Managing non-family employees' emotional connection with the family firms via shifting, compensating, and leveraging approaches

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Abstract

Many family firms deploy strategies and practices to satisfy the needs of family employees. When non-family employees perceive a relational disadvantage compared to family employees, they may lower their evaluation of organizational identity (OI) and, in turn, identify less strongly with the family firm. Because family firms can ill afford to have non-family employees who lack a strong emotional connection with and commitment to the family firm, we explore approaches to foster non-family employees' evaluations of OI. Drawing on organizational identity theory, we find support for three approaches: (1) *shifting* non-family employees' evaluation of OI by enacting a proactive Corporate Social Responsibility (CSR) strategy, (2) *compensating* non-family employees for a perceived relational disadvantage by involving them in CSR decision-making, and (3) *leveraging* non-family employees' context, by drawing on those who share the values of the controlling family. Our theory and results suggest that family firms can deploy different approaches to manage the emotional connection with their non-family employees, which can help explain the observed variation in non-family employees' organizational identification across family firms.

Keywords: emotional connection, corporate social responsibility, organizational identity, family business, participation in decision-making

Introduction

An organizational identity (OI) reflects "an organization's central, distinctive, and enduring character" (Ashforth and Mael, 1996, p. 19). Moreover, when an OI addresses stakeholders' (e.g., employees') self-enhancement needs, these needs are likely to be internalized, becoming "a valid statement of self" that fosters stakeholders' organizational identification (Ashforth and Mael, 1996, p. 19)—the emotional connection with the organization (Albert et al., 2000). This emotional connection is important for family firms because it fuels employees' motivation (Reck et al., 2021), strategies to improve job performance (Bettinelli et al., 2022), and organizational citizenship behaviors (Matherne et al., 2017). By fueling employee skills and valuable behaviors, their emotional connection with the organization can become a source of competitive advantage (Vallejo, 2009) that sustains the family firms in the long run

(Lingo and Elmes, 2019).

Unfortunately, the strategies and practices of many family firms satisfy the needs of family over non-family employees'—such as promoting family employees into leadership positions to maintain organizational control (James et al., 2017; Matherne et al., 2017; Medina-Craven et al., 2021). Therefore, non-family employees may be concerned about a relational disadvantage in some family firms. Because they are not part of the family, they lack a voice in the family firm; their needs might thus not be addressed (Elsbach and Pieper, 2019). These concerns are not without merit, as non-family employees often are paid less (Neckebrouck et al., 2018), receive less managerial training (Loan-Clarke et al., 1999), and are under-represented in decision-making positions (Fang et al., 2016, 2017). Taken together, concerns of a relational disadvantage can lower non-family employees' evaluation of the family firm identity and harm their organizational identification.

Vallejo (2009) and Vardaman et al. (2018), however, suggest that some family firms succeed at increasing non-family employees' organizational identification (Carmon et al., 2010). Unfortunately, we still do not understand how they do so. Therefore, in this paper, we draw from Ashforth and Mael (1996) to explore how family firms can improve non-family employees' evaluations of two central attributes of organizational identity that are important for the viability of organizations—namely, organizational competence (in delivering quality products and services) and organizational moral value (by caring for stakeholders) (David et al., 2005; Opoku-Dakwa et al., 2018), thereby increasing non-family employees' organizational identification.

Ashforth and Mael (1996) propose that enacting organizational strategies and practices are two relevant approaches for improving employees' evaluations of organizational identity. In this paper, we look at a proactive Corporate Social Responsibility (CSR) strategy and the practice to involve non-family employees in CSR decision-making. A proactive CSR strategy and related decision-making are considered meaningful by stakeholders (Aguilera et al., 2007; De Roeck et al., 2016) because

family businesses implement CSR strategies more successfully than non-family firms (Combs et al., 2022). Moreover, when family firms leverage their non-family employees by including them in CSR strategy decision-making, they satisfy these employees' self-enhancement needs by giving them an opportunity to have a voice in the organization and a means with which to contribute to a meaningful outcome. Ashforth and Mael (1996) also suggest that a third approach—accounting for the context of employees—can improve their evaluations of OI. Since family firms are uniquely shaped by the controlling family (Wielsma and Brunninge, 2019), we theorize that non-family employees who share the values of the controlling family evaluate the family firm identity more favorably. In three experiments with three independent samples of non-family employees in U.S. family firms, we find support for the three hypothesized approaches.

Our theory and results offer two contributions. First, we find that the controlling family can use three approaches to improve non-family employees' evaluation of central attributes of family firm identity and, in turn, increase their organizational identification. Family firms can *shift* (improve) non-family employees' emotional connection with the organization by enacting a proactive CSR strategy. Additionally, family firms that develop a practice involving non-family employees in CSR decision-making may *compensate* them for their perceived relational disadvantage. Finally, family firms can *leverage* the context of non-family employees by focusing on those sharing the values of the controlling family (i.e., those who have high cognitive social capital with the controlling family). Overall, our results support Ashforth and Mael's (1996) theory that enacting organizational strategies and practices, in addition to accounting for non-family employees' context, can improve these employees' evaluations of family firm identity, enhancing their emotional connection with the family firm. While we did not test all types of social capital when accounting for employees' context, our results, showing non-family employees' cognitive social capital with the controlling family is relevant for their organizational identification, complement existing research on non-family employees'

structural social capital (e.g., friendships between colleagues) (Vardaman et al., 2018), and relational social capital (e.g., personal liking of family employees) (cf. Medina-Craven et al., 2021).

Second, we contribute to research on family firm identity. Whereas prior studies described overall family firm identities without exploring underlying identity attributes (see the review of Bettinelli et al., 2022), we differentiate two OI attributes—organizational competence and organizational moral value—and show that family employees evaluate these OI attributes more favorably than non-family employees. Moreover, we show that non-family relative to family employees revise these attributes differently following the enactment of a proactive CSR strategy and an associated practice that involves non-family employees in CSR decision-making. These results suggest that a 'one-size fits all' approach to managing family and non-family employees' emotional connection with the family firm might not be feasible. Our results also suggest that family firms' different usage of approaches to managing non-family employees' emotional connection with the firm might help explain the variation in non-family employees' organizational identification across family firms.

We organize the rest of the paper as follows. In the second section, we introduce OI theory. In the third section, we develop our hypotheses before introducing our data, methods, and results. Finally, we discuss our findings, contributions, and their implications, before concluding our paper.

Organizational identity and stakeholders' evaluations of its central attributes

An organization's success and survival depend on its ability to develop an appealing identity (Dutton et al., 1994). Organizational strategies and practices often affirm OI (Scott and Lane, 2000), including the OI attributes of organizational competence and organizational moral value. (Opoku- Dakwa et al., 2018; Sen and Bhattacharya, 2001). Organizational competence denotes the firm's capability and competency to deliver quality products and services, whereas organizational moral value denotes the firm's concern for stakeholder groups, including the firm's approach to human rights, the natural

environment, and public health (David et al., 2005).

The identity attributes of organizational competence and organizational moral value are important. When strategies and practices highlight these attributes, they become internalized by employees who regard them as "a valid statement of self" and respond by increasing their emotional connection with the firm in terms of organizational identification (Ashforth and Mael, 1996, p. 19). Stakeholders' internalization of OI attributes, in turn, is rewarding for organizations: Customers who internalize OI attributes, for instance, pay higher product prices (Standifird, 2001), remain loyal to the business (Deephouse, 2000), and defend it against criticism (Farooq et al., 2017). Employees who internalize OI attributes are more motivated (Hejjas et al., 2019), exhibit organizational citizenship behavior more frequently (Blader and Tyler, 2009), and are less likely to leave (Patel and Cooper, 2014). Unsurprisingly, an appealing OI is a source of organizational competitiveness and survival (Vallejo, 2009).

The question of how to develop an appealing OI has received considerable research attention. Each organization develops a unique identity that is based on the interactions of owners, managers, employees, and external stakeholders (Clarkson, 1995). The OI emerges and is continuously re-negotiated (Scott and Lane, 2000) as stakeholders understand both themselves and the organization in which they participate. Importantly, different stakeholders appreciate different attributes of OI, namely those most relevant to satisfying their needs. Glynn (2000), for instance, describes how in the Atlanta Symphony Orchestra, musicians viewed the artistic mission as central to the Orchestra's OI, while administrators viewed commercial goals as central to the OI. "Group members choose to identify with, and thus perceive as salient, the specific attributes of an organization's identity that reflect most positively on themselves," and "when different identity categorizations are enhancing to some groups, and not to others, variations in perceptions […] will arise" (Hsu and Elsbach, 2013, p. 996). What one stakeholder appreciates as an attribute of OI might thus be less relevant or even

detrimental to satisfying the needs of another, explaining their different emotions, such as feeling close or distant to the organization, that attributes of OI evoke in stakeholders (Dutton and Dukerich, 1991).

The differing evaluations of what is or should be central to OI are often settled by more powerful stakeholders, such as owners, who feel legitimated to define the central attributes of OI (Ashforth and Mael, 1996). Conversely, other less powerful stakeholders can feel disappointed when their needs are unmet, or worse, challenged by powerful stakeholders' focus on other attributes of OI. For instance, Solonika and Ashforth (1991) describe an accounting firm's rampant gender discrimination and sexism. Although such destructive behaviors were clearly in conflict with employees' needs and values, these behaviors were rationalized and legitimized by organizational leaders; employees, unable to change this status quo, left the organization. Even in the absence of scandals, stakeholders can negatively evaluate OI attributes. Brickson (2005, p. 588) finds that various stakeholders, including employees, considered law and beverage companies to be "not caring" and "not community oriented." Moreover, Vergne (2012) describes how, in one case, an organization's categorization as a global arms manufacturer mirrored a negative attribute of OI that led stakeholders (i.e., NGO activists) to blame the firm for wars and, ultimately, led to the withdrawal of their support.

It is, therefore, undeniable that negative evaluations of central attributes of OI have significant ramifications. In addition to suffering from critical media coverage and diminishing customer loyalty, organizations also suffer from employees' emotional disconnection and, thus, reduced organizational identification (Hsu and Elsbach, 2013) that can undermine the long-term viability of firms– both family and non-family (Reck et al., 2021).

Family firm strategies to improve non-family employees' evaluations of OI

Family businesses are hybrid organizations that combine the "mutually exclusive social categories" of the family and the business (Whetten et al., 2014, p. 481). The controlling family shapes the family

firm identity, and family members often demonstrate strong organizational identification. This is because the integrated identity between their family and the business reduces potential conflicts in their self-meaning (Sundaramurthy and Kreiner, 2008). Moreover, the family's control enables them to determine firm strategies that satisfy their own self-enhancement needs (Zellweger et al., 2010, 2013). For instance, Wielsma and Brunninge (2019) draw on the example of a family-owned hotel that used narratives about the family legacy to improve the next-generation members' evaluation of the family firm identity and thus increase their willingness to take over the firm.

