

DISCOVERING CORPORATE CONSCIOUSNESS

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ABSTRACT: This paper attempts to first define the concept of corporate consciousness and to locate it within a nomological net of related concepts. It is found that corporate consciousness may be an identifiable concept, but its differentiation from such related constructs as corporate social responsibility is unclear. Second, some methodological issues related to the study of corporate consciousness are discussed such as level of analysis, measurement, and discriminant validity. Third, to help researchers decide if corporate consciousness should be studied, a general set of criteria for selecting research topics is presented, and corporate consciousness is evaluated briefly within that context.

The Fifteenth Annual Industrial/Organizational Psychology and Organizational Behavior (IOOB) Graduate Student Conference (1994) is devoted to an exploration of the concept of corporate consciousness. Therefore, this keynote address will examine three questions: What is corporate consciousness? How might we study it? And, finally, should we study it?

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WHAT IS CORPORATE CONSCIOUSNESS?

The first question is undoubtedly the most fundamental. A working definition of the concept is needed to facilitate further study. If corporate consciousness can stand on its own as a separate construct, one that does not duplicate the domain and meaning of other constructs, then it may be worthy of the expenditure of time, effort, and resources required for its study. This paper will also explore some elements of the nomological net within which corporate consciousness is embedded.

In addressing this question, input from many sources was sought. First, the question was posed to others in the field, both established researchers and graduate students. This survey produced many provocative suggestions, a sampling of which is paraphrased in Table 1. Second, the program of the Fifteenth IOOB Graduate Student Conference also added to the definition of corporate consciousness through the titles of the presentations. Third, a brief review of the literature, across many

Table 1
Some Responses from Scholars and Graduate Students in
Industrial/Organizational Psychology and Organizational Behavior
to the Question: What is Corporate Consciousness?

