TRICKLE EFFECTS OF CROSS-SECTOR SOCIAL PARTNERSHIPS

ANS KOLK, WILLEMIJN VAN DOLEN AND MARLENE VOCK

ABSTRACT

Cross-sector social partnerships are often studied from a macro and meso perspective, also in an attempt to assess effectiveness and societal impact. This paper pays specific attention to the micro perspective, i.e. individual interactions between and within organizations related to partnerships that address the 'social good'. By focusing on the potential effects and mechanisms at the level of individuals and the organization(s) with which they interact, it aims to help fill a gap in research on partnerships, including more insight into the process of interaction. We conceptually explore micro-level interactions, and how partnership effects may 'trickle down' (e.g. from management to employees), or 'trickle up' (from employees to management), or 'trickle round' (e.g. between employees). Based on literature from various disciplines, we discuss how more generic theories on social exchange and contagion, social learning and attraction-selection-attrition can help shed light on micro-level interactions in a partnership, considering in particular transmission mechanisms via employees, top and middle management, and customers. In this way, partnerships can have wider benefits, as individuals have multiple roles and effects at the micro level can spread to the meso and macro levels as well. Implications for research and practice are outlined.

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TRICKLE EFFECTS OF CROSS-SECTOR SOCIAL PARTNERSHIPS

INTRODUCTION

With growing interest in partnerships in the past decade, research has started to address difficult questions related to effectiveness and societal impact (e.g. Selski and Parker, 2005). These aspects are, however, hard to assess in view of the wide diversity of partnerships, the lack of data, the absence of 'control groups' and the fact that partnerships are 'moving targets' (e.g. Kolk et al., 2008). Moreover, what has remained underexposed is that partnerships can address the 'social good' in many more subtle ways as well via stakeholder interactions that might trickle from one level to another (e.g. from macro, to meso and micro, and vice versa). For example, a partnership may become known to employees working in the organization(s) involved and/or to consumers buying products or services. They can subsequently spread the word about this initiative to colleagues, but also to others beyond their specific stakeholder group, thus raising awareness much more broadly. As people have multiple roles and belong to different stakeholder groups at the same time (one person can e.g. be employee, consumer, member of a non-governmental organization or trade union simultaneously) (cf. Wolfe and Putler, 2002), transmission of knowledge about the social good may take place in a variety of ways, thus having an indirect impact as well. To shed more light on the effects of partnerships in a broad sense, this paper will explore conceptually how social interactions spread and evolve, with particular attention to the micro and meso levels, covering individuals and the organization(s) they interact with. Using insights from the marketing, psychology, organizational and economic literature, it will outline social interactions involving 'trickle down', 'trickle up' and 'trickle round' effects.

So far, partnerships have mainly been studied from either a macro, or a meso cross-sector perspective, i.e. at the societal and (inter)organizational levels. In this paper we will pay specific attention to the micro perspective, i.e. individual interactions between and within organizations, thus taking a somewhat different focus on transmission of partnership effects. Moreover, we consider the interrelatedness between the macro, meso and micro levels. Partnerships are formed between partners from different sectors (private-nonprofit; private-public; tripartite – public-nonprofit is a more

traditional form with somewhat different peculiarities as the profit motive is absent) to realise both organizational and societal goals. How this may 'trickle down' *between* and *within* organizations that participate in a partnership (e.g. from management to employees), or 'trickle up' (from employees to management) or 'trickle round' (e.g. between employees) has hardly been studied in the context of partnerships. By focusing on the potential effects and mechanisms at the level of individuals and the organization(s) with which they interact, this paper aims to help fill a gap in research on partnerships. It responds to a call for more insight into the interactions themselves instead of their forms and types. Seitanidi and Ryan (2007, p. 256), for example, pointed at the importance of studying process-based interactions instead of just outcomes as "organizational benefits not only stem from the outcomes of the interaction but also from the process of interaction"; they mentioned learning opportunities and exchange of non-financial resources in this regard. This will also help to move the research agenda forward by paying attention to partnerships as (potential) agents of change within and between organizations, and at multiple levels (Seitanidi, 2008).