The family firm identity, however, is also relevant to non-family stakeholders. For instance, Lingo and Elmes (2019) find that a family firm showcased its unique historical and emotional value to solicit non-family employees' support during times of crisis. Moreover, Ponroy et al.'s (2019) qualitative study describes that non-family employees tended to disagree with the meaning of the family firm's identity over time. However, family firms that share stories about the family history help to sustain the family firm identity. Family firms also revise their communication strategy to project a more favorable family firm identity to stakeholders (Botero et al., 2013) and reduce potential negative media coverage, which may otherwise tarnish the family firm identity (Dyer and Whetten, 2006). Consequently, these studies suggest that some family firms revive old and revise current narratives about the family firm to project a more unique and favorable family firm identity. A potential advantage of a unique family firm identity is that employees may feel an increased sense of pride to work for the family firm and identify more strongly with it (Zellweger et al., 2010). While existing studies thus highlight (a) the importance of the family firm identity for employees and (b) different ways in which family firms can shine a more favorable light on their identity, comparatively little research has analyzed how the controlling family can modify their OI to foster non-family employees' organizational identification.

Developing an OI that improves non-family employees' evaluations of it, however, is important

for family firms when we consider that many pursue strategies and practices that satisfy family over non-family employees' needs. Verbeke and Kano (2012) coined the term "bifurcation bias" to describe HR strategies and practices that differentiate between family and non-family employees (Jennings et al., 2018). For instance, in some family firms, family members are favored in hiring and promotion decisions and become over-represented in decision-making positions (Fang et al., 2016, 2017). Moreover, relative to family employees, non-family employees in many family firms receive less training (Loan-Clarke et al., 1999) and lower salaries (Neckebrouck et al., 2018). Furthermore, Gomez-Mejia et al. (2001) show that family firm underperformance often led to the dismissal of non-family but not family managers, suggesting that some family firms accepted underperforming family managers. Finally, Pérez-González (2006) finds that family firms often hired less meritorious family members for C-suite positions in U.S. corporations, even if such appointments led to substandard firm performance. Therefore, in some family firms, where non-family employees might feel underappreciated or disadvantaged relative to their family peers, they might perceive a relational disadvantage and lower their evaluations of OI in terms of organizational competence (because they wonder whether family employees are meritorious; Lee et al., 2016) and organizational moral value (because they wonder whether they are treated fairly, Barnett and Kellermanns, 2006).

However, Carmon et al. (2010) show that non-family employees, in some family firms, demonstrate organizational identification that is equal to their family counterparts'. Overall, the mixed empirical results in the literature suggest that family firms differ substantially in their ability to foster non-family employees' OI. Considering that many controlling families are known to be reluctant to give up on strategies that prioritize family needs (Firfiray et al., 2018), some of these family firms might establish other unique attributes of their OI to avoid "fall[ing] victim to their negative aspects" (Miller and Le Breton-Miller, 2005, p. 518). However, there is still limited understanding of the different approaches family firms can use to satisfy non-family employees' needs. To fill this gap, we

develop theory on how the controlling family can raise non-family employees' evaluations of the family firm identity and, in turn, increase their organizational identification. According to Ashforth and Mael (1996), firms can improve employees' evaluations of OI by (1) enacting strategies, (2) changing practices substantially when enacting strategies, and (3) recognizing contexts of employees that influence their evaluations of OI. We theorize how each of these approaches may influence non-family employees' evaluations of the OI attributes—organizational competence and organizational moral value—across family firms.

Hypothesis development

Enacting a proactive CSR strategy

Organizational stakeholders, such as owners and employees, constantly evaluate the relationship between OI and strategy: "Identity refers to an organization's central, distinctive, and enduring character, whereas strategy refers to an organization's goals and the activities intended to achieve them" (Ashforth and Mael, 1996, p. 19). OI, therefore, enacts or expresses strategy, whereas strategy modifies, infers, or affirms OI (Ashforth and Mael, 1996, p. 22). Although OI consists of the central attributes of the firm, scholars agree that OI is not fixed, but can be modified by firm strategies (Dutton and Dukerich, 1991). For instance, Gioia and Thomas (1996) illustrate that after becoming convinced that OI change is imperative, higher education institutions in the U.S. used proactive strategies to adopt a stronger business orientation. Moreover, Biggart (1977) finds that threats to organizational survival facilitated necessary strategy changes that revised central attributes of OI. In the context of family firms, Gomez-Mejia et al. (2018) show that dangers of bankruptcy led the controlling family to reverse their organizational strategies.

Beyond threats of bankruptcy forcing changes to organizational strategies and OI, however, there is a dearth of research on how family firms can improve their OI. We assert that the controlling family can use strategies that improve non-family employees' view of central attributes of family firm

identity and thus enhance non-family employees' organizational identification (Memili and Welsh, 2012). We suggest that enacting a proactive CSR strategy might be one valuable approach in this context. The aim of a CSR strategy is to meet internal and external stakeholders' expectations regarding social and environmental goals that go beyond the organization's economic goals (Aguilera et al., 2007). Whether and to what extent firms address stakeholder expectations (Carroll, 1979) depends on their "capacity to respond to changing societal conditions and managerial approaches to developing responses" (Wartick and Cochran, 1985, p. 767). Studies describe organizational responses to social and environmental issues ranging from adopting either (1) a *reactive CSR strategy* (i.e., not being proactive by denying social responsibility and avoiding taking action to address social issues), (2) a *defensive CSR strategy* (i.e., complying with the legal requirement to avoid jurisdictional penalties), or (3) a *proactive CSR strategy* (i.e., anticipating social responsibility and leading the industry to solve problems) (Carroll, 1979). Stakeholders, such as employees, appreciate when organizations enact a proactive CSR strategy because such strategies address not only organizational but also employees' needs (Aguilera et al., 2007; De Roeck et al., 2016). Therefore, enacting a proactive CSR strategy may improve non-family employees' evaluations of family firm identity.

First, a proactive CSR strategy involves various stakeholders to address environmental and social issues within and beyond the organization (Wood, 2010). For instance, a proactive CSR strategy may help firms to improve their value-added processes (Maon et al., 2017). They may shift to renewable energy sources or incorporate environmentally friendly material in their production processes (de Jong and van der Meer, 2017; Shaukat et al., 2015). By improving their products and services, a proactive CSR strategy enables firms to enhance stakeholders' trust in the quality of their products and services, along with their perceptions of this business being an industry leader (Kim, 2011). Thus, a proactive CSR strategy may improve stakeholders' evaluations of *organizational competence*, which is one central attribute of OI.

Moreover, being a family firm might not be a burden, but rather an asset when enacting a proactive CSR strategy. A CSR strategy can take years to enact and requires both strong collaborations with stakeholders and a favorable organizational reputation to mobilize necessary resources and overcome hurdles. Combs et al. (2022) explain that the controlling family' long- term orientation, strong relationships with external stakeholders, and desire to identify favorably with the family firm create unique family-based resources essential for the successful enactment of a proactive CSR strategy. In a panel of U.S. corporations, the authors find support for their theory: Family compared to non-family firms derive significantly more long-term value from the pursuit of a proactive CSR strategy. Family firms that deploy this strategy thus have the potential to show non-family employees an advantageous side of the family firm, thereby increasing their evaluations of organizational competence and, in turn, their organizational identification.

Interestingly, Corley and Gioia (2004) explain that even when a core attribute of OI is maintained, its meaning can be revised. They coin the term "identity ambiguity" to describe this situation (see also Ravasi and Schultz, 2006). Applied to the context of family firms, we thus hypothesize that enacting a proactive CSR strategy can positively shift non-family employees' evaluations of the organizational competence attribute of OI even if other strategies still focus on satisfying family employees' needs:

Hypothesis 1a (H1a): *Family firms that enact a proactive CSR strategy improve non-family employees' evaluations of organizational competence and, in turn, non-family employees' organizational identification.*

A proactive CSR strategy can also improve non-family employees' evaluations of *organizational moral value*—another central attribute of OI. Research supports that organizations enacting a proactive CSR strategy—which may include initiatives like philanthropic campaigns (Lii and Lee, 2012), improvements of human rights in local communities (Maon et al., 2017), and new manufacturing

facilities in countries where local citizens desperately need jobs (Folkes and Kamins, 1999)—are not only viewed as fair and benevolent across stakeholder groups (Crane, 2020), but also increase employees' evaluations of the moral value of organizations (David et al., 2005). Because family firms' proactive CSR strategies are often effective and impactful (Combs et al., 2022), we derive the following hypothesis:

> **Hypothesis 1b (H1b)**: *Family firms that enact a proactive CSR strategy improve non-family employees' evaluations of organizational moral value and, in turn, non-family employees' organizational identification.*

Establishing a practice to involve non-family employees in CSR decision-making

Changes in strategies and related practices can improve employees' evaluations of OI (Ashforth and Mael, 1996; Wickert et al., 2017). The enactment of any strategy includes practices that involve capable and committed employees. However, in the context of family firms, research shows that some family firms tend to favor family employees (Jennings et al., 2018; Martin et al., 2016). Therefore, establishing a practice that involves non-family employees in proactive CSR decision-making gives these employees a stronger voice within the firm, an opportunity to invest their capabilities, and make a difference to a relevant outcome. Providing non-family employees with the opportunity to have a voice and participate in decision-making will help satisfy their self-enhancement needs and, in turn, improve their evaluations of organizational competence (cf. Margolis and Hansen, 2002).

Moreover, family firms have valid reasons to include non-family employees in some decision-making contexts such as CSR. First, involving non-family employees in CSR decision-making enables many family firms to better use their human resources, thereby improving non-family employees' evaluations of their organizational competence in strategic decisions (Loan-Clarke et al., 1999). Second, in many family firms, non-family employees likely add expertise that will benefit the proactive CSR strategy (Samara et al., 2018; Cruz et al., 2019; Combs et al., 2021). Moreover,

involving non-family employees in proactive CSR decision-making will reduce some of these employees' perception that the family firm overly relies on a relatively small pool of family employees.

Finally, the practice of involving non-family employees in CSR decision-making context is unlikely to hurt the needs of the controlling family because such a practice does not radically change the OI of the family firm. Corley (2004) shows that organizational leaders are preoccupied with the relevance of labels (e.g., continued family firm control), whereas employees at lower levels of the hierarchy are preoccupied with the meaning of those labels (e.g., having a voice in CSR decision-making). By giving non-family employees a voice in CSR decision-making, some family firms will improve the use of their human capital and achieve better outcomes with their CSR strategies without having to give up on the family's own needs (Marques et al., 2014). In sum, non-family employees are likely to improve their evaluations of organizational competence in case of their participation in CSR decision-making and, in turn, elevate their organizational identification.

Hypothesis 2a (H2a): *Family firms that develop a practice to involve non-family employees in proactive CSR decision-making strengthen these employees' evaluations of organizational competence and thereby improve the positive effect of a proactive CSR strategy on non-family employees' organizational identification.*

Encouraging non-family employees to participate in decision-making about the proactive CSR strategy also offers them an opportunity to foster positive evaluations of organizational moral value. First, a proactive CSR strategy addresses major environmental and social issues that go beyond the monetary and family goals commonly pursued by family firms. A proactive CSR strategy is viewed as ethical and meaningful across stakeholder groups, so participating in the decision-making allows non-family employees to partake in the receipt of the reflected glory (Cialdini et al., 1976). Second, when employees become personally engaged in CSR decision-making, they design and enact effective

activities (Sendlhofer, 2020), thereby ensuring that the CSR strategy is infallible and ethical (Rupp et al., 2018). Third, non-family employees develop a closer emotional connection with the OI (Kim et al., 2010) when family firms involve them in decision-making. Their involvement enables non-family employees to interact closely with other decision-makers, including family members, have a voice within the firm, and develop a deeper emotional connection with other members of the organization and the organization itself (Elsbach and Pieper, 2019). Thereby, these family firms may attenuate non-family employees' perceptions of a relational disadvantage and improve these employees' evaluations of organizational moral value. We thus hypothesize:

> **Hypothesis 2b (H2b)**: *Family firms that develop a practice to involve non-family employees in proactive CSR decision-making strengthen these employees' evaluations of organizational moral value and thereby improve the positive effect of a proactive CSR strategy on non-family employees' organizational identification.*

Leveraging non-family employees who share the controlling family's values

According to OI theory, employees' context—including their social capital—shapes their evaluations of OI and, in turn, their organizational identification (Gioia and Thomas, 1996; Reck et al., 2021). Researchers distinguish between structural, relational, and cognitive social capital (Nahapiet and Ghoshal, 1998; Tsai and Ghoshal, 1998). Employees' structural social capital—the network connections among actors (Arregle et al., 2007, p. 75), such as friendships with colleagues—is valuable for employees to enjoy work and reduces their job turnover (Vardaman et al., 2018). Relational social capital—the nature and quality of interactions with the controlling family (Arregle et al., 2007), such as personal liking of family owners—gives non-family employees the possibility to discuss their needs (Medina-Craven et al., 2021). Finally, non-family employees' cognitive social capital—the extent to which non-family employees share the controlling family's values—indicates how much non-family employees appreciate the controlling family.

