The Strategic Samaritan: How Effectiveness and Proximity Affect Corporate Responses to External Crises

Jennifer Jordan
University of Groningen

Daniel A. Diermeier
Northwestern University

Adam D. Galinsky
Northwestern University

ABSTRACT: This research examines how two dimensions of moral intensity involved in a corporation's external crisis response—magnitude of effectiveness and interpersonal proximity—influence observer perceptions of and behavioral intentions toward the corporation. Across three studies, effectiveness decreased negative perceptions and increased pro-organizational intentions via ethical judgment of the response. Moreover, the two dimensions interacted such that a response high in proximity but low in effectiveness led to more negative perceptions and to less pro-organizational intentions. This interaction was particularly pronounced if the corporation portrayed itself as communal-oriented. The interaction was mediated by individuals' ethical judgment, which was a function of the corporation's perceived benevolent concern. We termed the interaction the *Strategic Samaritan*, for it was when the corporation tried to appear like a Good Samaritan, displaying proximity with victims but not accompanying it with effective help, that it was seen as acting with less benevolent concern.

KEY WORDS: corporate intentions, corporate social responsibility, crisis management, disaster relief, moral intensity

COMPANIES PLAY AN INCREASINGLY PROMINENT ROLE in assisting the victims of natural disasters. For example, in response to the 2004 Indian Ocean tsunami, U.S. corporations spent close to $600 million in relief efforts. And during the 2011 earthquake and tsunami in Japan, U.S. companies outspent the U.S. government three to one (White & Lang, 2012). Although these gestures are likely to be motivated, at least in part, by humanitarian concerns, corporate relief efforts can also create a favorable public image for the responding corporation, adding perceptions of warmth and care to perceptions of competence and power—dimensions more commonly associated with the corporate domain (Aaker, Vohs, & Mogilner,

©2012 **Business Ethics Quarterly** 22:4 (October 2012); ISSN 1052-150X pp. 621–648
DOI: 10.5840/beq201222442

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

2010). At the same time that corporations are demonstrating a greater presence in assisting with social problems, the expectation that they will help solve these problems is also on the rise: a McKinsey Firm Survey found that more than 70 percent of global consumers believe that corporations and government are equally responsible for intervening in social problems (Bonini, McKillop, & Mendonca, 2007). And failing to live up to such expectations can be costly for companies; in the same survey, half of American consumers report that they would stop purchasing products from companies that they believe are not living up to their social responsibilities.

Navigating the expectations of consumers and the public can be a challenging task. To shed light on this topic, we examine how factors involved in a corporation's response to a natural disaster affect perceptions of and intended actions toward the corporation. From the point of view of the corporation, a natural disaster is an external crisis, that is, the corporation is not directly responsible for the damage nor the resulting human suffering. This situation is different from internal crises like safety issues or quality failures, which fall within the corporation's scope of responsibility (Diermeier, 2011; Pearson & Clair, 1998). This lack of causal responsibility would seem to lessen perceptions that it has an obligation to help those affected by the disaster; and on the surface, it may seem that doing anything in response to an external crisis can only improve public perceptions of the corporation. However, as we show in the current investigation, this is not the case. Variations in the dimensions of *how* companies respond to external crises can affect both perceptions of the corporation and intended actions toward it.

We use Jones's (1991) model of moral intensity to guide this investigation. Jones proposed that six dimensions of a moral issue, which he collectively termed, *moral intensity*, increased the likelihood that individuals would recognize that a moral issue is present, make a moral decision, and (intend to) act in a moral way. A rich body of research has examined how these dimensions affect individuals' own decision-making (e.g., Church, Gaa, Nainar, & Shehata, 2005; May & Pauli, 2002; Singhapakdi, Vitell, & Kraft, 1996); however, few have examined how the inclusion (or exclusion) of these dimensions in a target's behavior affect how observers view and respond to the target (see Bowes-Sperry & Powell, 1999 for an exception). Specifically, we examine how the inclusion of two of these dimensions, magnitude of consequences and interpersonal proximity, in a corporation's response to an external crisis affects perceptions of the corporation and pro-organizational intentions toward it (Lynch, Eisenberger, & Armeli, 1999). While it is clearly important to understand how the moral intensity of an issue affects the actions of a participant directly involved in the issue, it is equally important to understand how the moral intensity evoked in a target's response affects observers' perceptions of and actions toward the target.

MORAL INTENSITY

Jones's (1991) model of moral intensity is an issue-based theory of moral decision-making. It proposes that the moral intensity of an issue influences whether individuals will be aware that a moral[1] issue is present, engage in moral judgment, and display moral intentions and actions—components from Rest's (1986) theory

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

of moral action. Jones's (1991) theory is derived from normative philosophy, which differentiates ethical responsibility based on a concept known as *proportionality* (Garrett, 1966). Specifically, proportionality is related to five dimensions of an issue: type of goodness or evil involved, the certainty of effects, the extent that the moral agent has influence on the events, and the availability of alternative means for bringing about an outcome. Jones theorized that more intense moral issues elicit ethical awareness, judgment, intent, and action because they are more salient, emotionally provocative, and recognized as having consequences for others. Researchers have found that moral intensity positively affects ethical cognition and behavioral intentions. For example, Jones and Huber (1992) found that moral intensity explained up to 41% of the variance in individuals' ethical judgments. And May and Pauli (2002) found that moral intensity was related to three of the four components of Rest's (1986) ethical decision-making process: awareness, judgment, and intention.

Although Jones (1991) proposed six dimensions of moral intensity, subsequent researchers whittled these down to one or two. For example, Singer (1996) found that the issue's magnitude of consequences, in particular, increased the public's perception that a response was ethical. Similarly, May and Pauli (2002) found that this variable, which they termed *magnitude of harm*, was most responsible for increasing moral functioning through ethical awareness, judgment, and behavioral intent. And others (Fritzsche, 1988; Fritzsche & Becker, 1983) found that the greater the magnitude of consequences of an issue, the more likely individuals were to engage in ethical behavior. Thus, *magnitude of consequences* appears to be a crucial variable in the issue to judgment and decision-making link.

However, another dimension, which Singhapakdi and colleagues (1996) labeled *social pressure*, was also found to be a critical dimension from Jones's (1991) theory. This dimension, which was comprised of social consensus and proximity, affected both perceptions of ethicality and intentions to behave in ethical ways. In contrast to the studies cited above, some researchers have argued that only these two *social pressure* variables affect judgments and intentions (Davis, Johnson, & Ohmer, 1998; Jones & Huber, 1992).

Finally, using factor analysis, McMahon and Harvey (2006) found that two dimensions emerged dominant from Jones's (1991) original six—*magnitude of consequences* and *proximity*. They also found some support for a third factor, *social consensus*, but this factor accounted for a smaller amount of variance and was highly correlated with the first factor.

In the current investigation, we chose to examine the dimensions *magnitude of consequences* and *interpersonal proximity* because of their theoretical importance and robust effects within the moral intensity literature (Singhapakdi et al., 1996). We propose that both dimensions will have positive effects on individuals' responses toward the intervening corporation in an external crisis context. However, in the specific context of corporate actions we also argue that these variables may interact such that pairing a high level of one dimension (i.e., interpersonal proximity) with a low level of another (i.e., magnitude of consequences) will lead to undesirable effects for the corporation. We explain these hypotheses in detail below.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

MAGNITUDE OF EFFECTIVENESS

According to Jones (1991), magnitude of consequences is the sum of the benefits done to beneficiaries of a moral act, or in the case of an immoral act, the sum of harm done to victims. He theorized that the greater the magnitude of benefits (or harms) likely to result from an action, the more one will perceive that an ethical issue is present and engage in an ethical action.

This hypothesis has been supported by empirical research. For example, the severity of an outcome affects perceptions of the behavior, as well as the actor (Lowe & Medway, 1976). Gino, Shu, and Bazerman (2010) found that individuals perceived a behavior (e.g., a doctor who did not refer a deserving patient to a specialist for self-serving reasons) as more unethical when it resulted in an unfavorable, rather than a neutral or favorable outcome, and were more likely to punish individuals who brought about such outcomes through reduced payout.

Because we are exploring interventions to external crises such that all actions undertaken by the corporation are designed to help, rather than harm, the victims, we use the term *magnitude of effectiveness* to capture this factor. Adapting the definition of this factor for the current external crisis context, we define magnitude of effectiveness as the amount of benefits brought to disaster victims. We hypothesize that in this context, the greater the effectiveness of the corporation's response, the less negative people's perceptions of and the greater people's favorable intentions toward the corporation.

> **Hypothesis 1:** The magnitude of effectiveness of a corporation's disaster response will reduce individuals' negative impressions of and increase pro-organizational intentions toward the corporation.

INTERPERSONAL PROXIMITY

Jones (1991) defined interpersonal proximity (which he labeled, *proximity*) as the feeling of social, psychological, or physical nearness that the moral agent has for the beneficiary of the moral act in question. He proposed that greater physical, as well as other types of proximity, make a person more likely to perceive that an ethical issue is present, make an ethical judgment, and engage in ethical behavior because the consequences of such a behavior are more vivid, real, and tangible. In addition, research shows that we are more likely to engage in behaviors that benefit or avoid harming those who are familially- or relationally-proximate (Greene, Cushman, Stewart, Lowenberg, Nystrom, & Cohen, 2009; Milgram, 1965) and identifiable (Gino et al., 2010). In a similar vein, ethically questionable actions that are carried out indirectly, rather than directly, are perceived as less morally reprehensible (Paharia, Kassam, Greene, & Bazerman, 2009). Consistently, proximity is positively related to ethical judgments in dilemmas on a variety of business topics, including privacy, sexual harassment, and disclosure of potentially dangerous working conditions (Davis et al., 1998).

