operators perceive their relationships and the challenges that they foresee concerning sustainability.

The researchers conducted 25 in-depth semi-structured interviews with 18 tourists and seven tour operators, respectively. The tourists have been selected using a purposive sampling process (snow-ball approach) based on the first screening conducted using a five-item questionnaire. The questionnaire aimed to identify people who have reported "sustainable" behaviors during their last-year travels, such as commitment to environmental conservation and local economy, responsible behaviors toward local communities, or community enhancement purposes, which in literature emerge as the core values of sustainable traveling. The screening process consisted of selecting those participants who had flagged at least three of the five "sustainable" behaviors. At the end of the screening process, 18 participants have been selected for the interviews (see **Table 1** for the sample characteristics). This number has been considered sufficient for in-depth exploration, and the participants' screening has ensured their theoretical relevance for the research questions (Silverman, 2006).

The tour operators were selected using a purposive sampling process. The sample has been identified from an initial population of "sustainable tourist operators," selected from several rankings and lists of Italian travel agencies (cf. AITR—Italian Association of Responsible Tourism website) (see **Table 2**).

The semi-structured interviews consisted of a series of open-ended narrative questions assessing a few main thematic areas: participants' accounts of "sustainable" travel experiences with the specification of destinations, meaningful facts/events that occurred, and actors encountered; perceived learning, achievements, and criticalities related to these experiences; and desires and expectations for the future. The interviews lasted between 50 and 90 min and were recorded and transcribed verbatim. The participants were assured of their anonymity *via* the use of pseudonyms.

An interpretive thematic approach inspired by a narrative methodology has been adopted for the analysis (Ripamonti and Galuppo, 2016). The interviews have been thus considered and read as a set of narratives, as a means through which participants made sense of their experiences (Brown et al., 2008) and positioned themselves by justifying their behaviors and power (Cunliffe et al., 2004). The analysis has focused on the structure and the content of the narratives. The meaning of what was said has been explored in the content analysis, focusing on how the participants made sense of "sustainable" tourism experiences and practices. The structural analysis has examined how the participants constructed their stories, positioned themselves in them, and interpreted their relationships. The analysis has identified four main narratives, which are described in detail in the following paragraph. As Koning and Waistell (2012) state, the interpretation of the narratives described in the article is just one of the countless possible readings of the empirical material and does not intend to be incontrovertible but rather open to further analyses and reflections by the readers.

RESULTS: NARRATIVES OF SUSTAINABLE TOURISM

The tourists' and tour operators' accounts have revealed different ideas and positions of tourism sustainability, articulated into four coherent narratives, i.e., clusters of experiences of and attitudes toward sustainable tourism. As shown in **Figure 1**, the four narratives are organized along two conceptual axes: (1) the perceived effect of sustainable tourism on the natural, cultural, and economic environment (horizontal axis, oriented from left to right) and (2) the perceived trust and reciprocal involvement of the two main actors—tourists and tour operators—in crafting a sustainable tourism experience (vertical axis, oriented from bottom to top). The four narratives of sustainable tourism have been outlined from the intersection of the two axes. This does not suggest that they reflect four stable and mutually exclusive tourist or tour operator typologies. Coherent with a narrative and interpretive approach, respondent accounts of

TABLE 1 | Tourists' characteristics (10 men and eight women).

Name (pseudonym)	Age	Profession	Travel behaviors
Carol	40–49	Business owner	Ecotourism; backpacker travels; community based tourism
Hellen	30–39	Anthropologist	Ecotourism; slow tourism; trekking
Manuel	20–29	HR Assistant	Tourism in rural areas; trekking
Linda	30–39	Architect	Tourism in rural areas: Km zero travels; trekking
Phil	50–59	Journalist	Ecotourism; trekking
Lia	50–59	Business owner	Slow tourism; charity programs
Julia	20–29	Account	Trekking; charity programs
Luka	30–39	Free lance	Ecotourism; trekking
Ann	40–49	Designer	Charity programs
Mike	60–69	Business owner	Trekking; Ecotourism
Luise	60–69	Retired	Slow tourism; eco tourism
Sofia	50–59	Housewife	Tourism in rural areas
Stephen	60–69	Architect	Community based tourism
Mario	40–49	Physician	Charity programs
Marc	30–39	Account	Eco tourism; trekking
Bill	40–49	Business owner	Km zero travels; tourism in rural areas
Tom	20–29	Teacher	Backpacker travel
Frank	30–39	Business owner	Tourism in rural areas; trekking

TABLE 2 | List of tour operators.