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1. Corporate consciousness is related to business ethics and ethical decision making.
 2. It is a concern for socially valuable outcomes of decisions.
 3. It has to do with the articulation of value systems: personal, social, corporate, etc.
 4. It may be relevant to evaluating and explaining recent programs and issues such as corporate security systems, employee monitoring systems, investigations, early outs and golden handshakes, protected groups, and recent developments in selection procedures (e.g., integrity and drug testing).
 5. It may explain other practices of organizations, such as diversity and affirmative action.
 6. It has to do with concerns beyond the bottom line about relationships with community, employees, and other stakeholders.
 7. It is probably a new name for culture, norms, groupthink, etc.
 8. It is an anthropomorphic term (i.e., ascribing human characteristics to nonhuman things)—corporations cannot be conscious.
 9. Corporate consciousness may be an extension of the notion of corporate social responsibility, incorporating such ideas as an organization being a "good corporate citizen," concern for the environment, and, perhaps, even suggesting a role for spirituality and religion.
 10. "Consciousness" may refer not to the corporation (the issue of anthropomorphism) but to the degree to which the corporation's members are aware of the environment within which the organization is embedded. With this awareness may come an attentiveness to that environment and the effect that the corporation, through its own actions and those of its members, has on multiple stakeholders.
 11. Considering corporate consciousness at the level of the individual may give rise to the sense of individuals thinking corporately, or trying to "see the big picture," leading to the empowerment of individuals and their commitment to the organization.
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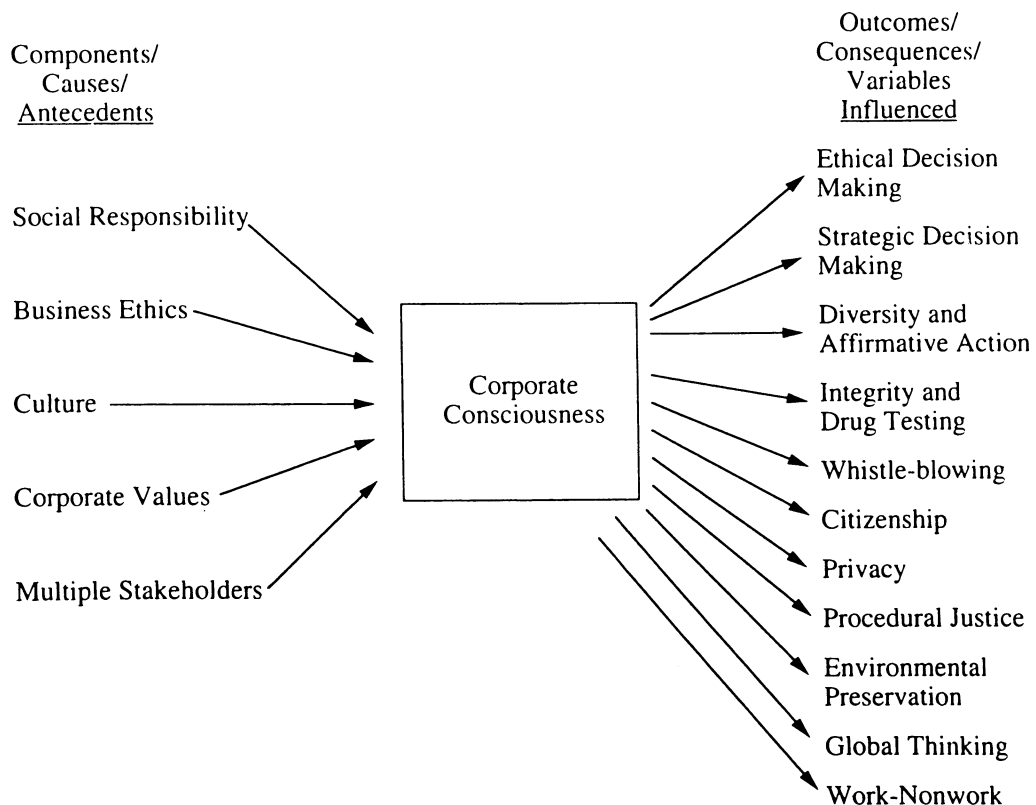
disciplines, was conducted in an attempt to evaluate the existence of related writings that could contribute to an understanding of the meaning, scope, and domain of corporate consciousness.

These ideas were combined into Figure 1. This framework attempts to place corporate consciousness within a constellation of related topics as a spur to further research. It attempts to distinguish between possible components, causes, or antecedents of corporate consciousness, and possible consequences, outcome variables, or influences that may be attributable to corporate consciousness in some manner. Note, however, that this figure is intended as a summary framework and a heuristic device rather than a completely specified model with implied causality.

Components

An array of many related topics are listed as potential antecedents, causes, or components of corporate consciousness. Each of these concepts is represented in the extant literature.

Figure 1
Summary Framework Attempting to Locate Corporate Consciousness
Within a Nomological Net of Apparently Related Concepts



Social Responsibility. There may be a close correspondence between social responsibility and corporate consciousness. Carroll (1994) noted that Social Issues in Management (a division of the Academy of Management) embodies "*the field of study variously called Business and Society, Business and Its Environment, Business and Public Policy*" (p. 5, emphasis in the original) and that scholars in the area, when surveyed as to the most important research topics for the 1990s, responded with "business ethics, international social issues, business and society/social issues, corporate social performance, business and government/public policy, and environmental issues" (p. 12). Carroll summed up his findings as follows: "one could . . . argue that researchers in our field have significant consensus on the extent to which ethical concerns form a 'core' dimension, which permeates all research topics in our field" (p. 18). Social responsibility and business ethics appear to be closely linked in the research literature. Carroll (1994) stated that "corporate social performance may be argued as being the ultimate objective of our research" (p. 20). Wood (1991) attempted an integration of the business and society research built around the concept of corporate social performance. She defined corporate social performance as "a business organization's configuration of principles of social responsibility, process of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships" (p. 693). This definition is further amplified by Carroll's (1991) notion that corporate social responsibility "had to address the entire spectrum of obligations business has to society, including the most fundamental—economic" (p. 40). Wood's (1991) model attempted to link principles of corporate social responsibility (at various levels of analysis—e.g., institutional, organizational, and individual) with processes of corporate social responsiveness, and the outcomes of corporate behavior.