Studies highlight a positive relationship between non-family employees' structural (Vardaman et al., 2018) and relational social capital (Medina-Craven et al., 2021) and their organizational identification. However, the effect of non-family employees' cognitive social capital has not been studied yet. Non-family employees who do not share the controlling family's values might be critical of family firm strategies and practices. Conversely, employees, who internalize controlling family's values, might be more convinced of the virtue of family firm strategies and practices that build upon these values (Sirmon and Hitt, 2003). For instance, non-family employees who appreciate the controlling family's values are more likely to believe that members of the controlling family contribute to organizational competence because investments and projects require a long-term commitment that only the family's continuous involvement might offer. Not surprisingly, non-family employees who share the values of the controlling family are more likely to evaluate the organizational competence of the business more favorably. Moreover, they are also more willing to help innovate products and services from the family's entrepreneurial heritage (Salvato et al., 2019), commit their time to enhance family firm performance (Sanchez-Famoso et al., 2015), and sustain the family firm legacy. Accordingly, sharing the values of the controlling family suggests non-family employees believe in the family's legacy and organizational competence (Elsbach and Pieper, 2019). Conversely, those who do not share the same values may question strategies and practices that are based on the values of the controlling family. Moreover, given that they do not share the same values, they are likely to question the satisfaction of needs that the controlling family deems relevant. Therefore, these employees are also more likely to question the family firm's organizational competence (Verbeke and Kano, 2012). Overall, the more non-family employees share the values exhibited by the controlling family, the more favorably should they evaluate the organizational competence of family firms. Thus:

Hypothesis 3a (H3a): *The more non-family employees share the controlling family's values,*

the higher these employees evaluate the organizational competence of the family firm and, in turn, improve their organizational identification.

Extant research supports that businesses tend to make decisions that are consistent with their OI (Whetten et al., 2014). Intuitively, family firm decisions align with the organizational moral values shared by members of the controlling family (Dyer and Whetten, 2006), which non-family employees may or may not share. For instance, non-family employees' values may focus on their personal, financial interests rather than the moral value of caring for family firm stakeholders or transgenerational control of the firm (James et al., 2017). However, if non-family employees share the controlling family's values, then the assumption would be that they appreciate strategies and practices that align with the moral values held by the controlling family. These employees would agree with the family firm's strategies and practices, such as employing stakeholders close to the family with the aim to develop long-term stakeholder relationships, because they share the controlling family's values (Zellweger et al., 2010). Therefore, the more non-family employees share the controlling family's values, the more they would believe in the organizational moral value of family firm strategies and practices (cf. Craig and Newbert, 2020) and, in turn, demonstrate stronger organizational identification. Thus:

Hypothesis 3b (H3b): *The more non-family employees share the controlling family's values, the higher these employees evaluate the organizational moral value of the family firm and, in turn, improve their organizational identification.*

Method

To test our hypotheses, we used vignette experiments (see Figure 1). Experiments allow us to manipulate variables of interest (e.g., CSR strategy) while controlling for other contextual information (e.g., industry) when studying an outcome (e.g., non-family employees' organizational identification). One benefit of experiments is that there is a minimized social desirability bias because no direct

interaction exists between researchers and participants (Oll et al., 2018). Another benefit is that experiments improve the internal validity of results by controlling for contextual factors (Aguinis and Bradley, 2014). Finally, the use of realistic scenarios in experiments improves the external validity of results (Aguinis and Bradley, 2014; Oll et al., 2018).

(Insert Figure 1 about here)

To avoid difficulties in data analysis and interpretation, we did not manipulate many variables across our three experiments (List et al., 2011). Moreover, by testing hypotheses across all studies, we corroborated our results in independent samples and under different conditions, improving their reliability (Aguinis and Bradley, 2014; Judd et al., 1991). All three experiments used a between-subject design to examine differences in non-family employees' organizational identification across randomized conditions, controlling for between-individual heterogeneity (Judd et al., 1991). The experiments also used pre- and post-designs to evaluate employees' organizational identification before and after the manipulation to identify the precise effect of the experimental variables (e.g., CSR strategy) on employees' organizational identification (Kirk, 1982; List et al., 2011).

To identify non-family employees working in U.S. family business, we proceeded as follows: First, in Studies 1 and 3, our call for participants were each distributed using a different research company, and in Study 2, we distributed our call for participant using a crowdsourcing platform. In all three studies, we defined family businesses as organizations in which (1) two or more family members hold majority ownership and (2) at least one family member holds an executive-level or board position (e.g., Andersson et al., 2018; Campopiano et al., 2014). To help participants correctly identify an organization as a family business using our definition, we listed examples of prominent U.S. family businesses for reference.[1] Second, we followed DeSimone et al.'s (2015) example and

[1] We compared our samples, in terms of firm size and industry distribution, with several other datasets of family businesses, including the Global University Entrepreneurial Spirit Students Survey (GUESSS) and the Successful Transgenerational Entrepreneurship Practices (STEP) dataset (see Online Appendix A). Our samples were similar to those in the datasets, reducing concerns that our samples may not be representative.

included screening questions that asked participants about their businesses— including the ownership, management, and board structure—and their potential family ties with the controlling owners; similar questions were asked in other parts of the questionnaire to verify if participants would provide consistent answers.

Subsequently, we reduced dangers of common method variance (e.g., social desirability bias) by adopting common best practices (Podsakoff et al., 2003) First, participants were assured of their anonymity, told that there were no right or wrong answers, and asked to share their immediate reactions to questions. Second, participants were then presented with an introduction explaining that the study's aim is to analyze employees' evaluations of their businesses, but were not informed about the manipulation, and when asked at the end of each experiment, participants were unable to discern our specific research goal. Third, our variables come from different sources—data for the independent and moderator variables were manipulated by the authors, while data for the mediators and dependent variables were provided by the participants. Moreover, we only presented questions pertaining to one measure on each page of the questionnaire, and all measures were derived from prior research (e.g., validated scales).[2]

Next, to reduce concerns that cognitive biases influenced participants' evaluations of CSR strategies, we included a question about their knowledge of their company's current CSR strategy in each study. In Study 1, 94% of non-family employees did not know their firms' current CSR strategy well, and in Study 2, it was 89%, and in Study 3, 96%. Although the remaining participants knew somewhat more about their firms' current CSR strategy (e.g., climate change initiatives), they were unable to describe their businesses' overall CSR strategy. In sum, participants' limited knowledge about their firms' current CSR strategy diminished concerns that cognitive biases systematically

[2] We conducted Harman's one-factor test for all measures in each experiment. We did not find a single factor accounting for more than 50% of variance. Following the recommendation of Podsakoff et al. (2003), our procedural preventions were thus effective at mitigating dangers of common method variance.

predisposed their responses to our experimental manipulations of the CSR strategy (Grégoire et al., 2019). In the following, we introduce the sample, procedure, measures, and results of each study.

Experimental study 1

Sample. We examined whether a proactive CSR strategy (i.e., versus a reactive CSR strategy) improves non-family employees' evaluations of the OI attributes which, in turn, increase non- family employees' organizational identification. Qualtrics, a company implementing research surveys, recruited our participants in 2019. To facilitate the recruitment of non-family employees, we provided Qualtrics with family firm examples from the Global Family Business Index and explained our definitions of (a) family firms and (b) non-family employees.[3] Qualtrics then sent 2,574 employees from targeted U.S. family firms individualized links to an online questionnaire with a randomized experimental condition. After excluding non-consenting participants (114), incomplete responses (320), employees of firms that did not match our definition of family businesses (1,255), inconsistent responses regarding family firm governance (including ownership, management, and board structures) (212), inattentive participants (173), participants failing the manipulation checks (148), and family employees (202), the final sample included 150 non-family employees.

Procedure (see also Online Appendix A).[4] After answering the screening questions, participants evaluated their organizational identification and described their knowledge of their firm's CSR strategy, which we used as an *Ex ante* measure to control for participants' heterogeneity before manipulating the CSR strategy. Next, participants were randomly assigned to one of the experimental conditions by reading a vignette that their business is enacting either a *proactive* (e.g., "Your organization decides to take social and environmental issues as part of its core mission and proactively

[3] The family business index is comprised of 500 family businesses that include the largest global family firms. See http://familybusinessindex.com.

[4] We conducted a pilot test with 182 non-family employees working in U.S. family businesses to examine the validity of our experimental design. ANCOVA results report significantly higher differences under varying conditions (all $p \leq 0.001$). That is, non-family employees have higher organizational identification after reading the information in the Proactive CSR strategy condition than in the Reactive CSR strategy condition, suggesting the effectiveness of our manipulation.

initiate relevant activities addressing these issues") or a *reactive* CSR strategy (e.g., "Your organization decides it will not initiate a new social or environmental activity in the future").[5] Participants then evaluated their firms' two OI attributes before they reevaluated their organizational identification. Finally, at the end of the questionnaire, participants provided data for the individual-level control variables (e.g., gender and age).

Measurements.[6] The dependent variable, *Ex post organizational identification*, was measured after the manipulation and used Mael and Ashforth's (1992) four-item scale (e.g., Carmeli et al., 2007; Kim et al., 2010; Shen and Benson, 2016). Exemplary items were: "I am very interested in what others think about my organization" and "The organizational successes are my successes." The measure has a Cronbach's α of 0.90.

The independent variable, *Proactive CSR strategy*, captured the "degree and kind of managerial action" concerning CSR (Carroll, 1979, p. 501). Similar to the operationalization by Rupp et al. (2013) and Jiang et al. (2018), CSR strategy was measured as a binary variable capturing a firm's proactive (1) vs. reactive (0) CSR strategy.

Next, we measured the two potential mediators reflecting attributes of OI. We used the two validated eight-item scales by David et al. (2005) to measure how strongly participants evaluated *Organizational competence* related to products and services (i.e., experienced, skilled, expert, innovative) and *Organizational moral value* toward stakeholders (i.e., sincere, trustworthy, compassionate, and activist) (Opoku–Dakwa et al., 2018). The two measures have a Cronbach's α of 0.95 and 0.93, respectively.

Following previous studies (Tajfel, 1981; Riketta, 2005), we included common controls. The individual-level controls included participants' *Ex ante organizational identification* (measured before the manipulation). Next, *Gender* takes the value of one for females, zero otherwise (Shen and

[5] Details of all studies' vignettes are provided in Online Appendix B.
[6] Variable measurement information for all studies is available in Online Appendix C.