Name (pseudonym)	Affiliation
Alex	Walden Viaggi a Piedi
Ron	ICIEI
Luca	WWF Travel
Ann	Girolibero
Rose	Oikos Onlus
Paula	Viaggi e Miraggi
Walter	AITR

sustainable tourism might move between or within the narratives, representing four possible "positions" that can be considered when dealing with tourism sustainability.

The four main narratives have been titled the "*going native*" *myth*, *redemption travels*, the *all-inclusive esthetic*, and the *intercultural encounters*. Two of these narratives, the "*going native*" *myth* and the *all-inclusive esthetic*, include "low impact" stories, where tourists and tour operators describe sustainable tourism as an esthetic experience and focus on environmental conservation and an idea of "escaping" from civilization. The other two, *redemption travels* and *intercultural encounters*, are "high impact" stories, where tourists and tour operators describe experiences of tourists' high involvement with the local communities, putting at the center their search for meaningful encounters and solidarity-oriented behaviors. The narratives also differ in the reciprocal positions of the tourists and the tour operators. In two narratives, the "*going native*" myth and *redemption travels*, tour operators and tourists differ in that tourists self-organized their travels and avoided contact with other groups of travelers, while tour operators aimed to find marketing and communication strategies to reach prospective clients. On the other hand, in the other two narratives, tourists and tour operators describe the possibilities of trusting one another and starting a dialog to achieve a satisfactory and sustainable experience.

The "Going Native" Myth

The first narrative describes a "niche" experience in which tourists, generally alone or in small family groups, travel to explore new worlds.

> *"I am looking for a place that hasn't been counterfeited yet, not homologated. If I have to be in a place that seems identical to the one where I stay all year. what am I going to do? A place that gives me a measure of what diversity is. A journey is to discover things, people, and ideas different from mine. it's a possibility" (TS_02).*

These tourists present themselves as explorers who, more or less, explicitly refer to an anthropological and ethnographic vocation and who are used to make adventurous trips to distant, unexplored, and authentic places where they can experience total freedom.

> *"For sure, my anthropology studies have also influenced this way of traveling: recognizing and knowing cultures, understanding why people do certain things. Minimal details intrigue me a lot. Then, I also read many books about people who have traveled. I have read many books that talked about Asia: perhaps, for this reason, I feel more culturally prepared, and I tend to go more to Asian countries. (. . .) I love to get involved in the place where I travel, then put myself in their shoes. [. . .] to do something that allows me to feel closer. . ." (TS_04).*

As can be read in the previous excerpt, these travels are carefully yet independently planned and prepared by avoiding other mediators at the cost of running more safety risks.

> *"I want to see what I want. But of course, I prepare myself, I get informed. There is also the group aspect: it is not because I do not*

want to be in a company. I come here once in a lifetime, and time is already short. Groups are timewasting. . .” (TS_08).

These experiences refer to the dimension of escaping and avoiding the mass and the homologation. The journey becomes a form of exit from the known in search of possibilities and differences to explore without disturbing and being disturbed. An empathic orientation joins the esthetic one. These travel experiences are supposed to have a minimal effect on the local environmental and cultural ecosystem.

“The planet saves itself; it does not need our help. What is important is to reduce consumption and impacts as much as possible and try to do the least possible damage. . .!” (TS_02).

The idea of sustainability is associated with conservation and leaving values intact and informed by a self-regulating principle according to which nature, local communities, and travelers themselves must be left in peace because they can naturally sustain themselves. In these experiences, the economic side of the journey is not mentioned, except in a negative sense, in the form of consumption of exchange that corrupts.

“We are used to talking about a sustainable economy, but when there is an economic project and the investments must return, it is never sustainable for the earth!” (TS_04).