It would appear warranted to state that any conceptualization of corporate consciousness would need to fully explain its relationship to the topic areas discussed under the general heading of social responsibility. Is corporate consciousness simply another name for corporate social responsibility as hinted at by the commentators in Table 1?

Culture. Another component of corporate consciousness may be the culture within which the corporation exists. Culture is a vast subject area and is a powerful force in shaping business ethics, corporate values, and the actions of corporations. Morgan (1986) discussed culture at multiple levels including that of the industrial society that links developed nations, of national cultures (e.g., Japan), and that of separate corporate cultures (e.g., IBM, Matsushita) and subcultures thereof. At a minimum, each of these levels may influence corporate consciousness. At the extreme, corporate consciousness may be a component or manifestation of corporate culture.

Culture also subsumes many other influences that could have a profound impact on corporate consciousness, such as work values or work ethics. In addition to the psychological aspects of work values, Nord, Brief, Atieh, and Doherty (1988) suggested that researchers not ignore "major historical, sociological, philosophical, and economic processes" (p. 38) which highlights the potentially complex nature of the relationship between corporate consciousness and culture in its many manifestations.

Additionally, researchers may need to consider the notion of organizational culture which Schein (1985) defined, in part, as a shared pattern of basic underlying assumptions and beliefs. Schein noted that these assumptions operate at an unconscious level and are taken for granted. He also made note of the importance and influence of values in that "a set of values . . . can serve as a guide and as a way of dealing with the uncertainty of intrinsically uncontrollable or difficult events" (p. 17). Values operate at the conscious level and many "are explicitly articulated because they serve the normative or moral function of guiding members of the group in how to deal with certain key situations" (p. 16). Values can over time be transformed into unconscious beliefs and assumptions, and thus, become part of the shared organizational culture. Corporate consciousness may properly refer to this conscious articulation of values and the process by which they are activated and validated.

Multiple Stakeholders. The corporation is embedded within a larger context. This environment includes the larger society of which the corporation is a member. Within this society is a network of other people and groups that have a stake in the success or failure of an organization and the outcomes of its actions. These stakeholders would include a corporation's owners, members, suppliers, customers, competitors, as well as government and the communities affected by the organization.

In summary, social responsibility, business ethics, culture, corporate values, and multiple stakeholders represent established areas of research that should be examined as components, antecedents, or potential causes of corporate consciousness.

Outcomes

Figure 1 also lists some topic areas that may be influenced in some way by corporate consciousness. Some of these have a research history within the IO and OB literature (e.g., whistle-blowing), while others (e.g., strategic decision making, or environmental preservation) appear to offer links between traditional IO/OB research and other disciplines.

Whistle-blowing. Whistle-blowing (e.g., Miceli & Near, 1988; Near & Miceli, 1987) involves the notion of employees reporting or turning in

their employers for committing illegal or immoral deeds to those who are in a position to do something about it (e.g., governmental oversight and regulatory agencies). Whistle-blowers may be taking it upon themselves to act as the corporation's conscience or super ego through heightened awareness of the organization's embedding environment and its obligations to society.

Organizational Citizenship Behavior. Another area that may conceivably be influenced by corporate consciousness is that of organizational citizenship behavior. Organ (1990) discussed organizational citizenship behavior as "extra-role behaviors which have a prima facie prospect of promoting organizational effectiveness" (p. 49). These extra-role behaviors "consist of informal contributions that participants can choose to proffer or withhold without regards to considerations of sanction or formal incentives" (Organ, p. 46). Organ discussed the importance of considering individual dispositional variables moderated by a "perception of fairness in a social exchange relationship with the organization and/or that cognized portion of the relationship in which membership, is most salient" (p. 67). Can a consideration of corporate consciousness illuminate this threshold of fairness that Organ posited may be crucial in the expression of organizational citizenship behaviors? Furthermore, our understanding of organizational citizenship behaviors may be enhanced through the consideration of them as individual level expressions of corporate consciousness.