Following this body of research, we define interpersonal proximity within the current external crisis context as the extent to which members of the corporation deliver the humanitarian aid to victims in person. In other words, it is the extent to which

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

there is high- versus low-direct contact between organizational members and victims. We acknowledge that this is a departure from Jones's (1991) original conception of this variable; rather than operationalize it as proximity of the *observer* to the beneficiary of the help (or victim of the harm), we operationalize it as the proximity of the *agent* to the victim and propose that the same mechanisms operate in both cases. Specifically, the interpersonal nearness of the agent to the victim will enhance the victim's humanity and vividness, reducing negative impressions of and enhancing positive behavioral intentions toward the agent of such aid. From research, we know that having a "real" victim increases care and concern toward that victim (Small and Lowenstein, 2003); one way to increase realness is to imagine interpersonal contact with them. Our operationalization is supported by recent research reporting that giving one's time (as opposed to money) is perceived as showing greater interpersonal concern and results in perceiving the giver as more caring, moral, and heartfelt (Reed, Aquino, & Levy, 2007). We predict that individuals will have lesser negative perceptions of and more favorable intentions toward a corporation when its members engage in an interpersonally-proximal response with disaster victims.

Hypothesis 2: The interpersonal proximity of a corporation's disaster response will reduce individuals' negative impressions of and increase pro-organizational intentions toward the corporation.

THE ROLE OF ETHICAL JUDGMENT

Jones (1991) proposed that situations that possess moral intensity will serve to increase the likelihood that all four stages of the ethical decision-making process (Rest, 1986) are enacted—from awareness to behavior (although there has only been empirical evidence for three of these stages: awareness, judgment, and intent, May & Pauli, 2002). We propose that the effects of effectiveness and proximity will function through the activation of the second stage of this process—ethical judgment. Jones argued that when the moral intensity of an issue is high, it will elicit greater ethical awareness, leading to ethical judgment because moral intensity serves to increase the salience of the issue, make the issue more emotionally provocative, and increase the perceptions that it is consequential. Thus, applying that theory to the current investigation, we propose that when a corporation's response has a high magnitude of effectiveness and greater interpersonal proximity, individuals will have more positive ethical judgments of the response, positively affecting their perceptions of and intentions toward the corporation.

Hypothesis 3a: The magnitude of effectiveness of a corporation's disaster response will reduce individuals' negative impressions of and increase pro-organizational intentions toward the corporation through its function in heightening individuals' judgment of the ethicality of the response.

Hypothesis 3b: The interpersonal proximity of a corporation's disaster response will reduce individuals' negative impressions of and increase pro-organizational intentions toward the corporation through its function in heightening individuals' judgment of the ethicality of the response.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

THE IMPORTANCE OF ASSESSING A CORPORATION'S BENEVOLENT CONCERN

We also propose that when taken together, variability in magnitudes of effectiveness and proximity to victims affects perceivers' ethical judgment of the response because of their interactive effects on signaling the corporation's intentions behind its actions. Actions that signal less concern for doing good (e.g., helping victims, giving back to the community) are likely to lower people's ethical judgment of the response and subsequently lower their perceptions of the corporation and intended favorable actions toward it. This prediction is supported by the rich body of research demonstrating that the intentions that individuals ascribe to a corporation's CSR-related behavior—that is, endeavors related to its perceived social obligations (Brown & Dacin, 1997)—affect perceptions of the corporation and behaviors toward it (e.g., Ellen, Webb, & Mohr, 2006; Lichtenstein, Drumwright, & Braig, 2004). In the current investigation, we propose that the main effect of magnitude of effectiveness will be moderated by interpersonal proximity, such that when a corporation responds with high interpersonal proximity but does not deliver effective help, this response will lead to negative perceptions of and actions toward the corporation relative to a corporation that does deliver effective help. However, when the corporation does not signal high interpersonal proximity in its response, perceptions and intentions will not be affected by the effectiveness of the response.

> **Hypothesis 4:** Magnitude of effectiveness and interpersonal proximity will interact such that a corporation's response that is high in interpersonal proximity but low in effectiveness will elicit greater negative impressions and lesser pro-organizational intentions toward the corporation compared to responses high on both dimensions.
>
> **Hypothesis 5:** Perceptions of ethical judgment will fully mediate the interactive effects between a disaster response's magnitude of effectiveness and interpersonal proximity on negative impressions of and pro-organizational intentions toward the corporation.

We tested these hypotheses across three experimental studies.

STUDY 1: THE EFFECTS OF MAGNITUDE OF EFFECTIVENESS AND INTERPERSONAL PROXIMITY

Method

Participants and Design

One hundred and twenty-seven corporate managers (22% female) participated in this study as part of a management education program at a private business school in the midwestern United States (52% from North America, 14% from Europe, 14% from the Middle East, and 21% from Asia). We randomly-assigned them to an experimental condition in a 2 (high/low magnitude of effectiveness) × 2 (high/low interpersonal proximity) between-participants design.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Procedures

We told participants that they were participating in a study evaluating corporate responses following a natural disaster. They read a scenario about the response of a corporation in which we manipulated its magnitude of effectiveness and interpersonal proximity.

To manipulate *magnitude of effectiveness*, they read that according to reports by a relief agency spokesperson, the products distributed were immediately needed by the victims (high), or that they were not immediately needed by the victims (low). To manipulate *interpersonal proximity*, we described that the corporation sent its top management team and middle-level managers to personally distribute the goods to the victims (high) or that the corporation mailed the goods to the victims (low). The scenarios are contained in the Appendix.

Manipulation Pre-Test

We pre-tested these manipulations to ensure that they manipulated the variables they were intended to manipulate. Fifty-five individuals (64% female; M_{age} = 19.64, SD = 1.73) read one of the four scenarios and were then asked two questions about the corporation: How effective is this corporation's response (*magnitude of effectiveness*) and, How interpersonally involved with victims is the corporation's response (*interpersonal proximity*)? As we predicted, there was a main effect of our manipulation of magnitude of effectiveness on perceived magnitude of effectiveness, $F(1, 51) = 5.62$, $p = .02$, but not on the perceived proximity of the response, $F(1, 51) = 1.55$, $p = .22$. In contrast, there was a main effect of manipulated interpersonal proximity on the perceived interpersonal proximity of the response, $F(1, 51) = 13.12$, $p = .001$, but not on its effectiveness, $F(1, 51) = 0.037$, $p = .85$. And our independent variables showed no interactions on either of the two items, all $Fs < 1.99$, $ps > .16$.

Dependent Measures

In order to examine our purported mediator, ethical judgment, we asked participants to rate the *extent [to which they] found the corporation's response to be ethical* (1 = *not at all*; 7 = *very much so*) (single item taken from Bowes-Sperry and Powell, 1999). They then rated the corporation along four adjectives capturing negative perceptions (*exploitative*, *deceitful*, *self-serving*, *insensitive*) (1 = *not at all*; 7 = *very much so*). We averaged across these items to form a composite variable of *negative corporate perceptions* (a = .75). Participants then rated their intended pro-organizational behaviors toward the corporation using seven items. Some of these items measured behaviors intended to help the corporation, such as recommending its products or services to friends and family or investing in the corporation, and some measured behaviors intended to harm the corporation, such as protesting against it or boycotting its products (1 = *not at all*; 7 = *very much*). Harm items were reverse-scored such that higher scores indicated more positive pro-organizational intentions ($\alpha = .83$). See Table 1 for the items. See Table 2 for descriptive statistics and intercorrelations between all study variables.[2]

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Results

Main Effects Of Effectiveness and Proximity

As predicted by Hypothesis 1, the response's magnitude of effectiveness affected both dependent variables, including negative perceptions of, $F(1, 123) = 13.21$, $p < .001$, $\eta^2 = .10$, and pro-organizational intentions toward the corporation, $F(1, 123) = 8.99$, $p = .003$, $\eta^2 = .07$, such that a more effective response elicited lesser negative perceptions (M = 3.04, SD = 1.14) and greater pro-organizational intentions (M = 5.78, SD = 0.81) than did a less effective response ($M_{perceptions} = 3.85$, SD = 1.40; $M_{POI} = 5.23$, SD = 1.21). Consistent with Hypothesis 2, a main effect of interpersonal proximity emerged on pro-organizational intentions toward the corporation, $F(1, 123) = 6.31$, $p = .013$, $\eta^2 = .05$, such that responses higher in interpersonal proximity (M = 5.74, SD = 0.83) elicited greater pro-organizational intentions than did one low in interpersonal proximity (M = 5.28, SD = 1.20). Contrary to Hypothesis 2, interpersonal proximity did not affect negative perceptions of the corporation, $F(1, 123) = 1.01$, $p = .30$.