At the center of the tourism project is a tourist with a desire for discovery. Production and consumption processes are removed from the scene. Destination management or tour operators appear only as interlocutors to avoid. For tour operators, this type of tourist represents equally a distant, unreachable target on which they do not want to rely. These tourists do not even appear as threatening because they are perceived as residual and niche prospect clients.

“These are the adventurers who have always been there. They do not call themselves tourists but travelers. They don’t feel they need mediation, and sometimes they even take some risks. We are far from this target.” (TO_1).

Redemption Travels

This narrative describes a tourist experience that has a strong ethical orientation. The tourists in these stories view themselves as citizens of the world who are actively involved and interested in entering into a dialog and helping the host communities.

“I was interested in helping the local population, but not in a sense: ‘Oh poor people,’ ‘I’m sorry, I pity them, so I give them a hand and some money.’ No, trying to help them means getting in touch with them, sharing their experiences, and, therefore, automatically supporting them in their activities in general.” (TS_17).

Moreover, these narratives reflect a search for places and contexts not yet visited by mass tourists; however, travelers do not choose isolation, as they love to have meaningful encounters, exchanges, and dialogs with local people.

“From this point of view, I would say that tourism is divided into two forms appreciated by two different people. One is mass tourism in towns like Rimini, the great beaches where people go to be surrounded by people, both day and night. The other form is for those looking for places where there are not too many people, and there is the possibility of more meaningful encounters and talks.” (TO_07).

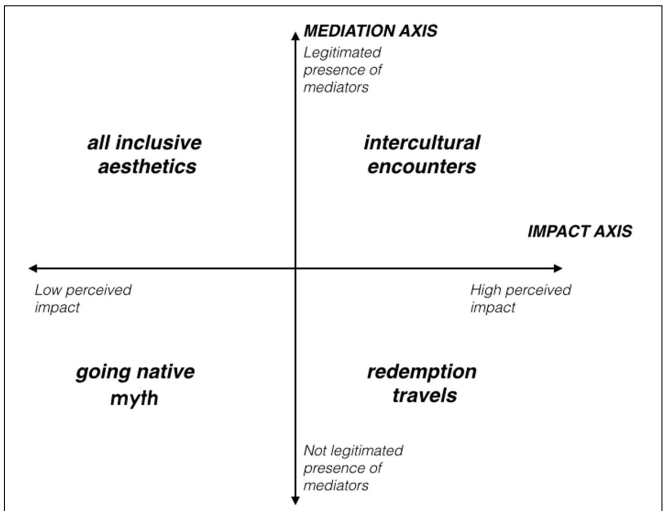

FIGURE 1 | Tourism sustainability narratives.

“In Italy, the most beautiful experiences involve some forms of community tourism, in particular, the Valle Dei Cavalieri, which is a worldwide example of the Tuscan-Emilian Apennines and which also received a prize from the World Tourism Organization last year [. . .] It had closed everything: bars, shops, school, church, post office. They left again, and today, it is a country that has regenerated itself with many activities and strong involvement of the population.” (TO_06).

Promoting the development of local contexts is a crucial idea associated with the concept of sustainable tourism. Local communities are sometimes perceived as active participants in the exchange, sometimes as more fragile recipients in need of support. In both cases, however, the aid provided by tourists and the regeneration of local territories are mostly described as spontaneous processes without risks, incidents, or tensions:

“With the money collected by the association where my parents are members, we bought material, clothes, and even food, which we distributed to the villages and the schools.” (TS_14).

These experiences are oriented toward escaping and avoiding too many cultural mediators and mass tourists, still this approach is accompanied by strong activism in local communities. For tour operators, these tourists are a potential target, still they are also perceived as threatening because they pretend to do everything by themselves, with the risk of damaging local production systems and consumption and creating a power imbalance.

“Sometimes we have to cope with these travelers who present themselves as volunteers. We say that it is better to lose a little spontaneity but to rely on local tour operators, NGOs, who have been working in local communities for a long time and are more aware of how money is used, what are the right channels and

the skills that they need to truly support the development of communities ethically to avoid risking doing worse." (TO_06).

The All-Inclusive Esthetics

This narrative reflects mainly ecotourism experiences characterized by an esthetic vocation and *slowness* orientation.