Procedural Justice. Procedural justice (e.g., Folger & Greenberg, 1985; Greenberg, 1990) relates to the fairness of the processes by which decisions in organizations are made. Indeed, Organ (1990) suggested a possible role for fairness in the expression of organizational citizenship behaviors.

Organizational Privacy. A fourth topic area is the emerging notion of organizational privacy (Stone & Stone, 1990). Stone and Stone listed three primary definitions for privacy; privacy as information control, as the regulation of interaction with others, and as freedom from control by others. Privacy is a complex issue overlapping many IO and OB areas of research. For example, types of privacy information collection procedures include drug testing, honesty testing, personality testing, background checks, and work surveillance procedures (Stone & Stone, 1990). A more complete understanding of any of these areas may potentially be enhanced by the incorporation of corporate consciousness into the research question.

Psychological Contracts. Another example is that of psychological contracts (e.g., Rousseau & Parks, 1992) which refers to an individual's beliefs about the unwritten terms and conditions of a reciprocal relation-

ship with an organization. Perhaps a corporately conscious organization (or corporately conscious individuals within an organization) would strive to make these contracts accurate.

Diversity and Affirmative Action. A notion that may permeate many areas of IO/OB research is that of diversity and affirmative action. The changing composition of the workforce has implications for many areas of research and practice. A researcher might gain insight into the diversity efforts of organizations by including a conceptualization of corporate consciousness. Would some measure of corporate consciousness correlate with the degree to which an organization actively pursues diversity in the composition of its workforce, or the degree to which it adheres to the letter of the law in regard to such areas as recruiting, hiring, promoting, and compensating?

Work and Nonwork. A final example involves research into the relationship between work and nonwork. The title to a recent review of the literature in this area is instructive as to the possible role of corporate consciousness. Roman and Blum (1993) titled their article "Work-Family Role Conflict and Employer Responsibility: An Organizational Analysis of Workplace Responses to a Social Problem." The degree to which an organization perceives of work-family role conflict as an organizational problem, and its subsequent responses may be influenced by the degree to which the organization exhibits corporate consciousness.

Another perspective worth considering is that of Freudberg (1986) and his book *The Corporate Conscience*, a transcription of interviews Freudberg conducted with leading business executives during the mid 1980s on the National Public Radio program "The Corporate Conscience." He concluded that the "policies at highly sophisticated enterprises are rarely pure acts conceived in a vacuum of starry-eyed altruism" (p. 4), but that "they are almost always part of a larger rationale that *encompasses human responsibility in the profit-making formula*" (pp. 4-5, emphasis in the original). This suggests a balancing of the long term survival needs of the corporation (e.g., growth and profits) with the needs and demands of the larger society of which the corporation is a part (e.g., stable employment and good jobs, charitable donations).

Although a definitive answer to the question of what corporate consciousness is appears beyond the scope of this paper, we have tried to make some progress toward that end. A potential framework for exploring the relationship between corporate consciousness and other related concepts has been discussed. Based on the above discussion we propose a tentative working definition of corporate consciousness as *a set of consciously held, shared values that motivate and guide individuals to act in such a manner that the interests of the corporation are balanced against its obligation to be responsible for the effects of its actions upon*

society, the environment, and the host of interested stakeholders. Armed with these small insights, it may now be appropriate to turn to the remaining two questions.

HOW MIGHT WE STUDY CORPORATE CONSCIOUSNESS?