Mediation by Ethical Judgment

In Hypotheses 3a and 3b we predicted that the main effects of magnitude of effectiveness and interpersonal proximity would be mediated by individuals' ethical judgment. We used the Preacher and Hayes's (2008) bootstrapping macro, which identified the significance of this indirect effect. As predicted, for magnitude of effectiveness, individuals' ethical judgment mediated both negative perceptions and pro-organizational intentions. Specifically, the indirect effect of magnitude of effec-

Table 1: Pro-Organizational Intentions Scale Items

Scale Item
1. How likely would you be to recommend this corporation's products or services to your friends and family?
2. How likely would you be to protest against this corporation?*
3. How likely would you be to boycott this corporation's products or services?*
4. How likely would be to disseminate negative information about this corporation to potential investors?*
5. How likely would you be to put in effort beyond that normally expected in order to help this corporation reach its goals and objectives?
6. How much would you care about the fate of this corporation?
7. How likely would you be to secretly obstruct the workings of this corporation in order to keep it from being successful if you knew you would not be caught?*

Notes: Scale responses ranged from 1 (*not at all*) to 7 (*very much so*).
An asterisk (*) indicates that the item was reverse-scored.

Table 2: Study 1: Variable Descriptive Statistics and Intercorrelations

Variable	Mean	SD	1	2	3	4	5
1. Magnitude of Effectiveness			--				
2. Interpersonal Proximity			.01	--			
3. Ethical Judgment	4.58	1.51	.38***	.13	--		
4. Negative Perceptions	3.45	1.34	-.31***	-.09	-.52***	--	
5. Pro-Organizational Intentions	5.51	1.06	.26**	.22*	.37***	-.56***	--

Note: N = 126–127.
*$p < .05$, **$p < .01$, ***$p < .001$.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

tiveness on negative perceptions via ethical judgment was significant (z = -3.52, p < .001); the bootstrap analysis yielded a confidence interval that did not contain zero (CI 95% = -.824, -.209; N = 127; 10,000 re-samples). Likewise, the indirect effect of magnitude of effectiveness on pro-organizational intentions via ethical judgment was also significant (z = 2.71, p = .007); the bootstrap analysis yielded a confidence interval that did not contain zero (CI 95% = .077, .509; N = 126; 10,000 re-samples). However, as there was a non-significant relationship between interpersonal proximity and ethical judgment, B = .387, SE = .27, t = 1.45, p = .15, we did not pursue this mediation further. In conclusion, we found support for Hypothesis 3a but not 3b.

Interactive Effects of Effectiveness and Proximity via Ethical Judgment

As predicted by Hypothesis 4, magnitude of effectiveness and interpersonal proximity interacted to affect negative perceptions of the corporation, $F(1, 123) = 4.28$, p = .041, η^2 = .03. Corporations that responded with high interpersonal proximity but a low magnitude of effectiveness were perceived more negatively (M = 3.97, SD = 1.27) than were those that responded with high interpersonal proximity and a high magnitude of effectiveness (M = 2.70, SD = 0.95), $t(123) = 4.02$, p < .001. However, for the low interpersonal proximity conditions, there was no difference between corporations that responded with a high (M = 3.39, SD = 1.22) and low magnitude of effectiveness (M = 3.74, SD = 1.52), $t(123) = 1.11$, p = .27. See Figure 1. However, in contrast to our predictions, this interaction did not emerge for managers' pro-organizational intentions, $F(1, 123) = .017$, p = .90. Thus, these results provide partial support for Hypothesis 4.

In Hypothesis 5 we predicted that the interaction between magnitude of effectiveness and interpersonal proximity would be mediated by ethical judgment, such that at high levels of proximity, the relationship between effectiveness and both negative perceptions of and pro-organizational intentions toward the corporation would be explained by individuals' ethical judgment of the response (known as *conditional indirect effects*, or moderated mediation, Preacher, Rucker, & Hayes, 2007). To test this model we used an SPSS macro designed by Preacher and colleagues (2007), which allowed for the recommended bootstrapping methods and for probing the

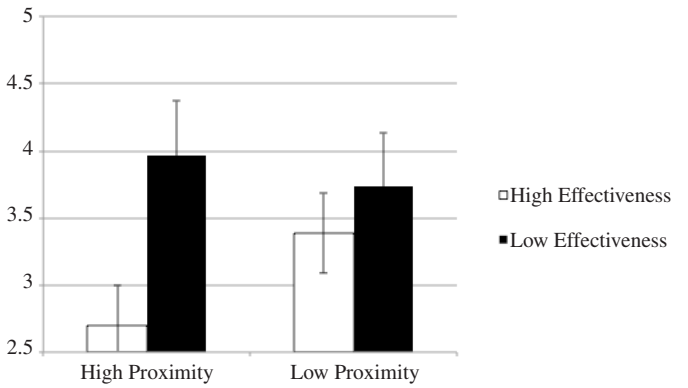


Figure 1: Study 1: Magnitude of Effectiveness × Interpersonal Proxmity on Negative Perceptions

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

significance of the conditional indirect effects at different values of the moderator variable, interpersonal proximity.

As predicted, we found that the conditional indirect effect of magnitude of effectiveness at high interpersonal proximity was fully mediated by ethical judgment—the confidence interval did not include 0 (CI 95% = -.41, -.05; N = 127; 10,000 re-samples). However, although the difference between high and low magnitudes of effectiveness when interpersonal proximity was low was non-significant, ethical judgment also mediated at low levels of proximity (CI 95% = -.48, -.10; N = 127; 10,000 re-samples). Taken together, these findings suggest that magnitude of effectiveness and interpersonal proximity interact to affect negative perceptions of the corporation, through their combined effect on individuals' ethical judgment.[3]

Discussion

As predicted, a corporation that responded with a high magnitude of effectiveness was perceived less negatively and elicited greater pro-organizational intentions, including greater intentions to recommend products and services and lesser intentions to protest again the corporation or to obstruct its goals. Similarly, having members of the corporation personally distribute the aid to victims (high interpersonal proximity) led to greater pro-organizational intentions; however, it did not affect negative perceptions. This null effect may have been due to the fact that within a crisis response, an interpersonally proximal response, when taken alone, does not signal the corporation's character (i.e., provide cues about its deceptiveness, insensitivity, etc.). But it does affect individuals' willingness to engage in pro-organizational behaviors. We pursue this question further in the following studies.

We proposed that a response's high magnitude of effectiveness and interpersonal proximity independently heightened individuals' judgment of the response's ethicality (Hypotheses 3a–b), thereby decreasing negative perceptions of and increasing individuals' pro-organizational intentions toward the corporation. We found evidence of this explanatory variable for the magnitude of effectiveness relationships but not for those of interpersonal proximity.

We also found evidence for the predicted interaction between these two variables (Hypothesis 4): when a corporation responded in a way that demonstrated interpersonal proximity but did not provide a large magnitude of effective help to the victims, the corporation was perceived more negatively than when it did provide effective help. And this interaction occurred through ethical judgment (Hypothesis 5). This finding provides initial evidence that these two moral intensity dimensions affect ethical judgment (Jones, 1991) and that ethical judgment then explains the interaction between these variables on negative perceptions (we did not find this predicted interaction on individuals' pro-organizational intentions).

Combining these results with expectancy violation theory (Jones, 1990), one would predict that corporations that explicitly portray themselves as communal oriented (i.e., giving out of their care for others) will be perceived more negatively when they provide a response that appears to be caring but is ultimately unhelpful (i.e., high in interpersonal proximity, low in magnitude of effectiveness); however,

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

this effect will not be witnessed for corporations that explicitly portray themselves as exchange oriented (giving only in equal measure to what they expect to receive in return) (Clark & Mills, 1979), because these corporations will not have violated such an expectancy. We pursue this question in Study 2.

STUDY 2: RELATIONSHIP ORIENTATION AS A MODERATOR

Individuals divide relationships into those that are either communal or exchange (Clark & Mills, 1979). The primary distinction between these two orientations is the norms that govern giving and receiving benefits. In communal relationships, one provides benefits to demonstrate care and concern for the other. In contrast, in exchange relationships, one only provides benefits to the other to the extent that he or she expects to receive equivalent benefits in return or as repayment. Within the confines of an exchange relationship, individuals should not expect the corporation to intervene in an external crisis context—one in which the corporation is not the cause of the suffering and will not get anything in recompense from the victims.

Expectations of others' behaviors determine how individuals perceive, as well as the responses that they take toward these others (e.g., Bettencourt, Dill, Greathouse, Charlton, & Mulholland, 1997; Kernahan, Bartholow, & Bettencourt, 2000). When targets' actions violate expectations, perceivers experience greater affective arousal and have more extreme evaluations of the target (Bartholow, Fabiani, Gratton, & Bettencourt, 2001). Accordingly, we predicted that when a corporation portrays itself as communal oriented, it will be perceived negatively and receive less favorable behavioral intentions toward it when it delivers a response that is high in interpersonal proximity but low in effectiveness (in contrast to high in effectiveness). We hypothesize that such differences will not be elicited when the corporation portrays itself as exchange orientated because such a caring response is not expected from such a corporation.

> **Hypothesis 6:** The interaction between magnitude of effectiveness and interpersonal proximity on negative perceptions and pro-organizational intentions will occur for a corporation that presents itself as communal-oriented but not one that presents itself as exchange-oriented.