Benson, 2016); participants' *Age* is measured in years (Vardaman et al., 2018); and participants' *Ethnicity* is captured with six dummy variables for seven categories (i.e., Caucasian, African American, Hispanic, Asian, Native American, Pacific Islander, and other).[7] *Educational level* is an ordinary variable that controlled for participants' following degrees: high school or lower degree, bachelor degree, master's degree, and doctoral degree (Shen and Benson, 2016). *Personal income level* is an ordinal variable that used the annual personal income brackets of the Current Population Survey to capture participants' annual salary (Evans and Leighton, 1989). The variable *CSR knowledge* uses a seven-point Likert scale ranging from one for "nothing at all" to seven for "a lot" to control for how much participants know about their firm's CSR strategy (Du et al., 2014). Furthermore, *Non-managerial position* takes the value of one when a participant does not occupy a managerial position, zero otherwise. Next, *Tenure* counts participants' number of years in the firm (Vardaman et al., 2018). Concerning the organizational-level controls, *Firm revenue* captures common brackets of annual sales (Sterlacchini and Venturini, 2019),[8] *Firm size* captures common brackets of employee numbers (Ramdani et al., 2019), and *Industry* uses 19 dummy variables for 20 industries based on two-digit North American Industry Classification System (NAICS) codes (Sun et al., 2019).

Results. Out of the 150 non-family employees, 63% were female, 69% had a bachelor's (or higher) degree, 42% were managers, and their average tenure was 8.3 years. Their organizations had an average size, falling between 50 and 249 employees, and operated mainly in consumer products and retail (29%); smart infrastructure including real estate, construction, and accommodation (17%); and advanced manufacturing and mobility (15%). Table 1 reports the descriptive statistics, and Figure 2 compares non-family employees' *Ex post organizational identification* under the *Proactive* (vs. *Reactive*) *CSR* strategy condition. Next, Table 2 presents our multivariate results. We used causal-

[7] Based on the Current Population Survey by the US Census Bureau for the Bureau of Labor Statistics. For more information, please visit: https://www.census.gov/programs-surveys/cps.html

[8] The annual sales brackets are (1) less than 2 million USD, (2) 2–10 million USD, (3) 10–50 million USD, and (4) more than 50 million USD.

step regressions (Baron and Kenny, 1986) to test the mediating role of the two OI attributes (Dutton et al. 1994; Wickert et al. 2017) between the CSR strategy and non-family employees' *Ex post organizational identification* (H1).

(Insert Tables 1-2 and Figure 2 about here)

Proactive CSR strategy has a significantly positive effect on non-family employees' evaluations of *Organizational competence* (Model 1; $\beta = 1.522$, $p < 0.001$), Organizational *moral value* (Model 2; $\beta = 2.243$, $p < 0.001$), and *Ex post organizational identification* (Model 3; $\beta = 1.477$; $p < 0.001$). However, in the full model (Model 4), which includes the independent variable (*Proactive CSR strategy*) and both mediators (*Organizational competence* and *Organizational moral value*), only *Organizational moral value* still has a significant effect on *Ex post organizational identification* ($\beta = 0.472$, $p < 0.001$), rejecting H1a while supporting H1b: A proactive CSR strategy leads to non-family employees' heightened evaluation of organizational moral value and, in turn, non-family employees' improved organizational identification.[9]

Experimental study 2

Sample. We examined whether the practice (i.e., participatory decision-making) strengthens the effect of a proactive CSR strategy on non-family employees' evaluations of OI attributes and, in turn, their organizational identification. To refine our understanding of non-family employees' emotional reactions, Study 2 distinguished whether family firms have a practice involving employees in the decision-making of proactive and defensive CSR.[10] Similar to Study 1, we also added a reactive CSR

[9] We also adopted the bootstrapping approach to examine the mediating relation without assumptions about the sample distribution (Preacher and Hayes, 2004). Specifically, bootstrapping is a nonparametric resampling procedure that involves repeatedly sampling from the dataset and estimating the indirect effect in the resampled dataset. By repeating this process thousands of times (5,000 times in our case), an empirical approximation of the sampling distribution is built and used to construct confidence intervals for the indirect effect (Preacher and Hayes, 2008, p. 880). Table D-1 in Online Appendix D shows that the results are in line with those of the causal-step regressions. That is, a *Proactive CSR strategy* has no significant direct effect on a non-family employees' *Ex post organizational identification* since the 95% confidence interval (CI) includes 0. Instead, its effect is mainly mediated by *Organizational moral value* ($\beta = 1.06$, CI not including 0) rather than by *Organizational competence* ($\beta = 0.19$, CI including 0).

[10] To refine our understanding of how CSR strategies influence non-family employees' organizational identification, we added in Study 2 the defensive CSR strategy condition between the proactive and reactive CSR strategy conditions. The

strategy, and because this strategy denies CSR, it did not include a practice allowing non-family employees to participate in CSR decision-making.

Participants were recruited from Amazon Mechanic Turk (MTurk), an online crowdsourcing platform (Porter et al., 2019; Goodman et al., 2013). Consistent with Study 1, we targeted employees working in U.S. family firms while ensuring they did not participate in Study 1 (i.e., no duplicated IP addresses). Initially, 521 participants who satisfied the sampling criteria signed up. Following the same procedure as in Study 1, we excluded incomplete (29) and inconsistent (65) responses, inattentive participants (72), and family employees (191). [11] Our final sample consisted of 164 non-family employees.

Procedure. The procedure was similar to that in Study 1, except that participants in the proactive and defensive CSR strategy conditions read whether the firm had developed a participatory CSR strategy decision-making practice or not (see Online Appendix B). In a manipulation check, participants were later asked if they had the opportunity to participate in decisions related to the proactive CSR strategy in their firms (see Online Appendix C).

Measurements. The dependent variable, mediators, and control variables were the same as in Study 1. Concerning the new independent variables, we followed Jiang et al. (2018) to measure *Proactive CSR strategy* with an ordinal measure to which we assigned the value of one for a reactive CSR strategy, a value of two for a defensive CSR strategy, and a value of three for a proactive CSR strategy. We then measured *Participation* as a binary variable that takes the value of one if family firms had a practice that involved employees in CSR decision-making, and zero otherwise (Simpson et al., 2020).

results align with not only Study 1's results, but also our expectations: A proactive CSR strategy leads to a higher ex post organizational identification of non-family employees than a defensive CSR strategy, and a defensive CSR strategy leads to a higher ex post organizational identification in non-family employees than a reactive CSR strategy.

[11] We also ran the same analyses on family employees for both Study 1 and Study 2 (see Online Appendix E). Moreover, we compared family and non-family employees' reactions to CSR strategies in our post-hoc tests section.

Results. Among the 164 non-family employees, 40% were male, 75% had at least a bachelor's degree, 47% were managers, and average organizational tenure was 4.79 years. Moreover, the most frequent firm size bracket was 50 to 249 employees, and sampled firms operated predominantly in consumer products and retail (22%), smart infrastructure (i.e., real estate, construction, and accommodation) (21%), and advanced manufacturing and mobility (16%). Table 3 reports the descriptive results. Figure 3 indicates that non-family employees show the highest *Ex post organizational identification* with family firms that adopted a *Proactive CSR strategy* and had a practice ensuring non-family employees' *Participation* in CSR decision-making. Table 4 presents the results of our causal-step regressions.

(Insert Tables 3-4, and Figure 3 about here)

Proactive CSR strategy has positive effects on both mediators—*Organizational competence* (β = 0.797, $p < 0.001$, Model 5) and *Organizational moral value* (β = 1.562, $p < 0.001$, Model 6)— and on our dependent variable *Ex post organizational identification* (β = 0.617, $p < 0.001$, Model 7). Once the mediators are included in the full model, *Proactive CSR strategy* no longer has a significant effect on *Ex post organizational identification* (Model 8, p = 0.805), while both mediators remain significant (*Organizational competence*: β = 0.166, p = 0.019; *Organizational moral value*: β = 0.335, $p < 0.001$); these results provide support for both H1a and additional support for H1b. Next, the interaction between *Proactive CSR strategy* and *Participation* in CSR decision-making has significantly positive effects on *Organizational competence* (β = 0.989, p = 0.047, Model 5) and *Organizational moral value* (β = 1.462, p = 0.003, Model 6), offering support for both H2a and H2b.[12] Figure 4 highlights

[12] In Online Appendix D, Table D-2 shows the bootstrapping analysis. The results are consistent with those of the main analysis: A *Proactive CSR strategy* has no significant direct effects on non-family employees' *Ex post organizational identification*. Instead, there are significant indirect effects through *Organizational competence* and *Organizational moral value* on non-family employees' *Ex post organizational identification*. Moreover, the effect sizes of both mediators are always stronger under the *Participation* than the non-participation condition. The effect size of *Organizational moral value* (*Organizational competence*) on non-family employees' *Ex post organizational identification* is β = 0.94 (β = 0.27) under the *Participation* condition relative to β = 0.47 (β = 0.12) the non- participation condition.

that the predictive effect of *Proactive CSR strategy* on non-family employees' *Ex post organizational identification* is significantly stronger when family firms have a practice enabling non-family employees' *Participation* in CSR decision-making.

(Insert Figure 4 about here)

Experimental study 3

Sample. Study 3 examined the relationship between non-family employees' internalizing the controlling family's values, their evaluations of the two OI attributes, and their organizational identification. Participants were recruited through a procedure similar to that in Study 1 but by another professional research company, Cint, which invited 5,581 individuals who potentially worked for family firms in the U.S. and had not participated in our previous studies (i.e., no duplicated IP addresses). The final sample was reduced to 179 non-family employees after excluding non-consenting participants (548), responses not matching our family firm definition (3,262), participants failing to provide consistent answers on firm characteristics (285), family employees (1,156), and participants who were inattentive or failed the manipulation checks (151). Procedure. The procedure mirrored that in Study 1, except that the vignette in Study 3 told participants that their firm would enact either an Improved HR strategy, a Proactive CSR strategy in environmental *issues*, or a *Proactive CSR strategy in social issues*. We pursued Study 3 to achieve two goals: First, we wanted to see whether employees' internalization of the controlling family's values was related to organizational identification that was independent of the chosen strategy. Second, we wanted to test whether the enactment of any type of proactive CSR strategy was as effective as an improved HR strategy in improving non-family employees' organizational identification. This was important because many controlling families might be unlikely to improve their HR strategies in fear of reducing their organizational control (Barnett and Kellermanns, 2006; Firfiray et al., 2018).[13]

[13] Study 3 compared the effects of an improved HR strategy and a proactive CSR strategy on non-family employees' evaluations of OI attributes. However, Study 3 did not compare a proactive CSR strategy versus a reactive CSR strategy

Measurements. The dependent variable, mediators, and most control variables were operationalized as in Study 1; all new controls are explained further below. For the independent variable, two dummy variables captured three experimental conditions (Judd et al., 1991; Oll et al., 2018): *Improved HR strategy, Proactive CSR strategy in environmental issues,* and *Proactive CSR strategy in social issues*. Under the *Improved HR strategy* condition, participants read information about organizational practices in result-oriented appraisal, incentive-based rewards, and employment security (see Sun et al., 2007). Under the condition of *Proactive CSR strategy in environmental issues,* participants read information about organizational practices minimizing environmental impact in production and reducing CO_2 emissions (Cohen et al., 2017). Finally, under the condition of *Proactive CSR strategy in social issues,* participants read information about organizational practices focused on community donations and volunteer programs (Jones et al., 2014). Next, we used Sanchez-Famoso et al.'s (2015) two-item scale for *Cognitive social capital,* capturing the extent to which non-family employees share the controlling family's values (factor loadings ≥ 0.953; composite reliability = 0.955; average variance extracted [AVE] = 0.914).[14]

Concerning the new controls, non-family employees' *Managerial position* was an ordinal variable capturing managers' hierarchical positions, including senior manager, middle manager, supervisor, and non-managerial positions (Shen and Benson, 2016).[15] We also controlled for non-family employees' *Participation in firm decision-making* (Driscoll, 1978; Cronbach's α = 0.830) with a dummy variable that takes the value of one if employees were involved in organizational decision-making, and zero otherwise. Finally, we controlled for *Structural social capital* and *Relational social*

condition (or an improved HR strategy versus an unchanged HR strategy condition) and, therefore, did not analyze the effectiveness of proactive CSR and improved HR strategies.