More insight can also be helpful for those interested in the actual implications of partnerships for participants and society more generally. As partnerships evolve their effects can trickle up from the micro level (i.e. individual interactions), to a meso level (i.e. organizational or sectorial interactions), and finally to a macro level of interactions (i.e. societal interactions). The proposed diffusion can be ascribed to individuals holding several roles in society simultaneously, such as being an employee, a customer, an investor, or a family member. Individuals who are affected by a partnership as a company's employee, investor or customer are likely to generate positive associations and feelings (micro level), which may not only benefit themselves (e.g. in terms of job/customer satisfaction), but also result in favourable outcomes for the participating organization(s) – this can be either one organization or more than one across sectors (meso level). While companies can profit via higher sales and a better reputation vis-à-vis employees and consumers, for example, nonprofit partners may get access to more funding and increased visibility of the causes they care about. In addition, these benefits on the meso level can evoke desired outcomes at a macro level, as societal problems become more visible and well-known amongst multiple individuals and groups and can hence be addressed more effectively, for example, if people spread the word and/or become supportive of the social cause

beyond the realm of the partnership (as voters, active citizens, donors).

TRICKLE EFFECTS

The basic approach for the proposed diffusion mechanisms of partnerships is borrowed from economics, where the transmission of consumption patterns between different hierarchical levels of society is described by so-called 'trickle-down', 'trickle-up', and 'trickle-round' effects (cf. Trigg, 2001). While Veblen believed consumption patterns to trickle-down from higher to lower social classes as each social class tries to imitate tastes and preferences of the subsequent higher level (cf. Trigg, 2001), critics of this concept stated that trickle-up and trickle-round effects of consumption behaviour are "at least as important as 'trickle down'" (Trigg, 2001, p. 103). Within the marketing literature, trickle-down, trickle-up, or trickle-round effects have also been applied, for example in the context of fashion adoption and the global diffusion of technology.

The fashion adoption process provides an example of all three kinds of effects. Consumer behaviour with regard to fashion adoption can be described either as a top-down process from higher to lower socio economic groups (e.g. for luxury fashion which can be afforded only by wealthy groups in society in the beginning, but is adopted by less wealthy groups when prices drop), or as a bottom-up process (jeans, for instance, were preliminary worn by working class people only, but were gradually adopted by higher social classes). In addition, as opinion leadership and self image are considered important concepts in the diffusion process of fashion, early adopters may cause trickle-round effects of fashion adoption as they can be found at all levels of the social stratum (Evans, 1989).

Somewhat differently, across markets, academics proposed the adoption of a trickle-up theory for the global diffusion of new technologies. Sheth and Parvatiyar (2001) state that advantages with regard to scale and scope can be realized by introducing new technology products to global consumer markets first before moving to commercial, industrial and government markets. The result of such an approach would be "more homogeneity in the demand and usage of consumer electronic products across the nations" (Sheth and Parvatiyar, 2001, p. 24), as governments are usually slower in adopting new technologies.

Drawing on the use of trickle effects in the economics and marketing literature, in the current

study the concept will be applied to the context of partnerships to shed light on how the effects of such initiatives can transmit from one level to another and have broader implications than just the organization(s) and the social cause involved. Before moving to the micro level (interactions of individuals), which is our main focus, we will first pay some attention to the macro and meso levels, specifically from a cross-sector perspective which has predominated in the partnership literature. Obviously, partnerships are first and foremost meant to address the social good (macro level), and the partnering organizations (meso level). However, they can also have implications for individuals who interact with(in) these organizations, such as managers, employees or customers (micro level) (see Figure 1, which shows the trickle effects and the various levels). These types of interactions and changes that result from partnerships are relevant in themselves but can also be important for transmission of the 'social good' and trickle to other levels, thus having much wider effects (cf. Seitanidi, 2008). In view of the lack of insight into these latter mechanisms, we will be relatively brief in discussing the macro and meso levels, and concentrate on those aspects that may be helpful for a further understanding of the interaction processes involving individuals. Propositions related to the micro level are formulated as well.

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Figure 1 around here

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MACRO LEVEL

Selsky and Parker (2005) distinguish three motivational levels for partnerships, namely metagoals or the common cause (referring to the macro level of interactions), the goals of each partner (meso level of interactions) and the motivations of specific individuals involved in the partnership (micro level of interactions) (cf. Figure 1). Research at the macro level hence addresses such 'metagoals', as actors and efforts from different sectors are necessary to deal with issues and problems that are usually too great and too complex to be solved by one actor alone (Selsky and Parker, 2005; Ashman, 2001). A typical metagoal would be the improvement of social welfare (Bhattacharya et al., 2004), which might be addressed for instance by initiatives for poverty alleviation, environmental protection, or better

education. Cross-sector interactions seem particularly appropriate to address such large-scale issues by sharing risks, funds or skills (Kolk et al., 2008). An important aspect of partnership effectiveness is that partners learn from each other in order to capture synergies that only the cooperative efforts can bring (Austin et al., 2007).