"I started because I liked snorkeling, then I was in contact with those from the WWF because I have always been one who likes animals, and I discovered this adventure field. At that point, my dad said, 'Go,' and he signed me up, and I went. Then, I found myself satisfied with their proposal, and my passion started from there. Initially, my interest was more naturalistic; then, I also approached the more 'human' side of contact with people." (TS_01).

Unlike the first narrative—the "going native" myth—that shares a low-impact idea of sustainability, the contemplative and naturalistic aspect appears stronger here, together with the acceptance of mediators, such as local or international tour operators and guides often used for support or access to specific peripheral locations. The themes of green mobility and the pollution tourists' presence entails are also strong in these narratives.

"The bicycle is a means that does not pollute. When traveling by other means, of course, we also have to compensate for the pollution, among other aspects. For example, we try to collect the plastic bottles that we give to everyone and that customers tend to throw away at the end of the trip." (TO_05).

"Whenever possible, we also support the use of the train, and then we have a group of tour operators who prefer non-motorized travel: we also join the 'alliance for soft mobility' movement, which brings together all those who offer travel based on walking, riding bicycle or horse, sailing. . . the reuse of abandoned railways. . ." (TO_01).

In these narratives, tourists focus on themselves and their esthetic experience. The economic issue is not problematized, and saving or spending money do not appear to be of concern. Here too the theme of escaping from the mass is strong, while curiosity toward local cultural communities tends to be more marginal. Tourists want to enjoy best the relationship with the natural environment. Fatigue, as an integral part of an idea of the conquest of inaccessible and uncontaminated places, often accompanies the esthetic and contemplative dimensions. However, tour operators describe this fatigue as *constructed* and designed *ad hoc* according to tourists' needs. It is therefore presented as an integral aspect of the services that tourists want. The myth of direct contact with nature and the local cultural environment is in the background compared to the high-quality and satisfactory travel experience. In this narrative, the consumer–tourist legitimizes fatigue but not necessarily uncertainty or risks.

"These trips are no more demanding and heavier than conventional ones. The trips we organize guarantee comfort equal to all the others. Fatigue can be calibrated and dosed as needed." (TO_01).

Intercultural Encounters

In this narrative, a sustainable tourist experience is a gradual approach to intercultural exchange moments, where tourists and local communities play an active role in seeking dialog and reciprocal understanding. Although tourists' ethical vocation persists, it is accompanied by high awareness of the complexity of the interests and power dynamics that revolve around their travel experiences. Thus, in this narrative, tourists and tour operators reflect on the effects of their experience on the destinations' economic, natural, and social ecosystems.

"Plunging into foreign worlds is complex. There are thousands of misunderstandings; even believing that you are a friend and welcomed in every place is naive. communication with other cultures is not so simple. One must not pretend that everything is easy. You should be satisfied with an intermediate level of involvement; you should limit yourself and your curiosity toward others; that's how you can get in touch with local people. I remember that I am always a tourist; yes, I bring some money, and I am accepted for that too. But without being naive in this. Not everyone is inclined to meet others; it may be that in the other people, there is no curiosity and that the desire to distance one's self from others prevails. You have to understand where you need to stop and where you are allowed to take some steps forward." (TS_09).

The theme of getting in and out of the local communities is problematic due to potential conflict informing every intercultural exchange. A respectful curiosity about the encounter, recognized as a challenge, replaces the search for spontaneity and authenticity. Tourists themselves are also aware that they are sometimes the first *object* of exploration and even cultural manipulation by the locals.

"I was fascinated by my last trip to Iran. Being in a large group of visitors, the locals interviewed us. After the interview, they asked us what we thought of them. They specified that they were not violent people but pacifists. Traveling also opens the mind to different cultures and makes us understand how superficial our perspective is sometimes. They told each other that television depicts them as warmongers, but they are not like that. 'We want to have peaceful relations with the rest of the world.' Iraqi women are very keen to say that they made the revolution and protest every Wednesday because they want the freedom to decide whether to wear the veil." (TS11).