[14] Factor loadings ≥ 0.9 show high construct validity. Composite reliability > 0.70 indicates internal consistency in the construct items, and the Average Variance Extracted [AVE] > 0.5 supports convergent validity (Fornell and Larcker, 1981; Hair et al., 2013).

[15] Following the Editor's and the Reviewers' valuable suggestions, we pursued Study 3 to examine alternative approaches to improve employees' organizational identification. Based on their suggestions, we also included several new control variables—managerial position, participation in firm decision-making, and social capital.

capital with family leaders, each based on two items (Sanchez-Famoso et al., 2015).

Results. Out of the 179 non-family employees, 60% were male, 57% held a managerial position, 84% had at least a bachelor's degree, and their average tenure was 9.13 years. Moreover, the most frequent firm size bracket was 50 to 249 employees. Sampled firms operated mainly in consumer products and retail (26%), advanced manufacturing and mobility (21%), and smart infrastructure (i.e., real estate, construction, and accommodation) (15%). Table 5 shows the descriptive statistics, and Table 6 presents the results of the causal-step regressions.

(Insert Tables 5 and 6 about here)

The regressions show that non-family employees' *Cognitive social capital* is significantly positively related with their evaluation of *Organizational competence* ($\beta = 0.317$, $p = 0.002$, Model 9) and *Organizational moral value* ($\beta = 0.356$, $p < 0.001$, Model 10). Although we do not find a significant direct relationship between non-family employees' *Cognitive social capital* and *Ex post organizational identification* (see Models 11 and 12 in Table 6), the bootstrapping analysis reveals a significant mediation through *Organizational moral value* ($\beta = 0.07$, CI not including 0, see Table D-3 in Appendix D) but not through *Organizational competence* (CI including 0 in Table D-3), supporting H3b and rejecting H3a. Thus, sharing the controlling family's values improves non-family employees' evaluations of *Organizational moral value* but not *Organizational competence*.

Post-hoc tests

In this section, we test three assumptions underlying our theory. First, we theorized that many family firms are unlikely to change HR strategies that favor family employees' needs (e.g., to maintain organizational control). If non-family employees, in some family firms, perceive a relational disadvantage, then they might (a) be less represented in decision-making and (b) exhibit a relatively lower organizational identification. When checking in a post-hoc test the positions of survey respondents in family firms, we find in Study 1 that 85% of family employees held managerial

positions, whereas only 42% of non-family employees did. Similarly, in Study 2 we find that 73% of family employees held managerial positions, whereas only 47% of non-family employees did. These results align with our theory that in some family firms, non-family employees can be concerned that strategies and practices favor family over non-family employees' needs. In line with our results, we find in another post-hoc test that, relative to family employees, non-family employees show a significantly lower organizational identification before manipulation (the *t*-tests report $p < 0.001$ in Study 1 and 2).

Second, our theory rested on the assumption that family firms manage non-family employees' emotional connection with the family firm differently from family employees'. We therefore needed to compare the emotional reactions of family and non-family employees to the enactment of the first and second approach.[16] In one post-hoc test, we thus tested whether enacting a proactive CSR strategy improves the evaluations of OI attributes of non-family relative to family employees differently. We find that enacting a proactive CSR strategy improves family employees' organizational identification via their higher evaluations of *both* attributes of OI (see Model 4, Table E–2, in Online Appendix E). Conversely, enacting a proactive CSR strategy improves non-family employees' organizational identification via their higher evaluations of only one attribute of OI—organizational moral value (see Table 2). In another post-hoc test, we find that the enactment of a practice enabling participatory CSR decision-making (i.e., interaction between *Proactive CSR strategy* and *Participation* in Study 2) significantly increases organizational identification of non-family employees, but, interestingly, not family employees ($p > 0.1$, Model 5–8, Table E–4, in Online Appendix E). The marginal benefit of participating in an additional decision-making context is thus weaker for family compared to non-family employees (Table E– 6, Online Appendix E).[17]

[16] Because we asked to what extent non-family employees share the controlling family's values, this third approach is, by definition, only applicable to non-family employees.

[17] For example, the improvement in the organizational identification (via organizational moral value) of family and non-family employees shifts from 0.60 and 0.62, respectively, when they are not participating in CSR decision- making, to

Third, we assumed that there would be no significant difference in employees' reaction to a *Proactive CSR strategy* verses an *Improved HR strategy*. A post-hoc test supports this assumption. We find no significant difference in the effects of a *Proactive CSR strategy* versus an *Improved HR strategy* on non-family employees' evaluations of *Organizational competence* and *Organizational moral value* (Models 9–10, in Table 6) and their *Ex post organizational identification* (Models 11–12, in Table 6). A post-hoc pairwise comparison using Tukey's method based on the full model (Model 12) also suggests no significant difference between any two conditions (i.e., *Proactive CSR strategy in environmental issues*, *Proactive CSR strategy in social issues*, *Improved HR strategy*) (all $p > 0.10$). These results support our theory that family firms can resort to a proactive CSR strategy to strengthen non-family employees' evaluations of OI and, by extension, organizational identification.[18]

Discussion

A plethora of studies shows that some family firms favor the satisfaction of family over non-family employees' needs. For instance, in some family firms, non-family employees are under-represented in decision-making positions (Fang et al., 2016, 2017), have below average pay (Neckebrouck et al., 2018), and fewer training opportunities (Loan-Clarke et al., 1999). Therefore, it is understandable that non-family employees working in such family firms may be concerned about a relational disadvantage and demonstrate limited emotional connection toward the family firms; this is reflected in their lower evaluations of central attributes of the family firm identity that, in turn, lower their organizational identification (e.g., Madison et al., 2018; Medina-Craven et al., 2021; Waterwall and Alipour, 2021).

Given that organizational identification is a critical driver of non-family employees' motivation (Ramos et al., 2014) and commitment (Lee et al., 2019), it is thus crucial that family firms

0.69 and 1.11 when they are participating in CSR decision-making, showing a much stronger effect size for non-family than family employees.

[18] The bootstrapping analysis of Study 3 data leads to similar results: There are no significant direct or indirect effects of a different proactive CSR strategy on non-family employees' evaluations of OI attributes and their *Ex post organizational identification* (all CIs include 0, see Table D–4 in Online Appendix D).

pursue approaches that increase non-family employees' emotional connection (i.e., identification) with the family firm. Unfortunately, there is a paucity of research on approaches that family firms might use. Ashforth and Mael (1996) suggest that organizations can improve employees' evaluations of OI by (1) enacting strategies, (2) enacting practices related to these strategies, and (3) accounting for the context of their employees. Building upon their theory, we find support for three approaches.

First, family firms can *shift* (i.e., improve) non-family employees' evaluations of attributes of OI and their organizational identification by enacting proactive CSR strategies. However, a post- hoc test supports that the enactment of this strategy leads to different reactions of family and non-family employees. It improves family employees' organizational identification via higher evaluations of *both* attributes of OI—organizational competence and organizational moral value. Conversely, it only improves non-family employees' organizational identification via their higher evaluations of one attribute of OI—organizational moral value. Although a proactive CSR strategy thus improves family and non-family employees' organizational identification, it works differently for each group.

Moreover, when comparing the effectiveness of enacting a proactive CSR and an improved HR strategy, another post-hoc test showed similar effects on non-family employees' evaluations of family firm identity. This point is important because, in contrast to an improved HR strategy, a proactive CSR strategy might be more acceptable to those controlling families, which are concerned about jeopardizing their control over the business (Samara et al., 2018; Cruz et al., 2019).

Second, family firms that employ non-family employees who may perceive a relational disadvantage can compensate them by enacting a practice that involves non-family employees in proactive CSR decision-making. Importantly, a post-hoc test shows that this approach does not work for family employees. Because of the over-representation of family employees in decision- making contexts of many family firms, these employees might benefit relatively little from participating in another decision-making context. Moreover, family employees also have relatively higher ex ante

organizational identification than non-family employees do (see Online Appendix E). Consequently, it might be more difficult to strengthen the relatively higher identification of family compared to the relatively lower identification of non-family employees with the family firm.

Third, family firms can *leverage* non-family employees who internalize the values of the controlling family. These employees appreciate strategies and practices that align with the controlling family's values and thus address the needs that the controlling family deems relevant (Zellweger et al., 2010). Importantly, non-family employees who share the values of the controlling family also have a strong emotional connection with the family firm (e.g., Reck et al., 2021). This aligns with research showing that family members' need to belong—feelings of emotional closeness and acceptance—are more likely to be satisfied in cases where there are shared values in the family firm (Elsbach and Pieper, 2019). However, instead of a direct relationship between non-family employees' internalized values of the controlling family and their emotional connection with the family firm, we only find an indirect effect via non-family employees' favorable evaluations of organizational competence and organizational moral value. This result suggests the important role that OI attributes play in mediating the effect of shared values on improvements of non-family employees' emotional connection to the family firm.

Taken together, the three identified approaches provide support for Ashforth and Mael's (1996) model on how to improve stakeholders' evaluations of OI, even though the approaches differ in their impact on non-family employees' evaluations of family firm identity. Shifting—enacting a proactive CSR strategy to offer a positive family firm connotation—primarily increases non-family employees' evaluations of organizational moral value. However, when family firms develop a practice that involves non-family employees in proactive CSR decision-making, these employees' evaluations of organizational competence also improve. Thus, non-family employees appreciate the moral value of family firms enacting a proactive CSR strategy but remain skeptical of improved organizational

competence when they are excluded from related decision-making. Our analyses thus suggest that the first two approaches—shifting and compensating—are complementary. The leveraging approach, however, might be an alternative to the first two approaches. This approach focuses on non-family employees who internalize the controlling family's values to ensure their favorable evaluation of a given family firm identity. Conversely, the first two approaches focus on the enactment of strategies and practices to change the employees' evaluations of the family firm identity. In sum, our findings provide support for three different approaches that family firms may choose to adopt as a means of improving non-family employees' emotional connection with family firms.