According to Bouwen and Taillieu (2004, p. 114), collaboration across sectors "moves away from the expert top-down planning-implementation action mode towards a joint involvement action mode", thereby creating opportunities to build social capital and reach broader societal goals as well. More specifically, practices such as partners' joint decision-making, open conversations or common activities can drive such an empowerment process. For example, in the case of the Infierno people, an indigenous community in Peru, Spreitzer (2007) found that an integrative leadership approach by their partner, an ecotourism company, led to the community-initiated creation of various committees addressing the community's sectoral development, inter alia regarding agricultural or educational strategic planning. The community developed a sense of collective agency as a result of its partnership with the company, which resulted in a "more peaceful society" (Spreitzer, 2007, p. 1082).

Despite the potential benefits of partnerships at the macro level, criticism has also been raised as to whether they can actually bring about the desired outcomes (e.g. Ashman, 2001; Pedersen, 2005). Ashman (2001) described issues related to control, goals and the partners' motivations to enter into a partnership as some of the reasons why partnerships may fail to benefit the social good. Whether partnerships are effective thus seems to depend also on factors related to the meso level, to which we will turn next.

MESO LEVEL

Besides cooperating for broader societal objectives, organizations also have their own motivations to participate in a partnership. By joining forces, organizations may acquire access to 'critical competences' that they do not have individually (Selsky and Parker, 2005). Thus a partnership may create advantages, such as greater learning opportunities (e.g. improving employees' interpersonal, technical or reflective skills), increased social capital, access to partners' networks, and a better ability to attract, motivate and retain employees (cf. Austin, 2000; Kolk et al., 2008; Selsky and Parker,

2005). For companies, there is also the possibility of enhancing the corporate image or brand reputation and hence boosting sales, preventing potentially negative public confrontations and tapping into new markets (Elkington and Fennell, 1998). Similar to companies, nonprofit organizations (NPO) seek benefits that help the organization and its cause. Drivers of nonprofit engagement may not only be resource-related (such as funds, goods, services, a greater volunteer base, technical or management skills), but also broader visibility and publicity (Austin, 2000; Elkington and Fennell, 1998; Kolk et al., 2008).

However, as there are substantial differences between sectors, organizational interactions do not always flow smoothly. Studies have mentioned, in the case of profit-nonprofit collaboration in particular, issues related to mistrust, misunderstandings and power imbalances (Berger et al., 2004; Bouwen and Taillieu, 2004; Elkington and Fennell, 1998; Pedersen, 2005; Seitandi and Ryan, 2007; Selsky and Parker, 2005). Mistrust can be caused by the business partner's concerns regarding the confidentiality of information shared with the NPO, or by the NPO's belief that the company is only seeking a public relations benefit (Elkington and Fennell, 1998) rather than social improvement. Consequently, mistrust can disrupt interactions between partners due to covert behaviour, opportunism and communication breakdowns (Berger et al., 2004). Misunderstandings may occur if the partners' objectives and expectations diverge, which is primarily seen as an early stage partnership problem (Berger et al., 2004; Selsky and Parker, 2005). Furthermore, power imbalances can be caused by either partner. While the NPO may possess higher brand equity and better relations with stakeholders (Berger et al., 2004), the company's power may be rooted in a higher level of financial assets. In either case power imbalances can constrain the partnership in reaching its full potential if main resources are not used efficiently or even remain unused (Berger et al., 2004).

Quite some research has consequently addressed issues related to partner selection and implementation, including frameworks and tools to better understand potential problems and help avoid them where possible (e.g. Ählström and Sjöström, 2005; Seitanidi and Crane, 2008). Factors have been identified that could drive and improve cross-sector interactions, such as alignment of better fit between the collaborating organizations' missions and values, emotional bonds between managers from both sectors, clarity with regard to mutual expectations about the contributions of each, and

involvement of employees at all organizational levels (Austin, 2000; Berger et al., 2004). Moreover, Austin (2000) stressed the significance of trust between partners' representatives, which is also seen as an important outcome of business-NPO dialogues, next to enhanced relationships and better understanding.