Method

Participants and Design

One hundred and eight students (63 percent female; M_{age} = 19.52 years old, SD = 1.46) at a private university in the United States participated in this study. All were part of a volunteer subject pool and participated in exchange for a small monetary compensation. We randomly assigned them to an experimental condition in a 2 (communal/exchange relationship orientation) × 2 (high/low magnitude of effectiveness) × 2 (high/low interpersonal proximity) between-participants design.

Procedures

We told participants that they were participating in a study on evaluating a corporation's response to a natural disaster. They first listened to a radio broadcast pre-rated

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

as describing either a communal or exchange oriented corporation. Specifically, during the broadcast, the executive in the communal oriented corporation stated: "We deliver a good product and we know it. Thus, we must give back to those we work with." In contrast, the executive in the exchange oriented corporation stated, "We deliver a good product and we know it. Thus, we expect an equivalent exchange from those we work with." Participants then listened to one of the four scenarios of the corporation's crisis response used in Study 1, in which we manipulated magnitude of effectiveness and interpersonal proximity of the response.

Manipulation Pre-Test

We pre-tested these manipulations for the extent to which they communicated a communal versus exchange relationship orientation. Twenty-nine individuals drawn from the same participant pool served as pre-test participants. They were given definitions of communal and exchange relationships (see Clark & Mills, 1979) and asked to rate how much the broadcast portrayed a corporation that was communal (1 = *extremely communal*) or exchange (7 = *extremely exchange*) oriented. The communal broadcast (M = 3.14, SD = 1.61) was rated as significantly more communal in its orientation than was the exchange broadcast (M = 5.47, SD = 1.36), $F(1, 27) = 17.76$, $p < .001$.

Dependent Measures

All participants also read a written "transcript" of the broadcast about the corporation's response. Using the same items used in Study 1, participants then assessed their ethical judgment of the corporation's response, negative perceptions of corporation (4 items, $\alpha = .85$), and their pro-organizational intentions toward it (7 items, $\alpha = .80$).

In order to check participants' recall of our manipulation, we asked them to indicate if a relief agency spokesperson had indicated that the corporation's donation was either *immediately needed* or *not immediately needed* by the victims. We also presented participants with four options of donation distribution: *delivered in person by members of the corporation*, *delivered in person by members of a non-profit organization*, *sent through the mail*, or *delivered via a corporate-owned airplane* and asked them to indicate which option the corporation used.

Results

Manipulation Checks

As expected, all participants in the high magnitude of effectiveness conditions indicated that the items were *immediately needed*, whereas, all those in the low magnitude of effectiveness conditions indicated that the items were *not immediately needed*. Likewise, all participants in the high interpersonal proximity conditions correctly indicated that the items were delivered in-person by members of the corporation, whereas, all those in the low interpersonal proximity conditions indicated that they were delivered by mail.

See Table 3 for descriptive statistics and intercorrelations between all study variables.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Table 3: Study 2: Variable Descriptive Statistics and Intercorrelations

Variable	Mean	SD	1	2	3	4	5	6
1. Relationship Orientation			--					
2. Magnitude of Effectiveness			-.04	--				
3. Interpersonal Proximity			-.05	-.004	--			
4. Ethical Judgment	4.81	1.33	.30**	.02	-.34***	--		
5. Negative Perceptions	3.28	1.34	-.20*	-.09	.46***	-.61***	--	
6. Pro-Organizational Intentions	5.30	0.95	.18†	.07	.22*	.50***	-.69***	--

Note: N = 108. *Relationship orientation* coded as 1 = exchange; 2 = communal.
$^{\dagger}p < .10$, $*p < .05$, $**p < .01$, $***p < .001$.

Main Effects of Relationship Orientation, Effectiveness, and Proximity

Individuals perceived a communal oriented corporation (M = 3.03, SD = 1.39) less negatively than an exchange oriented corporation (M = 3.59, SD = 1.21), $F(1, 100) = 5.35$, $p = .023$, $\eta^2 = 0.05$. In addition, the positive, main effect of relationship orientation on pro-organizational intentions was marginally-significant, $F(1, 100) = 3.36$, $p = .07$, $\eta^2 = 0.03$, with communal oriented corporations (M = 5.45, SD = 0.93) eliciting greater pro-organizational intentions than exchange oriented corporations (M = 5.11, SD = 0.95).

As found in Study 1, the magnitude of effectiveness of the response positively affected both negative perceptions of the corporation, $F(1, 100) = 27.29$, $p < .001$, $\eta^2 = .21$, and individuals' pro-organizational intentions toward it, $F(1, 100) = 4.96$, $p = .030$, $\eta^2 = .05$. Specifically, a more effective response ($M_{perceptions} = 2.59$, SD = 1.26; $M_{P\text{-}OI} = 5.54$, SD = 0.89) elicited less negative perceptions and greater intentions than a less effective response ($M_{perceptions} = 3.83$, SD = 1.10; $M_{P\text{-}OI} = 5.11$, SD = 0.96) (Hypothesis 1). However, unlike Study 1, there were no main effects of interpersonal proximity, all Fs ≤ 1.28, ps ≥ .26.

Mediation by Ethical Judgment

We again explored if our main effects of magnitude of effectiveness were mediated by individuals' ethical judgment. Using the Preacher and Hayes (2008) bootstrapping macro, we found that individuals' ethical judgment mediated both of these relationships. Specifically, the indirect effect of magnitude of effectiveness on negative perceptions via ethicality was significant ($z = 3.19$, $p = .001$); the bootstrap analysis yielded a confidence interval that did not contain 0 (CI 95% = .177, .847; N = 108; 10,000 re-samples). Similarly, the indirect effect of magnitude of effectiveness on pro-organizational intentions via ethicality was significant ($z = -2.99$, $p = .003$); the bootstrap analysis yielded a confidence interval that did not contain 0 (CI 95% = -.553, -.117; N = 108; 10,000 re-samples). Thus, Hypothesis 3a was again supported.

Moderation of the Effectiveness × Proximity Interaction by Relationship Orientation via Ethical Judgment

We hypothesized that the interaction between magnitude of effectiveness and interpersonal proximity would be moderated by relationship orientation (Hypothesis 6). In support of this hypothesis, there was a three-way interaction between these

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

variables on negative perceptions of the corporation, $F(1, 100) = 3.85$, $p = .05$, $\eta^2 = .04$, and pro-organizational intentions, $F(1, 100) = 8.16$, $p = .01$, $\eta^2 = .08$.

To examine the moderating role of relationship orientation, we separated the interaction by the communal- versus exchange-oriented conditions. As we predicted, when the corporation portrayed itself as communal oriented, we replicated the interaction between magnitude of effectiveness and interpersonal proximity on negative perceptions, $F(1, 56) = 4.13$, $p = .047$, $\eta^2 = .07$, and pro-organizational intentions, $F(1, 56) = 4.64$, $p = .036$, $\eta^2 = .08$. However, the interaction was not significant when the corporation portrayed itself as exchange oriented: negative perceptions, $F(1, 44) = 0.65$, $p = .43$; pro-organizational intentions, $F(1, 44) = 3.63$, $p = .063$. Exploring this three-way interaction in more detail, contrasts revealed that a communal oriented corporation that provided a response high in interpersonal proximity but low in effectiveness was perceived more negatively (M = 4.04, SD = 1.35), $t(56) = -4.44$, $p < .001$, and elicited lesser pro-organizational intentions (M = 4.97, SD = 0.92), $t(56) = -2.71$, $p = .009$, in comparison to one that was both high in interpersonal proximity and effectiveness ($M_{perceptions} = 2.08$, SD = 1.24; $M_{P\text{-}OI} = 5.87$, SD = 0.91). No such differences were observed between high ($M_{perceptions} = 2.53$, SD = 0.92; $M_{P\text{-}OI} = 5.50$, SD = 0.83) and low magnitude of effectiveness ($M_{perceptions} = 3.23$, SD = 1.24; $M_{P\text{-}OI} = 5.60$, SD = 0.92) for a corporation that provided a response low in interpersonal proximity, $t_{perceptions}(56) = -1.60$, $p = .12$; $t_{P\text{-}OI}(56) = 0.32$, $p = .75$.[4]

To test Hypothesis 5, we then conducted the same moderated mediation analysis used in Study 1 but only for the communal oriented condition. We predicted that the effectiveness × proximity interaction on both negative perceptions and pro-organizational intentions would be mediated by ethical judgment. Specifically, we examined the conditional indirect effects of magnitude of effectiveness on perceptions and intentions via ethical judgment when proximity was both high and low. We predicted that the effect of ethical judgment would be significant only at high levels of proximity. Our results supported this prediction. The conditional indirect effect of effectiveness on perceptions and intentions (N = 60; 10,000 re-samples) when proximity was high was mediated by ethical judgment — the confidence interval did not include 0 (negative perceptions: CI 95% = -.82, -.17; pro-organizational intentions: CI 95% = .04, .40). In contrast, it did not mediate at low levels of proximity (negative perceptions: CI 95% = -.36, .14; pro-organizational intentions: CI 95% = -.06, .16).