In these travel experiences, the presence of intercultural mediators such as tour operators is legitimized because it allows better decoding of each other's cultures and facilitates understanding by protecting each side against possible voluntary and involuntary offenses and threats. A mediation network—carried out by local and international gatekeepers—is fundamental for a respectful and responsible journey and allows for a meaningful encounter with the locals.

"We work with the Moroccan network to propose to young people to form meaningful encounters with local people. We have tourists who want to spend 10–15 days during which they try to live inside a village, they do a part of social work, together with a series of excursions with local guides." (TO_06).

As can be read in the excerpt above, tourists' experience has an active and committed implication, but always within the limits and the boundaries proposed by the intercultural mediators. The values of freedom and autonomy in traveling are partly sacrificed by using local and trusted operators, which guarantee

that power and voice are given to local communities and that their development remains their responsibility. In describing these travel experiences, tourists' economic concerns are made explicit. Here tourists are not necessarily looking for savings but critical consumption practices. Their journey is thus described as being a responsible consumer experience, in which travelers represent themselves as oriented to ensure that the production and purchase chain is guaranteed and local development is favored. The aim is to generate value for a common future.

> *"These tourists reflect on what can be generated and transformed into the places they visit because of their travel. They sometimes face ethical dilemmas regarding the degree of cultural contamination and transformation they cause and face themselves. Therefore, their contribution is weighted and reflected on rather than spontaneously given because they worry about what might remain or be transformed in the future." (TO_05).*

Tourists and Tour Operators' Positions: Tensions and Interlacements

As stated above, the four narratives do not represent four different types of tourists or tour operators. However, it can be said that tourists' accounts have contributed most to narratives 1, 2, and 3, while narrative 4 (*intercultural encounters*) reflects mainly tour operators' accounts. Tour operators mostly describe their role of mediators between tourists and local stakeholders (narratives 3 and 4); some of them also cite the *redemption travels* position (narrative 2), but only for distancing themselves from a kind of travel that, in their opinion, is too naïve and in some cases also harmful for the local communities. On the other hand, tourists have shown more representations of tourism sustainability; however, only two of their accounts contained elements contributing to the *intercultural encounter* narrative. This difference triggers tensions between diverse representations of who is perceived as legitimate and responsible for generating a sustainable experience.

On the one hand, tourists represent themselves as the main protagonists of the travel, by emphasizing their "direct" relation with the natural environment or with the local communities. They seem to perceive tour operators as "invisible" agents useful only to gain access to remote places or obtain travel/cultural information and advice. Tour operators, on the other hand, emphasize the importance of their role. They, however, differ in terms of how they characterize their role. In *all-inclusive esthetics*, the idea is that tour operators should organize everything and take all the responsibilities for creating a higher satisfactory travel experience. On the other hand, in the *intercultural encounter* narrative, they play an empowering and facilitating role for the tourists and the residents, valuing their differences and safeguarding the leading role of all the parties. Tour operators here show their effort to "set the ground" for the encounter by educating tourists and enabling the local communities to develop their services and sometimes to manage them. They also highlight the need for all the parties to be responsible and play their role in making the experience sustainable.

These aspects have several implications, which will be discussed in the following section.

DISCUSSION

This study's first contribution is that tourists and tour operators describe different practices and experiences under the same label of sustainable tourism. These differences are rooted in diverse assumptions of sustainability and the value produced by a sustainable tourism experience, and they also have several implications for the perceived role of tourists and tour operators in this process.

In the first narrative, the sustainability *value* seems limited to the environmental *preservation* dimension, according to which tourists experience a complete immersion in the destination's natural and cultural environment. Considering this idea of not disturbing and not corrupting the places/communities visited, the awareness that tourism is a process, which inevitably challenges consolidated balances that should be re-generated, is limited (Goodwin, 2011). The concept of sustainable tourism as a low-impact non-mediated experience seems to be consistent with an *ethnocentric* approach to sustainability, in which tourists and their interests, such as their need for freedom and their desire for discovering, appear to be the most "salient stakes" to be protected (Newton, 2002). This orientation, however, appears naive, as it ends up reinforcing a principle of separation between nature and culture/society, in which the tourist is seen as dominant, the local destination and its residents are viewed as passive, and the relationship between them is considered as "consumption" to avoid in favor of "preservation" (Caruana et al., 2014).