Based on empirical research on 15 business-NPO partnerships, Austin (2000) noted the importance of leadership support, communication and human resource management practices. First, by engaging top management the company can make sure that the alliance occupies a distinct and "ongoing share of mind" (Austin, 2000, p. 85) on the part of leaders. Second, by means of frequent, open en efficient communication between the partners trust can be created. In addition, internal communication about the partnership (e.g. through employee newsletters or opportunities to get involved) may help to further employee pride. Third, effective partnerships may be realized when managers are evaluated with regard to partnership performance. In other words, businesses that stimulate cross-sector collaborations amongst managers may be rewarded by higher partnership benefits.

Thus, it appears that by communicating a partnership throughout the organization and by engaging top management and employees, cross-sector collaborations are more likely to succeed. Only then will they yield desired company benefits, such as an enhanced corporate image, reputation, higher product sales, and increased attractiveness to (potential) employees, and also be effective in reaching nonprofits' and societal goals. While it may depend on the successful implementation of partnerships at the meso level whether and to what extent societal problems can be addressed successfully at the macro level (i.e. a trickle-up effect), positive results with regard to a partnership's metagoals are also likely to favourably impact the partner organizations. For instance, if society perceives a decline in poverty due to a partnership initiative to create more jobs in a specific region, the company may benefit from increased reputation, and in turn commit more resources to the nonprofit partner (i.e. a trickle-down effect). However, in order to understand how the processes described above work at the meso level, we need to delve into the micro level of cross-sector interactions. The investigation of individual interactions at the organizational level will reveal in what ways transmission processes might take place.

MICRO LEVEL

Interactions at the micro level can take place *between* employees of the organizations involved, between employees *within* organizations, and *between* employees and customers. Respective examples are that the top manager of an NPO can influence employees of the partnering company during face-to-face meetings, explaining the importance and value of the partnership; that a manager of the partnering company can influence his/her employees by spreading the word about the partnership and encouraging them to participate; and that an employee can tell customers about the partnership. When partnerships evolve, they offer many possibilities for interaction with internal and external stakeholders (Berger et al., 2006), which in turn may result in more favourable personal, work and/or customer related perceptions and behaviours.

These multiple effects at the individual level (within and across organizations) have hardly been studied so far, and certainly not in a comprehensive manner in the partnership context. Their (potential) importance has been noted though, also more generally or regarding corporate social responsibility (CSR). Research has, for example, shed some light on how CSR can be driven within organizations (e.g. by employee participation in CSR events, cf. Berger et al., 2006, or in corporate volunteering programmes, cf. Reed et al., 2007). Taking a more generic approach and focusing on relationships within one organization, Maignan et al. (1999), for example, found a significant influence of proactive corporate citizenship behaviour on employee commitment, customer loyalty and performance, with customer loyalty favourably affecting performance. How these trickle processes (might) work, however, was not shown. It has also been suggested that in addition to employees' identification with their employer's organization (i.e. intra-organizational identification), employees also identify with the partnering NPO (i.e. inter- or cross-organizational identification), as well as with the 'community' that is presented by the supported cause (Berger et al., 2006). Employees are transformed through personal interactions that they otherwise would not have had access to and informal contacts among individuals from various organizational units can contribute to a feeling of unity and to a flattening of hierarchies. This indicates that trickle effects can occur both within one organization but also between organizations across sectors.

We are not aware of studies that systematically investigate how partnership-related perceptions and behaviours are diffused between and within organizations, and whether trickle down, up or round effects seem more effective. To shed more light on (micro-level) interactions as relevant for partnerships, also to help move empirical research forward, we will below first present some relevant insights from publications on other (CSR) topics, distinguishing trickle down, trickle up and round effects. This will be followed by a discussion of three more generic theories, which we will link to trickle effects of partnerships. These aspects in our view deserve further attention in follow-up publications, as laid down in some propositions, and in the actual 'management' and implementation of partnerships within and across organizations, as indicated in the final paragraphs of this paper.