Contributions and implications

We offer several contributions to theory and various implications. First, we contribute to research on emotions in family firms by identifying three approaches—shifting, compensating and leveraging—that family firms can use to improve non-family employees' emotional connection to the family firm (Tabor et al., 2018). Our results support Ashforth and Mael's (1996) theory that enacting organizational strategies and practices along with accounting for non-family employees' context can improve these employees' evaluations of family firm identity. Our findings imply that family firms can make use of different approaches—singularly, or in combination—to influence non-family employees' emotional connection with the firm. Moreover, given that non-family and family employees respond differently to a proactive CSR strategy and the related practice, a 'one size fits all' approach to managing both groups' emotional connection with the family firm might not be feasible. Finally, our results show that non-family employees' cognitive social capital with the controlling family fuels their organizational identification, aligning with the work of previous studies focusing on structural (Vardaman et al., 2018) and relational social capital (Medina-Craven et al., 2021).

Second, our study contributes to research that highlights the importance and uniqueness of family firm identity (e.g., Botero et al., 2013; Dyer and Whetten, 2006; Ponroy et al., 2019). Prior

studies tend to proxy the family firm identity with either the controlling family's ownership, or the family's name being eponymous with the family firm's name (see review of Bettinelli et al., 2022; Deephouse and Jaskiewicz, 2013). These studies, however, do not measure the underlying types of OI attributes and, therefore, are unable to capture that employee groups might react differently to organizational behaviors. We thus contribute by differentiating and measuring two attributes of family firm identity—organizational competence and organizational moral value. Moreover, we show that family and non-family employees not only evaluate these OI attributes differently, but they also re-evaluate these attributes differently following the enactment of organizational strategies and practices. One implication of our results is that OI research should distinguish between employee groups and OI attributes before determining which strategies and practices help align versus divide family and non-family employees' evaluations of both OI attributes.

In addition, we offer insights to CSR research calling for studies that "would lead to more nuanced theories of corporate stakeholder relations, providing us with a deeper appreciation, at the individual level, of how CSR makes an impact" (Wang et al., 2016, p. 542). We show that family and non-family employees improve their evaluations of two attributes of the family firm OI, following family firms enacting proactive CSR strategies. One implication is that a proactive CSR strategy is not only financially valuable for family firms (Combs et al., 2022), but it also offers value in improving evaluations of family firm identity and employees' organizational identification. Another implication is that there are likely other strategies that also offer favorable connotations of the family firm for non-family employees and thus need to be explored. Do such strategies complement or substitute a proactive CSR strategy?

Furthermore, our study offers insights relevant to Aguinis and Glavas's (2019, p. 1073) call to examine "how CSR is implemented," or, in other words, whether top-down or bottom-up decision-making practices are more effective. Our results support the value of the bottom-up, participatory

practice over the top-down practice in which family managers often make decisions (Faller and zu Knyphausen-Aufseß, 2018; Marques et al., 2014; Samara et al., 2018). One implication is that controlling families need to decide which strategies and practices to pursue themselves, and which ones to delegate to non-family employees. We wonder, therefore, whether controlling families make these decisions based on the number and needs of their family employees, the needs of their non-family employees, or both.

Limitations and future research

Our paper is not free of limitations and thus offers opportunities for future research. First, we distinguished in our experiments among employees but not among family firms and business families to avoid overcomplicated empirical designs. Approaches to foster non-family employees' emotional connection, however, are likely to differ across family firms and business families. Future research should thus consider whether ownership configurations (e.g., the presence of non- family blockholders, more dispersed family ownership in later generations) and family configurations (e.g., entrepreneurial couples, later-generation cousin consortia, single parents) influence the effectiveness of the approaches identified in our experiments.

Second, prior research shows that strategies of some family firms can involve various practices that disadvantage non-family relative to family employees (e.g., Fang et al., 2016, 2017). However, we neither measured the prevalence of particular practices nor the gravity of concerns these practices raised among non-family employees. Although our post-hoc tests provide support that, on average, non-family employees (1) were under-represented in organizational decision-making and (2) demonstrated a lower *ex ante* organizational identification than family employees, we cannot pinpoint which particular practice undermined their evaluations of family firm identity and reduced their organizational identification. We call for research to study how much particular strategies and practices undermine non-family employees' emotional connection to some family firms, and to what

extent particular approaches might be more (or less) relevant to counter non-family employees' lowered organizational identification with these firms.

Third, our results show that non-family employees who internalize the controlling family's values are more likely to appreciate the family firm identity and identify more strongly with the family firm. However, we did not explore how family firms influence non-family employees to internalize the values of the controlling family. Future research is thus needed to determine whether the controlling family imprints its values onto their non-family employees (e.g., through socialization and training after hiring) or looks for individuals demonstrating shared values when hiring (Tabor et al., 2018).

Beyond our study's limitations, future research could also focus on how family firms manage the narratives of their OI. A growing number of studies provide evidence that family firms revise their rhetorical histories strategically to adapt to a constantly changing environment and to create meaning for various stakeholders (Suddaby and Jaskiewicz, 2020; Ge et al., 2022). For instance, Chreim (2005) shows that organizations use discursive strategies and rhetorical tactics to achieve "confluence," which is the simultaneous pursuit of continuity and change in narratives on identity. While our study focused on how family firms can use three approaches to improve non-family employees' evaluations of OI, we call for future studies to integrate research on how family firms use narratives to influence stakeholders' evaluation of OI. For instance, we wonder whether approaches to change non-family employees' evaluations of OI are more effective or not when accompanied by complementary rhetorical interpretations of the family firm identity (e.g., "our family always involves non-family employees in decision-making"). Another avenue worth exploring is to see if some family firms manage their image by pursuing particular approaches through public relations initiatives, social media, and marketing strategies (Botero et al., 2013). Prior research suggests that many family firms highlight the OI as a way to promote the symbiosis of the family and the organization (Botero et al., 2013; Cruz et al., 2014) along with the family's long-term commitment to the firm (Deephouse and

Jaskiewicz, 2013). In doing so, such family firms could persuade external stakeholders of their unique values and attract non-family hires who internalize these values. However, highlighting the family firm identity might be less convincing for potential non-family employees concerned about their potential relational disadvantage in the family firm. We thus wonder whether family firms, in addition to projecting their family firm identity, also pursue approaches to increase potential non-family employees' evaluations of the family firm identity.

Conclusion

Many family firms face a conundrum. On one hand, they highlight a unique family firm identity and favor the satisfaction of family employees' needs. On the other hand, these firms cannot afford to overlook non-family employees and their evaluation of the family firm identity, as this could lead to the deterioration of non-family employees' emotional connection to the family firm. In this paper, we show that such family firms may use three approaches—shifting, compensating, and leveraging—to address this conundrum. Moreover, we demonstrate that these approaches carry different implications for family and non-family employees respectively, illustrating that these groups' emotional connections to the family firm needs to be managed differently. Finally, our paper suggests that family firms deploy different approaches to manage the emotional connection with their non-family employees, which helps explain the observed variation in non-family employees' organizational identification across family firms. We hope future studies will build upon our work.

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Figure 1
Theoretical model and hypotheses

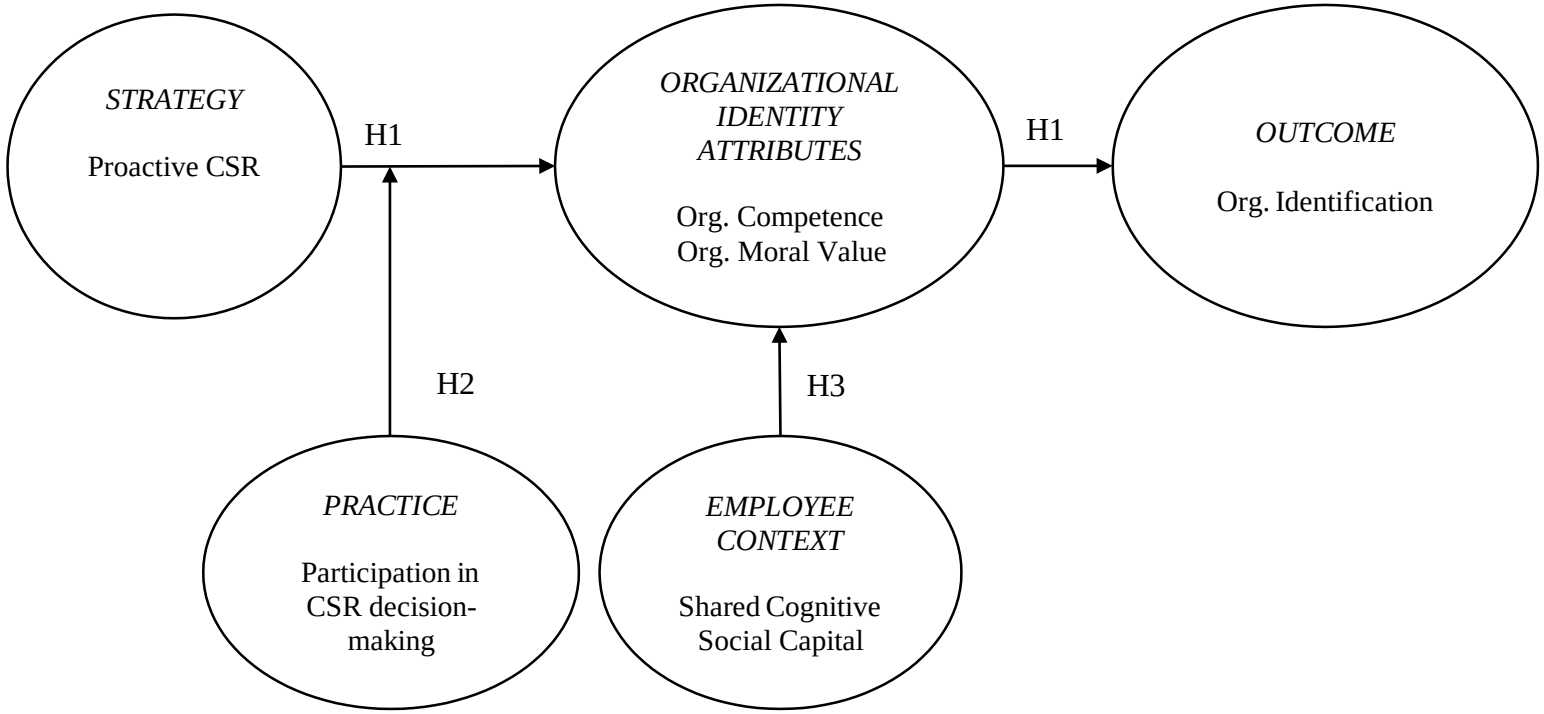


Figure 2
Study 1: Non-family employees' *Ex post organizational identification*, varied by *Proactive CSR strategy*

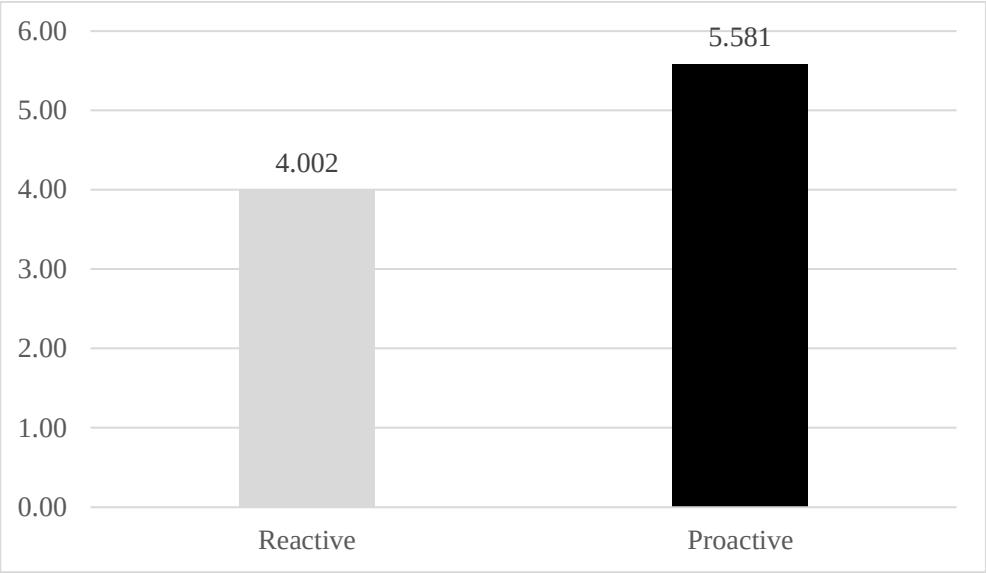


Figure 3
Study 2: Non-family employees' *Ex post organizational identification*, varied by *Proactive CSR strategy* and their *Participation* in CSR decision-making