In the second narrative, the value generated by a sustainable tourism experience seems to be the product of a *transaction.* Tourists compensate for their visit by returning resources and helping the local communities. When providing help and care, power asymmetries between tourists and local communities do not seem to be questioned; a "responsible" but still *ethnocentric* view of sustainability appears to be reinforced instead (Dangi and Jamal, 2016). Tourism is seen as an impactful experience that facilitates repaying environmental and cultural "consumption" by providing social help and economic resources. This idea is framed within a paternalistic view of the relationship between tourists and residents who do not get a chance to decide what is sustainable for them (Castiglioni et al., 2019). Here again the social, environmental, and economic resources exchanged between tourists and residents are considered separate and interchangeable (Allen et al., 2015, 2017). Several criticalities can be noticed in this view, such as the presence of an idealized perspective in tourist–residents dialog, which ignores potential misunderstandings, manipulations, and inequalities (Loìpez-Saìnchez and Pulido-Fernaìndez, 2016).

In the third narrative, the value produced in a sustainable tourism experience seems mostly *esthetic*, focusing on tourists and their search for exclusivity and naturalness, which are considered indicators of good quality service. Unlike in the first two narratives, the mediating effects of tour operators are recognized and legitimized. Accordingly, tour operators are asked to guarantee a high-quality travel experience, which reduces the relationship with and effects on the local communities. Here the concept of sustainable tourism seems to be consistent with an *ecocentric* approach to sustainability, in which the

natural environment appears to be the most "salient stakeholder" to be safeguarded (Newton, 2002). However, this ecocentric orientation appears to be idealized, as it reinforces a principle of separation between nature and culture/society in which only the "human" is seen as powerful. We agree with Allen et al. (2017), who recognize several criticalities in this view of nature, which is seen as "fixed" and "perfect," while the flux and instability of ecosystems are ignored. This idealized ecocentrism is also consistent with the idea of clear boundaries between humans and nature, overlooking socially constructed ideas about nature.

In the fourth narrative, the value produced by sustainable tourism is essentially seen as *co-generated*. It refers to creating new relational and learning opportunities for all the parties involved. The relationship between tourists and tour operators and between tourists and local communities is a core value here. Tour operators are asked to play the role of cultural mediators, handling power asymmetries and taking on the responsibility for the ethics of the exchange. In this narrative, the idea of sustainability is legitimized as *embeddedness* (Allen et al., 2015, 2017), that is, as an experience in which human, natural, cultural, and economic dimensions are intertwined and considered from a long-term perspective. Here sustainability is viewed as a never-ending and open "journey" generated from multi-stakeholder dialog, where stakeholders are not only social human but also non-human agents (e.g., the natural environment). Furthermore, such dialog is reflexively addressed by considering its dilemmas and limits. In this sense, for instance, both tourists and tour operators are able to problematize tensions between the economic viability of the travel vs. the value of critical consumption practice, between the desire to discover vs. the limits imposed by mediators, or between the search for authenticity vs. the risks of misunderstandings.

The study's second contribution is that each narrative has different educational and communication implications for enhancing awareness of tourism sustainability. In the first and the second narratives, promoting cultural development toward a more aware and integrated view of sustainability requires a process of de-idealization of some preconceived notions, such as the implicit ethnocentrism of this practice, the illusion that tourism might not influence the destination equilibrium, the ideal of a harmonic encounter with other cultures, and the overlooking of the intercultural competencies needed to facilitate a good-quality and sustainable tourism experience. Another promising lever could be the development of new storytelling around sustainable tourism, which should trigger the idea of sustainability as co-generation of value rather than as (low) consumption, through giving voice not only to tourists' expectations and values but also to local communities' expectations and needs. In this regard, tour operators and public policymakers should raise more awareness of the actual complexity of crafting sustainable tourism and also warn tourists against the risk of seeing it as a "do it yourself" practice. In the third and the fourth narratives, it seems possible to appeal to the reciprocal trust shown by tourists and tour operators to develop a higher awareness of and a critical reflexive stance toward their respective roles and responsibilities to reinforce their alliance. In both narratives, tour operators are legitimated as necessary gatekeepers and guarantors of the sustainability of the experience. However, in the third narrative, the relationship between tourists and tour operators resembles a conventional arrangement between a provider and a consumer. The former offers exclusive service, and the latter renumerates for a high-quality natural and cultural experience. Only in the fourth narrative did tourists and tour operators seem to question their taken-for-granted assumptions and elaborate on the limits and tensions of every intercultural encounter. Since the fourth approach is the one that best interprets a critical and holistic view of sustainability, although it reflects only a few participants' accounts, it could be said that much more effort is needed to further spread this perspective among tourists and tour operators. Tourists need to become increasingly aware of the physiological misunderstandings, cultural conflicts, risks, and uncertainties of "sustainable" traveling. Tour operators need to welcome this nuanced view of sustainability and incorporate eco-tourism and responsible and community-based tourism into a wider and more integrated approach. They also need to develop more competencies in the area of intercultural mediation, community empowerment, and tourists' education.