Discussion

Study 2 replicated several previous findings, as well as contributed additional insight into how the magnitude of effectiveness and interpersonal proximity of a corporation's disaster response affect perceptions of the corporation and pro-organizational intentions toward it. It also demonstrated how expectations of the corporation's relationship orientation (and violation of this expectation, Jones, 1990) moderated the interaction between these variables. As found in Study 1, the magnitude of effectiveness of the response influenced both dependent variables. However, in-

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

terpersonal proximity showed no main effects. We discuss the inconsistency in the elicited effects of interpersonal proximity in more detail in the General Discussion.

Unique to Study 2, a corporation that portrayed itself as communal oriented was perceived less negatively and elicited (marginally) greater pro-organizational intentions toward it compared to one that portrayed itself as exchange oriented. However, portraying oneself as communal oriented was also found to be a liability when such a portrayal was accompanied by a proximal but ineffective response. In other words, a corporation that portrayed itself with a greater orientation of care, and yet violated this expectation by appearing to be caring (i.e., delivering a response high in proximity) but not providing actual help (i.e., delivering a response low in effectiveness), was rated more negatively and elicited lesser pro-organizational intentions toward it. However, this effect was not found for a corporation that was explicit in its exchange-oriented motivations. For communal oriented corporations, this interaction operated via individuals' ethical judgment. These results imply that, at least within the external crisis context, a communal orientation for the corporation serves as a default—when no relationship orientation is explicitly provided by the corporation (as was done in Study 1), individuals act as if it were communal. This finding stands in stark contrast to the literature theorizing that the corporate domain is primarily exchange oriented (Goffman, 1961).

In addition, unlike Study 1, we found that interaction between interpersonal proximity and magnitude of effectiveness affected pro-organizational intentions, as well as negative perceptions. A possible reason for the difference between the findings in Study 1 versus Study 2 is the sample (given that we operationalized the variables in the same way). Study 1 used experienced managers, whereas Study 2 used university students. It is plausible that while the interaction between magnitude of effectiveness and interpersonal proximity communicated intent to experienced managers, and hence affected negative perceptions of the corporation, it did not affect their behavioral intentions toward it.

STUDY 3: THE INTENT TO ETHICAL JUDGMENT LINK

In Study 3, we conducted a more fine-grained examination of the pathway by which magnitude of effectiveness and interpersonal proximity interact to affect negative perceptions of the corporation and pro-organizational intentions toward it. Previous research has shown that perceivers extract information about a target's motives from its behavior (Gilbert & Malone, 1995). Thus, we propose that individuals' ethical judgment, which we have shown is the mechanism behind our effectiveness × proximity interaction, is driven by perceptions that the corporation's crisis response was motivated by benevolent concern (e.g., concern for victims, desire to give back to the community). Research on social cause marketing and social psychology supports this hypothesis. Specifically, it demonstrates that the perceived or explicit intent behind a corporation's CSR actions affects individuals' perceptions of the corporation and their intended behaviors toward it (Barone, Miyazaki, & Taylor, 2000; Forehand & Grier, 2003). Hence, consumers appear to care about the motives behind a corporation's CSR activities as much as the activities themselves (Webb &

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Mohr, 1998). However, none of these studies identified *why* perceptions of intent, its benevolence or malevolence, affect perceptions and behavioral intentions. We examine if this effect occurs via individuals' ethical judgment.

> **Hypothesis 7:** Perceptions of the corporation's benevolent concern will fully mediate the interaction between a disaster response's magnitude of effectiveness and interpersonal proximity on individuals' ethical judgment of the response.

Another goal of Study 3 was to operationalize the variables of magnitude of effectiveness and interpersonal proximity in a different manner. First, we wished to demonstrate that these effects were a function of our underlying constructs, rather than the way we chose to operationalize them. Second, our concern with the previous manipulation of interpersonal proximity was that in the low proximity condition, the mailing of goods could be seen as more burdensome to relief organizations (and perhaps, victims), which would then have to find a place to store them and a way to distribute them to victims. A relief aid expert from the field reflected this concern when he stated, "Following an emergency, many companies seek to make in-kind donations. In spite of their good intentions, this can hinder relief efforts—clogging up supply chains and warehouse space, distracting relief workers, and/or conflicting with social, political and cultural values" (Isaacs, 2009). Although there was no empirical reason to believe that this alternative explanation was operating, it was prudent for us to use another manipulation to rule it out. Third, we were concerned that the previous manipulations of magnitude of effectiveness via describing that the goods were either immediately needed or not needed by victims may have led participants to believe that the victims had already been given these items by another corporation or non-profit organization. Thus, in Study 3, we manipulated this variable more directly. We also altered this variable so that it more explicitly aligned with how Jones (1991) originally conceived of it: the magnitude of individuals who were benefitted.

Method

Participants and Design

One hundred and six students at a private university in the United States (64 percent female; M_{age} = 19.98 years old, SD = 1.53) participated. All were part of a volunteer subject pool and participated in exchange for a small monetary compensation. We randomly-assigned them to a condition in a 2 (high/low magnitude of effectiveness) × 2 (high/low interpersonal proximity) between-participants design.

Procedures

We told participants that the study was about corporate responses to natural disasters. They read a scenario in which we manipulated the response's magnitude of effectiveness and interpersonal proximity. As in Study 2, participants listened to a broadcast, as well as read a transcript of the response.

Study 3 reproduced the procedures of Study 1 except for two alterations in the scenarios (see Appendix). First, we operationalized *magnitude of effectiveness* of the corporation's intervention as *high* by stating that it helped a very large number

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

(approximately 80%) or as *low* by stating that it helped only a small number (approximately 20%) of disaster victims. Second, although we again manipulated *high interpersonal proximity* by describing that members of the corporation personally came down to the disaster site to distribute aid, here we manipulated *low interpersonal proximity* by describing that the corporation donated cash to residents.

Manipulation Pre-Test

Because these manipulations were new, we had them pre-tested by an independent sample. Forty-nine individuals (64% female; M_{age} = 19.64, SD = 1.73) read one of the four scenarios and were asked: "How effective is this corporation's response?" (*magnitude of effectiveness*), and, "How interpersonally involved with victims is the corporation's response?" (*interpersonal proximity*). As predicted, there was a main effect of magnitude of effectiveness on the perceived effectiveness, $F(1, 45) = 18.79$, $p < .001$, but not on the perceived proximity of the response, $F(1, 45) = 0.23$, $p = .63$. In contrast, there was a main effect of interpersonal proximity on the perceived proximity of the response, $F(1, 45) = 5.42$, $p = .024$, but not on its effectiveness, $F(1, 51) = 0.24$, $p = .88$. And these variables showed no interactions on either of the two items, all Fs < 0.75, ps > .39.

Dependent Measures

Participants completed the item assessing their ethical judgment, four items assessing negative perceptions of (α = .85), and the seven items assessing their pro-organizational intentions toward the corporation (α = .77). They also completed a four-item measure assessing perceptions of the corporation's benevolent concern behind its response (*How much do you believe that the following factor was a motivator in the corporation's disaster intervention?: concern for victims' well-being, desire to reduce disaster victims' suffering, desire to be a good corporate citizen, desire to "give back" to the community*, 1 = *not at all*; 7 = *very much so*), α = .92. See Table 4 for the descriptive statistics and intercorrelations between all study variables.

Results

Main Effects of Effectiveness and Proximity

Magnitude of effectiveness affected pro-organizational intentions only, $F(1, 102) = 4.32$, $p = .040$, $\eta^2 = .04$, such that in comparison to a less-effective response (M =

Table 4: Study 3: Variable Descriptive Statistics and Intercorrelations

Variable	Mean	SD	1	2	3	4	5	6
1. Magnitude of Effectiveness			--					
2. Interpersonal Proximity			.02	--				
3. Ethical Judgment	4.93	1.22	-.25**	-.02	--			
4. Benevolent Concern	4.04	1.48	.22*	.06	.47***	--		
5. Negative Perceptions	3.07	1.25	.14	-.12	-.58***	-.54***	--	
6. Pro-Organizational Intentions	5.24	0.88	-.19	-.01	.64***	.37***	-.53***	--

Note: N = 106
*p < .05, **p < .01, ***p < .001

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

5.08, SD = 0.95), a more-effective response (M = 5.42, SD = 0.77) elicited greater intentions to engage in pro-organizational behaviors (Hypothesis 1). The effect of effectiveness on negative perceptions was not significant, $F(1, 102) = 2.16$, $p = .15$. And as found in Study 2, there were no main effects of interpersonal proximity, all Fs ≤ 1.42, ps ≥ .23.

Mediation by Ethical Judgment

Using the Preacher and Hayes (2008) bootstrapping macro, we found that the indirect effect of magnitude of effectiveness on pro-organizational intentions via ethical judgment was significant ($z = -2.53$, $p = .012$) and the bootstrap analysis yielded a confidence interval that did not contain zero (CI 95% = -.538, -.068; N = 106; 10,000 re-samples). Thus, Hypothesis 3a was partially supported.