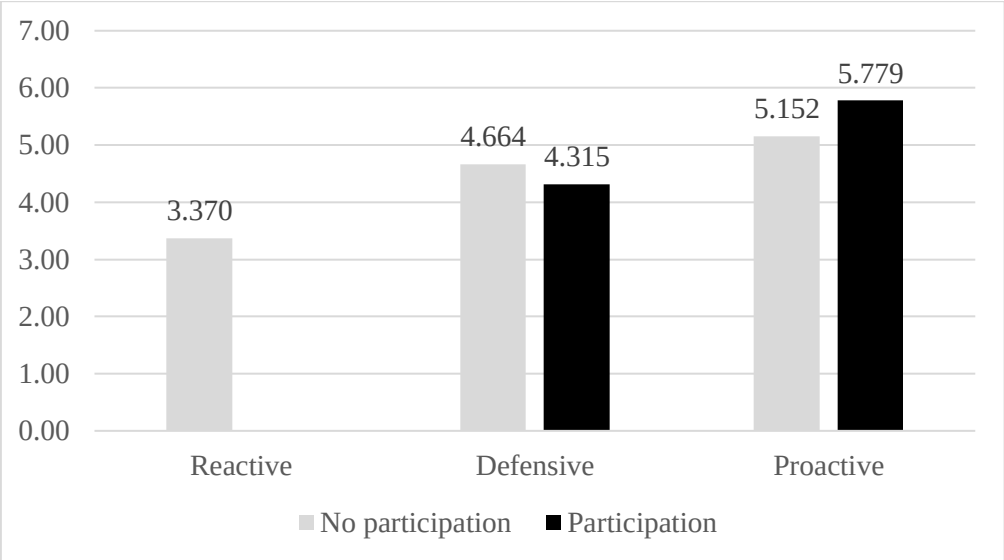
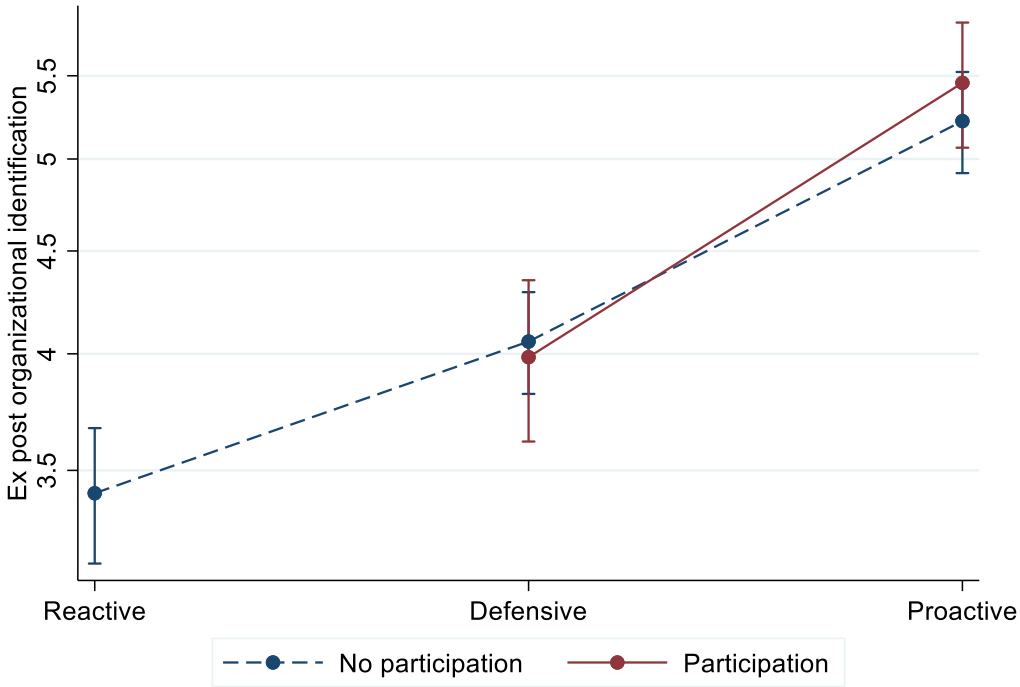


Figure 4

Study 2: Predictive effect of family firms' *Proactive CSR strategy* on non-family employees' *Ex post organizational identification*, moderated by their *Participation* in CSR decision-making



Note: The marginal effect was evaluated based on Model 8 of Table 4.

Table 1

Study 1: Means, standard deviations, and Pearson correlations

		Means	S.D.	1	2	3	4	5	6	7	8	9	10	11	12	13
1	Ex post organizational identification	4.918	1.726													
2	Proactive CSR strategy	0.580	0.495	**0.453**												
3	Organizational competence	4.356	1.885	**0.684**	**0.383**											
4	Organizational moral value	4.076	2.105	**0.787**	**0.579**	**0.781**										
5	Ex ante organizational identification	5.400	1.222	**0.488**	0.099	**0.388**	**0.323**									
6	Gender	0.627	0.485	0.030	0.125	0.045	0.076	0.050								
7	Age	43.253	13.107	-0.148	-0.088	**-0.278**	**-0.238**	-0.131	-0.103							
8	Education level	1.820	0.635	0.042	0.014	**0.174**	0.074	0.037	-0.089	-0.024						
9	Personal income level	4.813	2.451	-0.106	-0.143	0.103	-0.072	0.071	-0.138	0.047	**0.246**					
10	CSR knowledge	3.820	2.043	**0.320**	0.004	**0.378**	**0.246**	**0.464**	**-0.177**	-0.067	**0.228**	**0.214**				
11	Non-managerial position	0.580	0.495	-0.053	-0.067	-0.058	-0.004	**-0.321**	0.013	0.108	**-0.178**	**-0.187**	**-0.440**			
12	Tenure	8.303	7.946	-0.096	-0.041	0.035	-0.073	0.138	-0.004	**0.363**	0.001	0.149	0.128	**-0.179**		
13	Firm revenue	3.107	1.511	**-0.247**	-0.012	**-0.223**	-0.127	**-0.317**	0.046	0.144	-0.134	-0.060	**-0.268**	**0.329**	-0.027	
14	Firm size	3.033	1.416	-0.071	-0.018	0.023	-0.014	**-0.219**	-0.079	-0.066	-0.090	0.141	-0.037	**0.231**	0.016	**0.422**

Note: Bold figures denote $p < 0.05$. *Ethnicity* and *Industry* variables were measured as dummy variables and were excluded from the table to save space.

Table 2

Study 1: Effects of family firms' proactive CSR strategy on non-family employees' evaluations of OI attributes

	Model 1 (DV = Organizational competence)		**Model 2 (DV = Organizational moral value)**		**Model 3 (DV = Ex post organizational identification)**		**Model 4 (DV = Ex post organizational identification)**	
Variables	***β* (S.E.)**	***p***	***β* (S.E.)**	***p***	***β* (S.E.)**	***p***	***β* (S.E.)**	***p***
Proactive CSR strategy	1.522	0.000	2.243	0.000	1.477	0.000	0.279	0.210
	(0.252)		(0.288)		(0.236)		(0.221)	
Organizational competence							0.092	0.311
							(0.091)	
Organizational moral value							0.472	0.000
							(0.079)	
Ex ante organizational identification	0.331	0.006	0.411	0.003	0.583	0.000	0.359	0.000
	(0.118)		(0.135)		(0.111)		(0.088)	
Gender	0.273	0.289	0.314	0.288	0.125	0.602	-0.048	0.798
	(0.256)		(0.294)		(0.240)		(0.185)	
Age	-0.035	0.001	-0.027	0.024	0.002	0.846	0.018	0.024
	(0.010)		(0.012)		(0.010)		(0.008)	
Education level	0.344	0.101	0.355	0.139	0.171	0.383	-0.029	0.841
	(0.208)		(0.239)		(0.195)		(0.152)	
Personal income level	0.100	0.061	-0.004	0.953	-0.043	0.390	-0.050	0.201
	(0.053)		(0.061)		(0.050)		(0.039)	
CSR knowledge	0.242	0.002	0.158	0.071	0.119	0.095	0.022	0.693
	(0.076)		(0.087)		(0.071)		(0.057)	
Non-managerial position	1.184	0.000	0.920	0.006	0.653	0.018	0.110	0.622
	(0.290)		(0.332)		(0.271)		(0.222)	
Tenure	0.025	0.144	-0.004	0.854	-0.031	0.057	-0.031	0.013
	(0.017)		(0.019)		(0.016)		(0.012)	
Firm revenue	-0.222	0.018	-0.081	0.444	-0.203	0.020	-0.145	0.036
	(0.092)		(0.106)		(0.086)		(0.068)	
Firm size	0.040	0.696	-0.008	0.949	0.088	0.363	0.087	0.237
	(0.102)		(0.117)		(0.096)		(0.074)	
Constant	-0.394	0.796	-3.263	0.062	-1.752	0.220	-0.177	0.874
	(1.516)		(1.735)		(1.420)		(1.114)	
N	150		150		150		150	
R-squared	0.570		0.548		0.549		0.739	
Adj. R-squared	0.479		0.452		0.454		0.679	

Note: The analysis included the *Ethnicity* and *Industry* dummies, which were excluded from the table to save space.