Trickle effects: some insights from CSR and organization studies

From the perspective of *trickle-down effects,* several authors have stressed the importance of upper management for the organizational diffusion of CSR (e.g. Collier and Esteban, 2007; Reed et al., 2007; Waldman et al., 2006). Waldman et al. (2006) found that CEO intellectual stimulation influences top managers' perceptions of the relevance of considering CSR in their decision-making. Moreover, they indicate that this mainly holds for shareholder and stakeholder related CSR values, whereas top managers' perceptions of the importance of community welfare issues were affected to a lesser extent. An implication for partnerships may be that such a trickle-down effect can only be expected for those that have moved beyond the mere philanthropic stage, which seems to be applicable for most current partnerships. Waldman et al. (2006) explain the trickle-down effect of CSR values from CEOs to top management by stating that values demonstrated by leaders lead to an internalisation of these values by 'followers'.

Regarding comparable effects from top management to lower-level employees, Reed et al. (2007) suggested that top management's commitment to an organization's time donation programme may influence employees at lower organizational levels, due to employees' desire to comply with cultural norms or to contagion, referred to as affect transfer based on personal interaction (Brown and Lam, 2008). Similarly, Collier and Esteban (2007) argued that top management's commitment to CSR is indispensable for establishing an integrated CSR culture within the organization. Partnerships might

play such an integrative role as they can be accompanied by employee engagement and knowledge sharing. However, eventually only top management can make sure that CSR is embedded in the organization's policies, practices and procedures, which requires considerable commitment of upper hierarchies to CSR.

Maon et al. (2008) also underline the importance of upper managers – and particularly their values and beliefs – for the development of strategic CSR agendas. They developed a conceptual model according to which CSR can be implemented strategically if upper managers' CSR perceptions converge into a joint "organizational interpretation" (Maon et al., 2008, p. 419), which is then shared with other stakeholders by means of a structured dialogue. However, the authors also state that their approach does not leave much room for stakeholders' contributions to a company's CSR strategy (indicating potential trickle-up effects), which may not always reflect reality.

To create *trickle-up and trickle-round effects,* the importance of an integrative process of CSR policy formulation, meaning that different stakeholders – and employees in particular – should have the possibility to raise their voices, has been expressed by several researchers (Appels et al., 2006; Berger et al., 2007; Hemingway and Maclagan, 2004; Maclagan, 1999). Maclagan (1999) pointed at the need for a dialogue between management and employees, encouraged by participative leadership styles and open communication. We will discuss these two components in turn.

Participative leadership potentially drives bottom-up CSR initiatives, i.e. trickle-up effects. A participative leadership style, which has been defined as "joint decision-making or at least shared influence in decision-making by a superior and his or her employees" (Somech, 2003, p. 1003), likely benefits the company and its employees in terms of better quality of decisions, increased employee motivation, satisfaction and commitment (Somech, 2003). Participative leaders discuss relevant issues with employees, ask for their opinions and take these into account when making decisions (Schul et al., 1983). In case these discussions take place 'en groupe' they may also generate trickle-round effects as employees will get to know each other's opinions. This leads to the following proposition:

P1: Participative leadership is positively related to organizational members' active engagement in partnership-related conversations with (a) superiors (trickle up), (b) peers (trickle round), and (c) subordinates (trickle down).

Transformational leadership has also been associated with organizational bottom-up effects, suggesting that lower-level employees may influence their superiors' style of leadership (Avolio and Bass, 1995). Transformational leaders are described as moving their subordinates beyond self-interest by means of idealized influence (charisma), inspiration, intellectual stimulation and individualized consideration, which "elevates the follower's level of maturity and ideals as well as concerns for achievement, self-actualisation, and the well-being of others, the organization, and society" (Bass, 1999, p. 11). Hence, similar to participative leadership, transformational leadership may evoke not only trickle-down effects (e.g. leaders inspiring their subordinates to get involved in partnership-related activities), but also trickle-up effects (e.g. inspired employees feel encouraged to initiate activities themselves). Finally, transformational leadership triggers the creation of a "(s)hared vision and strong group identity", increasing the degree of "collective identification" (Jung and Sosik, 2002, p. 318), which may even cause trickle-round effects within and between organizations (cf. intra- and interorganizational identification, Berger et al., 2006). We thus expect:

> P2: Transformational leadership is positively related to organizational members' active engagement in partnership-related conversations with (a) superiors (trickle up), (b) peers within and between the partnering organizations (trickle round), and (c) subordinates (trickle down).