From a communication perspective, new storytelling should center on sustainable tourism as a process where many different actors are connected to co-generate new social, economic, and environmental wealth. Such storytelling should emphasize that all stakeholders must be open to "be surprised" by the encounter and revise each others' implicit beliefs and cultural preconceptions. In this way, a higher critical awareness of each actor and the consequent opportunities for learning and improving could arise.

RESEARCH STUDY LIMITATIONS

The research has several limitations. First, the perspective of residents has not been considered. This has limited the possibility of investigating their sustainability experience and their perceived relationship with tourists and tour operators. Further research studies are therefore needed to address this gap. Second, the study's qualitative and interpretive nature does not allow us to describe the distribution of tourists and tour operators across the four narratives. To overcome this limitation, other studies should describe in more detail the tourists' and the tour operators' cultural and socio-demographic characteristics. Finally, the COVID-19 crisis is having a deep effect on the tourism sector and its sustainability. New studies should be developed to explore the potential increase in the awareness of sustainability due to this actual and relevant phenomenon and its implications for the lives of tour operators, tourists, and residents and for sustainable value production.

CONCLUSION AND IMPLICATIONS FOR THEORY AND PRACTICE

Sustainable tourism is a considerably debated issue due to a growing awareness of the environmental, social, and cultural effects of tourism activity. The present study discusses the lack

of a widespread and consolidated holistic approach to sustainable tourism. The concept of sustainability remains ambiguous, nuanced, and partial. The article argues that this happens because an integrated and "embedded" view of sustainability—as identified in only one of the four narratives of the study—requires a radical transformation of the ontological and epistemological assumptions regarding the relations between the human and the natural environment, where nature is considered a proper stakeholder and where all the parties involved are given equal power and agency.

The study has some implications for theory and practice. From a theoretical point of view, the article suggests the importance of avoiding ethnocentric or idealized ecocentric perspectives on sustainability and adopting a more critical and holistic framework. This approach might also allow a new operationalization of sustainable tourism, where social, economic, and environmental indicators can be grounded into concrete repertoires of experiences. From a practical point of view, the article has implications for tourists' and tour operators' cultural development. New educational approaches are needed to change tourists' and operators' idealized and contemplative view of tourism—where tourists are seen as spectators or consumers of the natural/cultural/social and economic resources of a destination—to a higher awareness of their power and responsibilities in co-generating a sustainable tourism experience. Furthermore, critical reflexivity of tourists and tour operators should be promoted to improve their understanding of the various interests in every tourism experience and to allow them to reflect on the social, economic, and environmental consequences of every action. Sustainable tourism communication should also be improved by designing new storytelling where the social, economic, and environmental standards of a sustainable destination and the stakeholders' involvement in co-generating sustainable value can be highlighted.

DATA AVAILABILITY STATEMENT

The raw data supporting the conclusions of this article will be made available by the authors, without undue reservation.

ETHICS STATEMENT

Ethical review and approval was not required for the study on human participants in accordance with the local legislation and institutional requirements. The patients/participants provided their written informed consent to participate in this study.

AUTHOR CONTRIBUTIONS

All authors listed have made a substantial, direct and intellectual contribution to the work, and approved it for publication.

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