Table 3

Study 2: Means, standard deviations, and Pearson correlations

		Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Ex post organizational identification	4.372	1.868														
2	Proactive CSR strategy	2.061	0.804	**0.392**													
3	Participation	0.311	0.464	0.127	**0.343**												
4	Organizational competence	4.324	1.736	**0.598**	**0.467**	0.097											
5	Organizational moral value	3.600	2.152	**0.675**	**0.668**	**0.157**	**0.736**										
6	Ex ante organizational identification	4.786	1.741	**0.749**	**0.158**	-0.035	**0.340**	**0.384**									
7	Gender	0.598	0.492	-0.071	-0.062	0.068	-0.136	-0.065	-0.083								
8	Age	32.616	9.866	0.144	0.031	-0.014	0.109	-0.008	0.091	-0.085							
9	Education level	1.823	0.553	0.082	0.135	-0.047	0.118	0.135	0.034	-0.105	-0.001						
10	Personal income level	4.274	2.425	0.088	-0.018	-0.016	0.100	0.046	**0.157**	**-0.154**	0.146	**0.274**					
11	CSR knowledge	3.037	2.060	0.112	0.076	-0.031	0.092	0.071	**0.280**	-0.070	0.070	0.043	0.123				
12	Non-managerial position	0.530	0.501	-0.107	-0.035	0.078	-0.065	-0.012	**-0.230**	0.025	**-0.233**	**-0.191**	**-0.191**	**-0.186**			
13	Tenure	4.793	4.393	**0.156**	-0.024	-0.093	**0.161**	0.104	**0.154**	-0.049	**0.505**	0.003	**0.162**	-0.005	**-0.276**		
14	Firm revenue	2.834	1.516	**-0.164**	-0.017	0.039	0.014	-0.070	**-0.215**	-0.048	-0.127	0.016	-0.090	-0.072	0.117	0.006	
15	Firm size	3.030	1.412	**-0.160**	-0.077	0.070	-0.068	**-0.168**	-0.126	-0.079	-0.049	-0.017	0.071	0.071	0.038	0.081	**0.486**

Note: Bold figures denote $p < 0.05$. *Ethnicity* and *Industry* variables were measured as dummy variables and were excluded from the table to save space. '*Participation*' indicates whether the employee was assigned to the condition of Participation in CSR decision-making

Table 4

Study 2: Effects of family firms' proactive CSR strategies on non-family employees' evaluations of OI attributes

Variables	Model 5 (DV = Organizational competence)		Model 6 (DV = Organizational moral value)		Model 7 (DV = Ex post organizational identification)		Model 8 (DV = Ex post organizational identification)	
	β **(S.E.)**	***p***	***β*** **(S.E.)**	***p***	***β*** **(S.E.)**	***p***	***β*** **(S.E.)**	***p***
Proactive CSR strategy	0.797	0.000	1.562	0.000	0.617	0.000	-0.038	0.805
	(0.195)		(0.189)		(0.150)		(0.154)	
Participation	-2.285	0.060	-3.537	0.003	0.446	0.631	2.009	0.013
	(1.202)		(1.164)		(0.928)		(0.794)	
Proactive CSR strategy × Participation	0.989	0.047	1.462	0.003	-0.054	0.888	-0.707	0.032
	(0.493)		(0.477)		(0.380)		(0.326)	
Organizational competence							0.166	0.019
							(0.070)	
Organizational moral value							0.335	0.000
							(0.072)	
Ex ante organizational identification	0.244	0.004	0.268	0.001	0.772	0.000	0.642	0.000
	(0.082)		(0.080)		(0.063)		(0.055)	
Gender	-0.123	0.649	0.117	0.654	0.053	0.797	0.035	0.841
	(0.269)		(0.260)		(0.208)		(0.172)	
Age	0.007	0.636	-0.016	0.284	0.023	0.058	0.027	0.008
	(0.015)		(0.015)		(0.012)		(0.010)	
Education level	0.034	0.888	0.136	0.560	0.269	0.150	0.218	0.159
	(0.241)		(0.234)		(0.186)		(0.154)	
Personal income level	0.016	0.774	-0.005	0.922	-0.007	0.862	-0.008	0.814
	(0.055)		(0.053)		(0.043)		(0.035)	
CSR knowledge	-0.038	0.569	-0.033	0.609	-0.092	0.073	-0.075	0.078
	(0.066)		(0.064)		(0.051)		(0.042)	
Non-managerial position	0.276	0.323	0.576	0.034	0.326	0.131	0.087	0.629
	(0.278)		(0.269)		(0.215)		(0.181)	
Tenure	0.052	0.120	0.074	0.025	0.007	0.786	-0.026	0.231
	(0.034)		(0.032)		(0.026)		(0.022)	
Firm revenue	0.128	0.191	0.056	0.555	-0.026	0.727	-0.014	0.827
	(0.097)		(0.094)		(0.075)		(0.062)	
Firm size	-0.104	0.317	-0.202	0.045	-0.055	0.489	0.030	0.659
	(0.103)		(0.100)		(0.080)		(0.067)	
Constant	1.522	0.348	-0.810	0.133	-1.889	0.133	-1.871	0.075
	(1.617)		(1.566)		(1.248)		(1.042)	
N	164		164		164		164	
R-squared	0.409		0.638		0.696		0.796	
Adj. R-squared	0.275		0.557		0.627		0.745	

Note: The analysis included the *Ethnicity* and *Industry* dummies, which were excluded from the table to save space. '*Participation*' indicates whether the employee was assigned to the condition of Participation in CSR decision-making.

Table 5

Study 3: Means, standard deviations, and Pearson correlations

		Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1	Ex post organizational identification	5.63	1.33																			
2	Proactive CSR strategy in environmental issues	0.38	0.49	-0.02																		
3	Proactive CSR strategy in social issues	0.32	0.47	-0.01	**-0.54**																	
4	Improved HR strategy	0.30	0.46	0.04	**-0.51**	**-0.46**																
5	Cognitive social capital	5.28	1.44	**0.70**	0.07	-0.10	0.03															
6	Organizational competence	5.65	1.17	**0.60**	0.06	-0.08	0.02	**0.54**														
7	Organizational moral value	5.50	1.24	**0.68**	0.02	-0.03	0.01	**0.61**	**0.76**													
8	Ex ante organizational identification	5.41	1.35	**0.82**	0.01	-0.02	0.01	**0.73**	**0.45**	**0.55**												
9	Gender	0.40	0.49	**-0.16**	-0.07	0.09	-0.02	**-0.16**	**-0.22**	-0.07	-0.13											
10	Age	49.62	37.17	-0.01	-0.08	0.10	-0.02	0.09	0.01	-0.04	0.02	-0.04										
11	Education level	2.07	0.64	0.11	**0.17**	-0.14	-0.04	**0.17**	0.03	0.04	**0.18**	-0.02	0.05									
12	Personal income level	6.42	2.63	0.11	0.07	-0.11	0.04	**0.18**	0.09	0.10	**0.16**	**-0.21**	0.08	**0.36**								
13	CSR knowledge	4.32	2.08	**0.40**	0.06	0.01	-0.06	**0.31**	**0.35**	**0.41**	**0.27**	**-0.23**	-0.10	0.04	**0.16**							
14	Managerial position	2.17	1.16	**0.34**	0.08	**-0.20**	0.11	**0.32**	**0.26**	**0.30**	**0.40**	**-0.30**	0.05	**0.16**	**0.38**	**0.37**						
15	Tenure	9.13	7.22	-0.06	-0.07	0.09	-0.01	-0.10	-0.03	-0.06	-0.04	-0.02	**0.18**	0.02	0.15	-0.02	0.14					
16	Firm revenue	2.01	1.39	0.13	**0.18**	-0.10	-0.08	0.05	**0.18**	0.04	0.08	**-0.23**	-0.11	0.15	**0.24**	**0.23**	**0.26**	0.08				
17	Firm size	3.34	1.40	-0.02	0.11	-0.05	-0.07	-0.02	**0.18**	0.07	-0.07	0.00	**-0.16**	-0.07	**0.15**	**0.17**	0.03	0.08	**0.47**			
18	Employee's participation in firm decision-making	4.34	1.68	**0.49**	0.10	**-0.22**	0.12	**0.49**	**0.31**	**0.34**	**0.58**	**-0.23**	-0.03	0.12	**0.20**	**0.35**	**0.66**	0.02	**0.20**	-0.11		
19	Structural social capital	4.05	2.00	**0.45**	0.06	-0.08	0.01	**0.54**	**0.27**	**0.34**	**0.48**	**-0.15**	0.02	0.10	0.12	**0.32**	**0.39**	**-0.18**	0.06	-0.14	**0.62**	
20	Relational social capital	4.90	1.43	**0.61**	0.06	-0.10	0.04	**0.75**	**0.39**	**0.48**	**0.63**	-0.11	0.06	**0.17**	0.11	**0.33**	**0.37**	**-0.18**	0.05	-0.12	**0.62**	**0.85**

Note: Bold figures denote $p < 0.05$. *Ethnicity* and *Industry* variables were measured as dummy variables and were excluded from the table to save space.

Table 6

Study 3: Effects of family firms' improved HR and proactive CSR strategies on non-family employees' evaluations of OI attributes

Variables	Model 9 Organizational competence		Model 10 Organizational moral value		Model 11 Ex post org. identification		Model 12 Ex post org. identification	
	β **(S.E.)**	***p***	***β*** **(S.E.)**	***p***	***β*** **(S.E.)**	***p***	***β*** **(S.E.)**	***p***
Proactive CSR strategy in social issues	-0.129	0.533	-0.006	0.975	0.019	0.897	0.040	0.770
	(0.207)		(0.201)		(0.147)		(0.135)	
Improved HR strategy	0.145	0.482	-0.010	0.960	0.185	0.208	0.165	0.225
	(0.206)		(0.200)		(0.146)		(0.135)	
Cognitive social capital	0.317	0.002	0.356	0.000	0.111	0.124	0.002	0.978
	(0.101)		(0.098)		(0.072)		(0.069)	
Organizational competence							0.152	0.044
							(0.075)	
Organizational moral value							0.171	0.028
							(0.077)	
Ex ante organizational identification	0.152	0.113	0.230	0.014	0.709	0.000	0.646	0.000
	(0.095)		(0.093)		(0.068)		(0.064)	
Gender	-0.167	0.353	0.259	0.138	-0.055	0.667	-0.074	0.541
	(0.179)		(0.174)		(0.127)		(0.120)	
Age	0.001	0.648	-0.002	0.264	-0.001	0.669	0.000	0.778
	(0.002)		(0.002)		(0.002)		(0.001)	
Education level	-0.120	0.410	-0.206	0.147	-0.044	0.672	0.010	0.919
	(0.145)		(0.141)		(0.103)		(0.095)	
Personal income level	-0.034	0.377	-0.001	0.983	-0.018	0.513	-0.013	0.618
	(0.038)		(0.037)		(0.027)		(0.025)	
CSR knowledge	0.091	0.068	0.176	0.000	0.154	0.000	0.110	0.002
	(0.050)		(0.048)		(0.035)		(0.034)	
Managerial position	0.052	0.638	0.180	0.093	-0.066	0.399	-0.104	0.152
	(0.109)		(0.106)		(0.078)		(0.072)	
Tenure	0.003	0.781	-0.002	0.840	0.004	0.674	0.004	0.657
	(0.012)		(0.012)		(0.009)		(0.008)	
Firm revenue	0.031	0.671	-0.082	0.254	0.069	0.187	0.079	0.109
	(0.074)		(0.072)		(0.052)		(0.049)	
Firm size	0.149	0.041	0.028	0.687	-0.053	0.304	-0.081	0.097
	(0.072)		(0.070)		(0.051)		(0.048)	
Employee's participation in firm decision-making	-0.023	0.787	-0.115	0.168	-0.090	0.142	-0.067	0.241
	(0.086)		(0.083)		(0.061)		(0.056)	
Structural social capital	-0.011	0.892	-0.022	0.786	-0.022	0.702	-0.017	0.752
	(0.082)		(0.080)		(0.058)		(0.054)	
Relational social capital	-0.046	0.751	-0.024	0.866	0.089	0.386	0.100	0.290
	(0.144)		(0.140)		(0.102)		(0.094)	
Constant	2.708	0.001	2.802	0.000	0.681	0.227	-0.209	0.702
	(0.791)		(0.769)		(0.561)		(0.544)	
N	179		179		179		179	
R-squared	0.444		0.536		0.784		0.820	
Adj. R-squared	0.285		0.403		0.723		0.766	

Note: The base condition is the proactive CSR strategy in environmental issue. The analysis included the *Ethnicity* and *Industry* dummies, which were excluded from the table to save space.

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