Interaction between Effectiveness and Proximity

As predicted by Hypothesis 4, magnitude of effectiveness and interpersonal proximity interacted to affect negative perceptions, $F(1, 102) = 7.19$, $p = .009$, $\eta^2 = .07$, and pro-organizational intentions, $F(1, 102) = 6.27$, $p = .014$, $\eta^2 = .06$. As found in the previous studies, a corporation that responded with high interpersonal proximity was perceived more negatively and elicited less pro-organizational intentions toward it if it accompanied this response with one that was low in effectiveness ($M_{perceptions} = 3.69$, SD = 1.43; $M_{P\text{-}OI} = 4.87$, SD = 1.10), rather than high in effectiveness ($M_{perceptions} = 2.72$, SD = 0.97; $M_{P\text{-}OI} = 5.63$, SD = 0.66), $t_{perceptions}(102) = -2.94$, $p = .004$; $t_{P\text{-}OI}(102) = -3.24$, $p = .002$. We found no such difference for corporations that provided a response that was low in interpersonal proximity and high ($M_{perceptions} = 3.07$, SD = 1.30; $M_{P\text{-}OI} = 5.20$, SD = 0.83) versus low in effectiveness ($M_{perceptions} = 2.79$, SD = 1.08; $M_{P\text{-}OI} = 5.27$, SD = 0.74), $t_{perceptions}(102) = .86$, $p = .39$; $t_{P\text{-}OI}(102) = .30$, $p = .76$.

Moderated Mediation by Ethical Judgment

To test Hypothesis 5, we then conducted the same moderated mediation analysis as used in Studies 1 and 2. We examined the conditional indirect effects of magnitude of effectiveness on perceptions and intentions via ethical judgment when proximity was both high and low. We predicted that the effect of ethical judgment would be significant only at high levels of proximity. Our results (N = 106, 10,000 re-samples) supported this prediction. The conditional indirect effect of effectiveness on perceptions and intentions when proximity was high was mediated by ethical judgment; the confidence interval did not include 0 (negative perceptions: CI 95% = -.53, -.09; pro-organizational intentions: CI 95% = .07, .42). In contrast, it did not mediate at low levels of proximity (negative perceptions: CI 95% = -.24, .10; pro-organizational intentions: CI 95% = -.07, .18). In support of Hypothesis 5, magnitude of effectiveness and interpersonal proximity interacted to affect negative perceptions of the corporation and individuals' pro-organizations intentions toward it, through their combined effect on individuals' ethical judgment.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Moderated Mediation by the Corporation's Perceived Benevolent Concern

Hypothesis 7 predicted that the interaction between magnitude of effectiveness and interpersonal proximity on ethical judgment was explained via individuals' perceptions of the corporation's benevolent concern motivating its crisis response. To test this prediction, we performed a second moderated mediation analysis of the relationship between magnitude of effectiveness and ethical judgment using interpersonal proximity as the moderator and perceptions of benevolent concern as the mediator; we predicted that the effects would be significant only at high levels of proximity.

For ethical judgment, we found that the conditional indirect effect of magnitude of effectiveness at high levels of interpersonal proximity was fully mediated by perceived benevolent concern; the confidence interval did not include 0 (CI 95% = .07, .40; N = 106; 10,000 re-samples). This was not the case at low levels of proximity (CI 95% = -.13, .16; N = 106; 10,000 re-samples). Taken together, these findings suggest that the interactive effects of magnitude of effectiveness and interpersonal proximity affect individuals' ethical judgment via their perceptions of the corporation's benevolent intentions behind its actions (Hypothesis 7).

Discussion

The results of Study 3 largely replicate the findings of the previous studies, as well as extend our understanding of how the dimensions of a corporation's external crisis response interact to affect individuals' negative perceptions of the corporation and pro-organizational intentions toward it. The effect of magnitude of effectiveness on negative perceptions of the corporation replicated the direction found in the previous two studies, although it was not significant. This reduced magnitude of the main effect may be a function of the new way in which we operationalized effectiveness. Specifically, our initial way of operationalizing effectiveness was to state whether the relief agency reported that the items were or were not needed by the victims, which might have communicated foreknowledge on the part of the corporation, and thus, the corporation's intent to sincerely help victims—more strongly triggering ethical judgment.

We replicated the magnitude of effectiveness by interpersonal proximity interaction on our two dependent variables, despite altering our operationalizations of both variables. More importantly and consistent with Hypothesis 5, we found that ethical judgment of the response mediated the interaction between these variables and that ethical judgment was explained by the benevolent concern attributed to the corporation (Hypothesis 7). When a corporation demonstrated an interpersonally proximal response with the victim, individuals expected such behavior to be accompanied by effective help. Such perceptions of benevolent concern then explained individuals' lowered ethical judgments and these judgments explained individuals' negative perceptions of and pro-organizational intentions toward the corporation.

GENERAL DISCUSSION

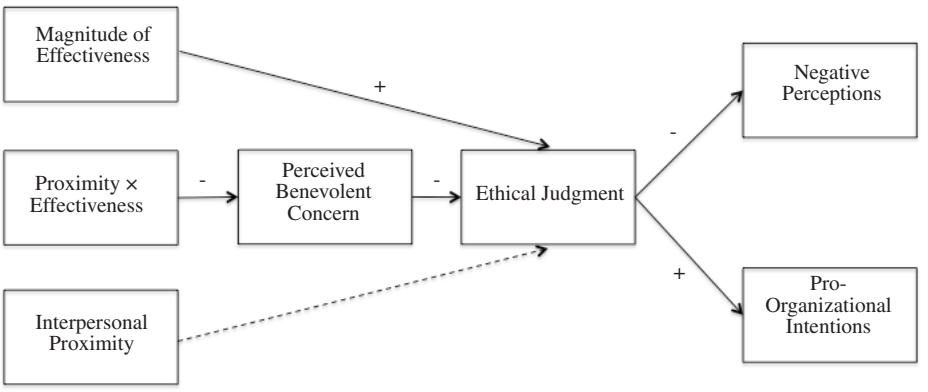
Companies increasingly play an important role in responding to natural disasters. However, there is an incomplete understanding of how the attributes involved in such interventions affect perceptions of the corporation and intended behaviors

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

toward it. We investigated these questions by applying Jones's (1991) theory of moral intensity to the case of corporate external crisis responses.

Magnitude of Effectiveness and Interpersonal Proximity

With the one exception of negative perceptions in Study 3, magnitude of effectiveness had consistent main effects across all studies and dependent measures. In contrast, interpersonal proximity did not affect our focal dependent variables as expected (it only showed a main effect on pro-organizational intentions in Study 1). There are three plausible hypotheses for why this predicted main effect failed to materialize. The first is that proximity does not lead to heightened ethical judgment and behavior as Jones (1991) originally theorized. As we cite in the Introduction, there is numerous evidence pointing to the relationship between proximity with the victim and ethical judgment and action (e.g., Davis et al., 1998; Gino et al., 2010). That said, there are also studies that have shown null effects (e.g., Bowes-Sperry & Powell, 1999; Marshall & Dewe, 1997; Singhapakdi et al., 1996 on all but one scenario). Thus, it appears that the evidence for the strength of this relationship is mixed. Second, this null effect could be due to our variation in how Jones originally conceived of the variable. Whereas Jones operationalized it as closeness between judge and victim, we operationalized it as closeness between agent and victim. While we hypothesized that this alteration would still enact the same psychological processes (Gino et al., 2010; Paharia et al., 2009; Small & Lowenstein, 2003), it is possible that it did so to a lesser degree. In support of this point, proximity only induced a main effect in our study with corporate managers (Study 1). It is plausible that only for managers, who were like the managers in the vignette, was this variation salient enough to elicit sufficient feelings of closeness with victims. And lastly, this null effect may be a function of the corporate domain in which we are investigating the phenomenon. As we propose in the Introduction, individuals see the primary purpose of a corporation—at least within the external crisis domain—as being to use its resources to



Note: Because *Interpersonal Proximity* showed mostly null effects throughout the three studies (except with pro-organizational intentions in Study 1), we represent it with a dashed line.

Figure 2: Model Synthesizing Primary Findings Across Three Studies

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

carry out an effective relief plan (Aaker et al., 2010). Thus, interpersonal proximity, on its own, may not enact effects.

Figure 2 represents a visual synthesis of our findings across three studies. It can be construed as a conceptual framework showing the process through which the variables, magnitude of effectiveness and interpersonal proximity, drive observers' perceptions of and intended actions toward a corporation responding to an external crisis.

The Strategic Samaritan

Across three studies, it was when a corporation displayed an interpersonally proximal response but did not accompany it by effective help that the corporation received the most negative responses. In other words, interpersonal proximity moderated the magnitude of effectiveness to corporation perceptions and intentions relationships. We term this unique interaction, the *Strategic Samaritan*, for as we show in Study 3, this relationship is explained by the ethical judgment resulting from the benevolent concern attributed to the corporation's actions. When the corporation tries to appear like a Good Samaritan, displaying interpersonal proximity with the victims, but does not accompany this interpersonal proximity with effective help, it is seen as having lesser benevolent concern. While we do not have empirical evidence to support this contention, it is plausible that corporations perceived to be helping out of less benevolent concern are perceived to be instead acting out of greater concern for their own welfare (i.e., acting with self-serving motivations) (Forehand & Grier, 2003). Additional research is needed to answer this question. In order to explore the robustness of our strategic Samaritan hypothesis, we pooled the effect sizes of our planned contrasts for responses high versus low in effectiveness for corporations that provided a response high in interpersonal proximity and for those that provided a response low in interpersonal proximity. As predicted, the effect size for the effectiveness manipulation was small (d_{mean} = .40) for responses low in interpersonal proximity, whereas it was large (and double in size) (d_{mean} = .82) for responses high in interpersonal proximity (Cohen, 1988).[5]

Limitations and Future Directions

We acknowledge several limitations to the current investigation. First, all studies used a scenario design. Although we led participants to believe that they were reading about and/or listening to a broadcast describing an actual corporate response to an external disaster, the scenario design may have lacked realism. Relatedly, our dependent measures only captured individuals' intended behaviors toward the corporation, rather than their actual behaviors. Although we did ask about specific behaviors that the individual would engage in, thus helping to strengthen the intention-action link (Fishbein & Ajzen, 1978), it is not possible to determine if participants would actually have acted in these ways if given the opportunity.