The following discussion addresses a few issues that appear to be germane to the issue of how we might study corporate consciousness. This list draws upon the comments summarized in Table 1, and is not intended to be exhaustive, but only an introduction to challenges that researchers may encounter in this area.

Anthropomorphism. An issue that researchers may need to address is the anthropomorphic nature of the concept of corporate consciousness (i.e., attributing human traits to a corporation). One of the commentators in the initial exploratory survey mentioned this as a potential pitfall. In thinking about corporate consciousness, concepts that are understandable and applicable at the individual level may take on a wholly new aspect when applied to a collective of individuals. One reviewer noted that many organizational constructs are to varying degrees anthropomorphic; this, of course is true, so this concern need not have a chilling effect on investigating the notion of corporate consciousness. However, it is incumbent upon researchers to be aware of it and assess the appropriateness of their attributions and analogies.

Level of analysis. Corporate consciousness may have individual, group, and organizational level referents. Is one particular level of analysis correct, and which is it? There is no clear answer. Additionally, some constructs change meaning when you change level of analysis. Wood's (1991) model attempted to integrate various levels of corporate social performance, and any model of corporate consciousness may have to do the same. Employing the working definition of corporate consciousness it becomes necessary to be aware of both individual acts and a set of shared organizational values and their degree of congruency. Concentrating on one level (e.g., individual acts) while ignoring the other (e.g., values shared at a group or organization level) may lead to an incomplete understanding of corporate behavior and its consequences.

Measurement issues. As with any area of research, an investigation of corporate consciousness must have good measurement. This issue interacts with the level of analysis issue. For example, it is not uncommon to collect data at the individual level and then aggregate to the group or organizational level. However, this approach is not without its problems and critics. Can corporate consciousness be measured at a level above the individual? An articulated core of shared values will need to be iden-

tified and reliably measured at a group or organizational level. Will aggregating individual responses be the appropriate approach?

Analytic issues. How one conceptualizes corporate consciousness leads to analytic issues. If a researcher were to pursue an aggregation approach to collecting data on corporate consciousness, then the researcher must demonstrate interrater reliability and agreement among respondents before aggregating. Also, a researcher should consider that drawing inferences across levels can be difficult and lead to such problems as ecological fallacies.

Discriminant validity. Another consideration is the notion of discriminant validity. In addressing the first question above, an attempt was made to place corporate consciousness in a nomological net and distinguish it from other constructs at a conceptual level. The distinctiveness of corporate consciousness also needs to be demonstrated at an empirical level. For example, is it empirically independent of corporate social responsibility? Is it distinct from corporate culture or corporate climate?

Given that it may be possible to define corporate consciousness, and given that our research tools may be adequate for its empirical examination, the question still remains whether or not we should even undertake the study of corporate consciousness.

SHOULD WE STUDY CORPORATE CONSCIOUSNESS?

An answer to this question is very much dependent on how well a researcher has solved the dilemmas presented by the first two questions. In addressing this third question, this paper will suggest some general issues a researcher may consider when selecting areas and questions to study, accompanied by some brief comments as to how they relate to the study of corporate consciousness specifically. Researchers are confronted with limitations as to the number and type of projects in which they can become involved. There are limitations on a person's available time and energy, as well as limitations in terms of resources and support for research. As such, researchers need to exercise some prudence in their choice of projects. What follows are some considerations a researcher may wish to include when evaluating the merits of selecting a topic for further study, such as corporate consciousness, or when planning the direction of his or her research career. This is not meant to suggest that these are the only issues worth considering or even the most important for every researcher; in many ways the answer to these questions are driven by a researcher's personal values.

Importance to organizations. Is this something organizations care about? Working in an applied science, there needs to be a consideration

of the practical applicability of research. The research must be relevant to organizations so that they will make use of it. The study of corporate consciousness may meet this criteria. Freudberg (1986) reported a study conducted by Johnson & Johnson, a health care products manufacturer that, in essence, concluded "good ethics is good business" (p. 5). Corporate consciousness may have a positive effect on a corporation's long term profitability and survival.

