

Generational Perspectives on CSR and Corporate Hypocrisy in the Fashion Industry: Decoding Employee Perceptions

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Keywords: Corporate Social Responsibility, Corporate Hypocrisy, Employee Perception, Generation Z, Millennial, Generation X.

Background. The purpose of this study is to explore the potential differences in perceptions of corporate social responsibility (CSR) practices and corporate hypocrisy among Generation Z, Millennial, and Generation X employees and to discover how these perceptions shape their feelings toward their employers. CSR has become an important issue in the fashion industry because of the effects on reputation, value alignment, and investment (Young, 2018). Employee perceptions and feelings are significant as they relate to social identity needs, engagement and the costs connected to turnover (Zhou et al., 2018; Goswami, 2022). Although previous research has addressed the impact of CSR practices on employees' perceptions both in and outside of the United States (Lomonaco-Benzing & Ha-Brookshire, 2016; Lee et. al, 2018), they have not specifically focused on the varying perceptions of CSR activities and corporate hypocrisy among employees from these three generational cohorts. Furthermore, previous studies have not directly compared the three generations concerning how their perceptions of corporate hypocrisy affect their feelings towards their employers. The research questions guiding this study are: RQ1: How do the perceptions of fashion companies' CSR practices differ among Generation Z, Millennial, and Generation X employees? RQ2: How do their perceptions of corporate hypocrisy impact their feelings towards the employer?

Literature Review. This study combined the Theory of Moral Responsibility of Corporate Sustainability (MRCS) and the Social Identity Theory (SIT) as the theoretical framework. According to MRCS, individuals both within and outside an organization perceive corporate hypocrisy because of the discrepancy between sustainability goals and actual behavior. Such perceptions of corporate hypocrisy subsequently influence individual behavior associated with sustainability (Ha-Brookshire, 2015). In prior literature, MRCS is used for investigating what component of CSR is perceived as important such as labor or the environment (Yang & Ha-Brookshire, 2020) but not for a comparison among employees of these generations in the aspect they view as important or their perceptions of CSR and corporate hypocrisy and their resulting feelings. To gain a better understanding of the individual level, this study also incorporates the Social Identity Theory. This theory explains the tendency that, within an organization, the individual identifies with the organization and the people in it (Hogg, 2001). By combining these two theories, the study not only offers a robust foundation for analyzing organizational behavior and the subsequent perceptions of employees but also provides the rationale behind the individual's perceptions and ensuing feelings.

Method. For this research study, the qualitative method of structured interviews was used to explore the research questions. The sample was selected through purposive sampling, leveraging the researchers' personal networks and recruitment within participants' workplaces, such as shopping malls. Data collection

occurred from mid-February to mid-March 2023. The interviews took place on Zoom, which included introductory questions about the participant and questions related to CSR and corporate hypocrisy. The sample includes five Generation Z employees, six Millennial employees, and two Generation X employees. Those interviewed included sales associates, brand representatives, store managers, business development executives, a regional account executive, a senior manager in supply chain, and designers. The data was transcribed and to generate themes, the data was analyzed through accepted methods (Spiggle, 1994).

Results. This qualitative study revealed both similarities and differences among the interviewed Generation Z, Millennial, and Generation X employees in their perceptions of CSR. The first theme was whether CSR is a perfect or imperfect duty. Interviewees in all generations thought of CSR as important; however, the Generation Z employees tended to view it as a perfect duty, compared to an imperfect duty as discussed in the MRCS theory. The Millennial and Generation X employees acknowledged CSR's importance but considered it an imperfect duty. This difference in perception is likely due to the increasing emphasis on sustainability education. The second theme highlighted the aspects of CSR deemed important by each generation. The Generation Z employees viewed CSR as important overall but focused more heavily on environmental responsibility through the impact on the environment and "looking for ways to better [their] practices." In comparison, the Millennial and Generation X employees spoke of different aspects of working conditions.

The third theme explored the impact of employee's feelings about their employer's CSR practices on their attitudes towards their employer and their reactions when the employer's actions do not align their claims. The Generation Z employees exhibited varying feelings towards their employer's CSR practices, but all agreed that these feelings influenced their attitudes towards their employer. When the employer's actions were inconsistent with their claims, all Generation Z employees expressed strong negative feelings. The Millennials showed mixed feelings towards their employer's CSR activities. However, those who mentioned the need for improvement did not feel it strongly impacted their attitudes towards their employer. For the Millennials, when actions do not match claims, frustration was prominent. The way the Generation X employees felt towards the employer's CSR activities did not directly impact their attitudes, but they expressed pride in their employer's CSR efforts. This generation did not show a consistent pattern in their feelings when the employer's actions are not meeting their claims. Using the Social Identity Theory, the Generation Z and Millennial employees varied on identifying with their employer's CSR practices; however, the Generation X employees identified more consistently.

Conclusion. Guided by the MRCS and SIT, this study offers insights into the perceptions and attitudes of the interviewed employees related to CSR and corporate hypocrisy. These insights encompass how the interviewed employees across generations perceive CSR as a perfect or imperfect duty, what employees in each generation consider important with CSR, and the feelings towards corporate hypocrisy by generation. By shedding light on these distinctions, this research contributes to the current literature by providing employers insight into generational differences. This study fills the gap in current MRCS and SIT literature in that these exploratory findings aid in beginning the discussion on how employers can tailor their CSR policies and practices and the related communication to foster employee identification, thereby enhancing organizational pride. By recognizing the differences among the generations and promoting organizational

pride, employers can improve their reputation and reduce their turnover costs. Future areas of research include expanding the sample of employees interviewed or conducting a quantitative survey study to further substantiate and refine the findings.

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