Second, a host of additional situational or personal factors may matter. These include a corporation's explicit acknowledgment that its actions are for self-serving purposes (viz., Forehand & Grier, 2003) or the characteristics of the perceiver, such

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

as an individual's cognitive moral development (Kohlberg, 1969) and field dependence (Witkin, Moore, Goodenough, & Cox, 1977).

Third, the effects on our dependent variables across the three studies were somewhat inconsistent. For example, Study 1 was the only study in which interpersonal proximity showed a main effect (on pro-organizational intentions) and in which the interaction between magnitude of effectiveness and interpersonal proximity failed to affect pro-organizational intentions. These inconsistent effects could be a function of our participants, which in Study 1 were upper-level, corporate managers. Given that we manipulated interpersonal proximity by describing that members of the top management team personally distributed the aid, it is possible that the high interpersonal proximity manipulation was quite intimate and personal to these managers, heightening their ethical judgment and leading them to have pro-organizational intentions toward the corporation when it possessed an effective response and not punishing the corporation through their intended actions when it lacked an effective response.

Lastly, two out of our three studies used students as the participant sample. As we investigated fairly fundamental issues related to human functioning (e.g., ethical judgment and perceptions of a corporate target), there is no reason to believe that this inclusion limited the conclusions that we can draw from these results, nor their generalizability. In addition, all of these students had witnessed (second-hand) the catastrophic events of natural disasters like Hurricane Katrina and the Asian Tsunami.

However, the limitations of the current research also provide impetus for future research. For example, given the effects of relationship orientation on negative perceptions of and behavioral intentions toward it, it is possible that crisis responses by corporations in care-based industries (e.g., pharmaceuticals or infant products) would elicit more extreme perceptions and actions than those by corporations in more exchange oriented industries (e.g., financial services).

Second, all our manipulations of interpersonal proximity focused on behaviors undertaken by members of the top management team. We did this because as the strategy literature demonstrates, a corporation is "made up" of this body of individuals (Hambrick & Mason, 1984). However, what would happen if these actions were taken by lower-echelon workers? We hypothesize that doing so would have less potent effects on perceptions of the organization and individuals' pro-organizational intentions toward it because lower-level employees' behaviors would be seen as less representative of the corporation's strategy.

Practical Implications

The current results suggest several practical implications. First, as corporations face greater expectations to intervene in social crises (Bonini et al., 2007), our results provide direction on how corporations should shape their responses in order to elicit the most favorable stakeholder impressions and intentions. For example, they suggest that a response's magnitude of effectiveness in meeting victims' needs should be a foremost concern when designing a response. As we found throughout the three studies, corporations that met victims' needs were perceived less negatively and

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

elicited greater pro-organizational intentions toward it than those that did not. And as we demonstrated, magnitude of effectiveness can be communicated not only by demonstrating the number of victims that the aid reached but also by having relief organization spokespeople comment on the necessity of the corporation's actions. However, according to the results of Study 3, when taken alone, describing the number of victims that the aid reached may not impact negative perceptions of the corporation in the same way that relief agency commentary does. Greater investigation into this finding is needed in order to draw more definitive conclusions.

Second, on its own, magnitude of effectiveness is not the only factor that a corporation should be attuned to when designing its response. When paired with effectiveness, interpersonal proximity has meaningful effects, as well. However, unless a corporation is willing to provide a response that is helpful to the victims (i.e., has a high magnitude of effectiveness), it should not deliver an interpersonally proximal response; otherwise, it may be perceived as having a low level of benevolent concern (and perhaps, as more self-serving, i.e., a Strategic Samaritan).

Lastly, a corporation's issuance of a communal orientation toward its stakeholders can be a double-edged sword; although when taken alone it leads to more favorable perceptions and behavioral intentions, if a communal oriented corporation fails to meet expectations of providing effective help in the face of an interpersonally-proximal interaction, it will be subjected to even less favorable evaluations than if it portrays itself as exchange oriented.

CONCLUSIONS

Within the external crisis context, it is often the "thought" attributed to the corporation's actions that affects perceptions of and intentions toward it. Acting with interpersonal proximity without providing effective help can lead to jaundiced perceptions. Like the Biblical parable of the Good Samaritan, it is doubtful that the Samaritan's actions would have been included in the Gospels had he simply stopped at the side of the road, patted the injured man on the back in a public display of care, offered items that did not ameliorate his suffering, and walked away. Instead, the Samaritan stopped, bandaged the man's wounds, fed and clothed him, and brought him to shelter. As we found in the current investigation, corporations may not be required to personally stop to "bandage wounds; " however, corporations may learn that if they do stop to provide this care, then they must also provide bandages that stop the bleeding.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

APPENDIX

Study 1 and 2 Scenarios

High Magnitude of Effectiveness/High Interpersonal Proximity
Following a catastrophic hurricane, a large American corporation sent members of its top management team, including the CEO and middle-level managers, to personally distribute hundreds of goods (around $2 million worth) to the affected residents. Relief agencies had emphasized that these products were immediately needed by the residents.

High Magnitude of Effectiveness/Low Interpersonal Proximity
Following a catastrophic hurricane, a large American corporation mailed hundreds of goods (around $2 million worth) to the affected residents. Relief agencies had emphasized that these products were immediately needed by the residents.

Low Magnitude of Effectiveness/High Interpersonal Proximity
Following a catastrophic hurricane, a large American corporation sent members of its top management team, including the CEO and middle-level managers, to distribute hundreds of goods (around $2 million worth) to the affected residents. Relief agencies had emphasized that these products were not immediately needed by the residents.

Low Magnitude of Effectiveness/Low Interpersonal Proximity
Following a catastrophic hurricane, a large American corporation mailed hundreds of goods (around $2 million worth) to the affected residents. Relief agencies had emphasized that these products were not immediately needed by the residents.

Study 3 Scenarios

High Magnitude of Effectiveness/High Interpersonal Proximity
Following a catastrophic natural disaster, a large American corporation sent members of its top management team, including the CEO and middle-level managers, to personally distribute hundreds of goods (around $2 million worth) to the affected residents. A relief agency reported that the aid provided assistance to a very large number of disaster victims—approximately 80%.

High Magnitude of Effectiveness/Low Interpersonal Proximity
Following a catastrophic natural disaster, a large American corporation donated $2 million in cash to the affected residents. A relief agency reported that the aid provided assistance to a very large number of disaster victims—approximately 80%.

Low Magnitude of Effectiveness/High Interpersonal Proximity
Following a catastrophic natural disaster, a large American corporation sent members of its top management team, including the CEO and middle-level managers, to distribute hundreds of goods (around $2 million worth) to the affected residents. A relief agency reported that the aid provided assistance to a very small number of disaster victims—approximately 20%.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Low Magnitude of Effectiveness/Low Interpersonal Proximity
Following a catastrophic natural disaster, a large American corporation donated $2 million in cash to the affected residents. A relief agency reported that the aid provided assistance to a very small number of disaster victims—approximately 20%.

NOTES

We would like to thank the Ford Center for Global Citizenship at the Kellogg School of Management for providing funding for this project.

1. Like Jones (1991), we use the terms *moral* and *ethical* interchangeably.
2. To confirm that the 11 items comprising the negative perceptions and pro-organizational intentions variables comprised two distinct constructs, we subjected them to a principle components analysis with Direct Oblimin rotation. Using the data across all three studies (N = 342), three factors emerged. Factor 1 (eigen value = 4.76) comprised the four negatively-worded and Factor 3 (eigen value = 1.13) comprised the three positively-worded reverse-coded pro-organizational intentions items. Factor 2 (eigen value = 1.27) comprised the 4 negative perceptions items. No items cross-loaded on more than one factor (at a loading > .3). Please contact the first author for more details on this analysis.
3. Please contact the first author for further details on all moderated mediation analyses.
4. While the interactions between effectiveness and proximity on negative perceptions and pro-organizational intentions in the exchange condition were not significant, the contrasts in the exchange condition symmetrically mirrored those in the communal condition. Specifically, a corporate response that was low in interpersonal proximity, was rated as significantly more negative, $p = .005$, and elicited lesser pro-organizational intentions, $p = .018$, when it provided a response that was low in effectiveness. However, effectiveness did not affect negative perceptions, $p = .11$, nor pro-organizational intentions, $p = .76$, when the response was high in interpersonal proximity. This finding is consistent with our theory of role expectancy violation. Namely, it is when a corporation provides a response that is consistent with its portrayed relationship orientation in its interpersonal proximity, but does not accompany it with a highly effective response, that it elicits negative perceptions and unfavorable behavioral intentions.
5. Please contact the first author for further details on this analysis.