Actionable results. If the research findings are actionable, this may influence the usefulness of the results. A researcher should ask: Will the results have implications for how we do things or are the results just nice to know? This is obviously correlated with the first criterion, and may be applicable to corporate consciousness.

Number of scholars working on a topic. This is an indication of the market for research. When conducting work in a well-developed area, it may seem to be more difficult to have an impact than would be the case when working in a new area where little is known. However, bear in mind that if a researcher does make a contribution to a large established area, then many more fellow researchers will read the work and potentially cite and use it. Corporate consciousness is a new topic area, but appears to share a lot in common with more established areas such as business ethics and corporate social responsibility.

Number of journals that publish on a topic. This may also be a reflection of the number of scholars working in an area and the overall demand for knowledge on the topic. This is a pragmatic concern because part of the role of a researcher is to communicate his or her findings to others. If the outlets for this communication do not exist or are severely limited, then this may influence the eventual impact of the research. Also, with the low acceptance rates at our best journals, multiple potential outlets are needed to afford an adequate opportunity for successfully publishing at all.

Given that a number of journals are devoted to such areas as business ethics and corporate social responsibility, there may be adequate outlets for a well thought out and well done study investigating corporate consciousness.

Theoretical significance. Certainly, this is an extremely important concern, although the ability to judge it accurately may constitute a subject large enough for a conference of its own.

Researchability. This is another very pragmatic concern for the researcher. Included here are issues of availability of methodology, access to research sites, and so on.

Intrinsic interest. Obviously, this is a very important concern because a research project will demand a large amount of a researcher's time and energy. However, the resolution of this issue is not as straightforward as it may seem at first blush. Many topics can become very

interesting as a researcher digs deeper into them and begins to find out more about the subtle nuances; the more a researcher knows about a topic, the more interesting it may become. Additionally, as a researcher begins to achieve success in a given area (e.g., work is published and applied), its intrinsic interest may also increase.

Innovativeness. This notion should not be confused with whether a researcher's ideas on a topic are innovative, or that his or her method is innovative, both of which are important, but whether the topic itself is somewhat creative. This does not necessarily imply that the topic is new or trendy. Corporate consciousness may afford an opportunity for innovative thinking if its study can help lead to some meaningful differentiation of a number of potentially overlapping areas such as business ethics and corporate social responsibility. This definition of distinct domains may constitute a major contribution in the study of organizations.

CONCLUDING REMARKS

Although no clear answers have been forthcoming from this paper, we do feel confident in making some concluding comments. First, corporate consciousness appears to be an interesting topic, but its precise position in the nomological net is not yet clear. We have proposed a working definition that could suggest some testable relationships, but believe that further refinement of the construct is required. Of particular importance is the need for some clear thinking on how corporate consciousness is different from corporate social responsibility or corporate social performance. The framework in Figure 1 may serve to stimulate thought on the definition, although there are some methodological challenges awaiting researchers in this area.

Second, whether corporate consciousness is a good choice of topic is not clear based on the criteria presented. Given further work aimed at construct refinement and a clearer articulation of the nomological net, a number of possibilities exist. The addition of corporate consciousness to our research may add explanatory power to our models of behavior in organizations. For example, it may be that the degree of corporate consciousness within an organization influences perceptions of fairness within that organization, and so influences a wide range of behaviors and outcomes observed in organizations, such as motivation, whistleblowing, and prosocial behavior. A further understanding of corporate consciousness may also help to establish the existence of relationships among the many consequences noted in Figure 1. The study of corporate consciousness may net a number of positive outcomes, but at present these may be outweighed by the dangers (e.g., underdeveloped construct definition, lack of general researcher interest). Thus, unless one is

greatly inspired to pursue the construct, it may be a high risk choice of a research topic for a young scholar attempting to influence the field.

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