REFERENCES

Aaker, J. L., Vohs, K. D., & Mogilner, C. 2010. Non-profits are seen as warm and for-profits as competent: Firm stereotypes matter. ***Journal of Consumer Research***, 37: 224–37.

Barone, M. J., Miyazaki, A. D., & Taylor, K. A. 2000. The influence of cause-related marketing on consumer choice: Does one good turn deserve another? ***Journal of the Academy of Marketing Science***, 28: 248–62.

Bartholow, B. D., Fabiani, M., Gratton, G., & Bettencourt, B. A. 2001. A psychophysiological analysis of cognitive processing of and affective responses to social expectancy violations. ***Psychological Science***, 12: 197–204.

Bettencourt, B. A., Dill, K. E., Greathouse, S., Charlton, K., & Mulholland, A. 1997. Predicting evaluations of ingroup and outgroup members: The role of category-based expectancy violation. ***Journal of Experimental Social Psychology***, 33: 244–75.

Bonini, S. M., McKillop, K., & Mendonca, L. T. 2007. Business and society: Special report. ***McKinsey Quarterly***, 2: 6–17.

Bowes-Sperry, L., & Powell, G. N. 1999. Observers' reactions to social-sexual behavior at work: An ethical decision making perspective. ***Journal of Management***, 25: 779–802.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Brown, T. J., & Dacin, P. A. 1997. The company and the product: Corporate associations and consumer product responses. ***Journal of Marketing***, 61: 68–84.

Carlson, D. S., Kacmar, K. M., & Wadsworth, L. L. 2002. The impact of moral intensity dimensions on ethical decision making: Assessing the relevance of orientation. ***Journal of Managerial Issues***, 14: 15–30.

Church, B., Gaa, J. C., Nainar, S. M. K., & Shehata, M. M. 2005. Experimental evidence relating to the person-situation interactionist model of ethical decision making. ***Business Ethics Quarterly***, 15: 363–83.

Clark, M. S., & Mills, J. 1979. Interpersonal attraction in exchange and communal relationships. ***Journal of Personality and Social Psychology***, 37: 12–24.

Cohen, J. 1988. ***Statistical power analysis for the behavioral sciences*** (2nd ed). Hillsdale, N.J.: Erlbaum.

Davis, M. A., Johnson, N. B., & Ohmer, D. G. 1998. Issue-contingent effects on ethical decision making: A cross-cultural comparison. ***Journal of Business Ethics***, 17: 373–89.

Diermeier, D. 2011. ***Reputation rules: Strategies for building your company's most valuable asset***. New York: McGraw-Hill.

Ellen, P. S., Webb, D. J., & Mohr, L. A. 2006. Building corporate associations: Consumer attributions for corporate socially responsible programs. ***Academy of Marketing Science Journal***, 34: 147–57.

Fishbein, M., & Ajzen, I. 1978. ***Belief, attitude, intention and behaviour: An introduction to theory and research***. Boston: Addison-Wesley.

Forehand, M. R., & Grier, S. 2003. When is honesty the best policy? The effect of stated company intent on consumer skepticism. ***Journal of Consumer Psychology***, 13: 349–56.

Fritzsche, D. J. 1988. An examination of marketing ethics: Role of the decision maker, consequences of the decision, management position, and sex of the respondent. ***Journal of Macromarketing***, 8: 29–39.

Fritzsche, D. J., & Becker, H. 1983. Ethical behavior of marketing managers. ***Journal of Business Ethics***, 1: 291–99.

Garrett, T. M. 1966. ***Business ethics***. Englewood Cliffs, N.J.: Prentice Hall.

Gilbert, D. T., & Malone, P. S. 1995. The correspondence bias. ***Psychological Bulletin***, 117: 21–38.

Gino, F., Shu, L., & Bazerman, M. 2010. Nameless + harmless = blameless: When seemingly irrelevant factors influence judgment of (un)ethical behavior. ***Organizational Behavior and Human Decision Processes***, 111: 93–101.

Goffman, E. 1961. ***Asylums***. Garden City, N.Y.: Anchor Books.

Greene, J. D., Cushman, F. A., Stewart, L. E., Lowenberg, K., Nystrom, L. E., & Cohen, J. D. 2009. Pushing moral buttons: The interaction between personal force and intention in moral judgment. ***Cognition***, 111: 364–71.

Hambrick, D. C., & Mason, P. A. 1984. Upper echelons: The organization as a reflection of its top managers. ***Academy of Management Review***, 9: 193–206.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Isaacs, S. 2009. Five years after the tsunami: Lessons learned in corporate humanitarian assistance. ***Fast Company*** (December 26).

Jones, E. E. 1990. Expectancy effects. In R. C. Atkinson, G. Lindzey, & R. F. Thompson (Eds.), ***Interpersonal perception***, pp. 77–111. New York: Freeman.

Jones, T. M. 1991. Ethical decision making by individuals in organizations: An issue contingent model. ***Academy of Management Review***, 16: 366–95.

Jones, T. M., & Huber, V. L. 1992. Issue contingency in ethical decision making. ***International Association for Business and Society Proceedings***: 156–66.

Kernahan, C., Bartholow, B. D., & Bettencourt, B. A. 2000. Effects of category-based expectancy violation on affect-related evaluations: Toward a comprehensive model. ***Basic and Applied Social Psychology***, 22: 85–100.

Kohlberg, L. 1969. Stage and sequence: The cognitive developmental approach to socialization. In D. Goslin (Ed.), ***Handbook of socialization theory and research***, 347–480. Chicago: Rand McNally.

Lichtenstein, D. R., Drumwright, M. E., & Braig, B. M. 2004. The effect of corporate social responsibility on customer donations to corporate supported nonprofits. ***Journal of Marketing***, 68: 16–32.

Lowe, C. A., & Medway, F. J. 1976. Effects of valence, severity and relevance on responsibility and dispositional attribution. ***Journal of Personality***. 44: 518–38.

Lynch, P., Eisenberger, R., & Armeli, S. 1999. Perceived organizational support: Inferior-versus-superior performance by wary employees. ***Journal of Applied Psychology***, 84: 467–83.

Marshall, B., & Dewe, P. 1997. An investigation of the components of moral intensity. ***Journal of Business Ethics***, 16: 521–29.

May, D. R., & Pauli, K. P. 2002. The role of moral intensity in ethical decision-making: A review and investigation of moral recognition, evaluation, and intention. ***Business and Society***, 41: 84–117.

McMahon, J. M., & Harvey, R. J. 2006. An analysis of the factor structure of Jones' moral intensity construct. ***Journal of Business Ethics***, 64: 381–404.

Milgram, S. 1965. Some conditions of obedience and disobedience to authority. ***Human Relations,*** 18: 56–76.

Paharia, N., Kassam, K. S., Greene, J. D., & Bazerman, M. H. 2009. Dirty work, clean hands: The moral psychology of indirect agency. ***Organizational Behavior and Human Decision Processes***, 109: 134–41.

Pearson, C., & Clair, J. 1998. Reframing crisis management. ***Academy of Management Review,*** 23: 59–76.

Preacher, K. J., & Hayes, A. F. 2008. Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. ***Behavior Research Methods***, 40: 879–91.

Preacher, K. J., Rucker, D. D., & Hayes, A. F. 2007. Assessing moderated mediation hypotheses: Theory, methods, and prescriptions. ***Multivariate Behavioral Research***, 42: 185–227.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press

Reed, A., Aquino, K., & Levy, E. 2007. Moral identity and judgments of charitable behaviors. ***Journal of Marketing***, 71: 178–93.

Rest, J. 1986. ***Moral development: Advances in research and theory***. New York: Praeger.

Singer, M. S. 1996. The role of moral intensity and fairness perception in judgments of ethicality: A comparison of managerial professionals and the general public. ***Journal of Business Ethics***, 15: 469–74.

Singhapakdi, A., Vitell, S. J., & Kraft, K. L. 1996. Moral intensity and ethical decision-making of marketing professionals. ***Journal of Business Research,*** 36: 245–55.

Small, D. A., & Loewenstein, G. 2003. Helping *a* victim or helping *the* victim: Altruism and identifiabilty. ***Journal of Risk and Uncertainty***, 26: 5–16.

Treviño, L. K. 1986. Ethical decision making in organizations: A person–situation interactionist model. ***Academy of Management Review***, 11: 601–17.

Webb, D. J., & Mohr, L. A. 1998. A typology of consumer responses to cause-related marketing: From skeptics to socially concerned. ***Journal of Public Policy and Marketing***, 17: 226–38.

White, S., & Lang, H. 2012. ***Corporate engagement in natural disaster response: Piecing together the value chain***. Washington, D.C.: Center for Strategic & International Studies. Available at http://csis.org/files/publication/120117_White_CorporateEngagement_Web.pdf.

Witkin, H., Moore, C., Goodenough, D., & Cox, P. 1977. Field-dependent and field-independent cognitive styles and their implications. ***Review of Educational Research***, 47: 1–64.

https://doi.org/10.5840/beq201222442 Published online by Cambridge University Press