Open communication is a factor that potentially drives trickle-round effects, i.e. by openly talking to colleagues and organizational members of the partner organization, employees can influence each other. It may, however, also cause trickle-up effects, in case management is involved. Open communication is determined by the communication climate, defined as "the perception of employees with regard to the quality of the mutual relations and the communication in an organization" (Bartels et al., 2007, p. 177). This describes whether employees feel comfortable talking to management and peers, and whether they perceive information they receive from the organization as trustworthy (Smidts et al., 2001). If the communication climate is evaluated positively employees are more likely to engage actively in conversations around organizational issues or in organizational decision making processes. This has been discussed in the context of organizational greening (Branzei et al., 2004), and can be applied to partnerships as well. Moreover, open communication allows managers to share their

views and values with employees, which may result in trickle-down effects.

> P3: An open communication climate is positively related to employees' active engagement in partnership-related conversations with (a) superiors (trickle up), (b) peers within and between the partnering organizations (trickle round), and (c) subordinates (trickle down).

In the next section we will delve a little deeper into underlying theories orginating more from social psychology and marketing that can be related to trickle effects in partnerships.

Analysing micro-level interactions: theoretical inputs from (social) psychology

Three theories in particular can be linked to trickle effects. One, already mentioned above, relates to *social exchange and contagion*, pointing at the phenomenon that an individual's attitudes and behaviour may be strongly influenced through exposure to other individuals' attitudes and behaviour as a result of social interactions (e.g. Brett and Stroh, 2003). Dabholkar et al. (2009) used this concept for studying the impact of employee communication styles on customers in an online group chat encounter. Social contagion explained why consumers reciprocated the communication style used by the employee even without face-to-face interaction. Various theoretical reasons have been proposed for social contagion, each describing a different causal mechanism of social influence. One rationale is the reciprocity principle of social influence, i.e., the development of an individual's "sense of obligation to reciprocate" (Masterson, 2001, p. 596) resulting from having received something valuable from another party before (Gouldner, 1960). Another rationale is that driven by the need for social presentation and cognitive consistency (e.g. Festinger, 1954), individuals use socially induced cognitive and affective strategies to match the behaviours of those with whom they interact. Alternatively, the influence of another person may occur without conscious motivation. For instance, it has been demonstrated that individuals learn from others without deliberation through vicarious modelling (Bandura, 1986), or they automatically imitate the emotional reactions of others through emotional contagion (Barsade, 2002). The concept of emotional contagion has often been used to explain the influence of service employee affect on customer responses, in the sense that affect transfer during employee-customer interaction explains customer responses (Brown and Lam 2008). Despite these many different theoretical explanations, the practical phenomena described are the same,

and thus social contagion theory provides clear direction for suggesting that managers, employees, and customers may influence each other with respect to their views and feelings of partnerships.

So if we would apply this logic to employee-consumer interactions in a partnership context, it is expected that consumers will respond in a similar fashion to employees' attitudes towards the partnership. Thus, an employee who tends to be positive about a partnership will trigger similar evaluations by customers (e.g. Jacobs et al., 2001), causing a trickle-down effect. Similarly, an employee who is negative about the partnership will generate a tendency of negative processing among customers (e.g., Pugh, 2001; Stock and Hoyer, 2005). Furthermore, we expect that employees of the partnering NPO can influence the company's employees and vice versa, causing trickle-round effects (cf. research on strategic alliances which shows relational social exchanges between alliance partners to foster interfirm learning, increase interdependence and create trust, Muthusamy and White, 2005). An employee of a company who strongly expresses his enthusiasm about the partnership in a meeting with the social partner may trigger positive involvement of the partner's employees (or volunteers). These influences could be subconsciously or a more direct response could occur if employees take additional efforts and talk about their engagement in partnership activities.

A necessary condition for the direct route of social contagion is that employees spread the word about the partnership among external stakeholders (e.g., customers, social partners). There is some evidence in the academic marketing literature that a company's CSR initiatives can encourage employees to "evangelise" among customers and other external constituents (Drumwright, 1996). Drumwright (1996) suggests that "evangelising" is a way to generate affinity for the social cause among external constituents. Also, employees of both organizations involved as well as customers may strive to reciprocate a company's partnership activities (implying trickle-down effects, cf. Masterson, 2001). Since employees and customers may infer from partnership activities that the organization is not only focused on self-interest, but also cares about the social good, it can be expected that they will perform good behaviours to 'return' the favours they – indirectly – receive from the organization. For instance, in return for the 'good work' of the company, volunteers may share their expertise with the company's employees and help improve their performance. Moreover, customers and employees may reciprocate 'good' behaviour by staying loyal to a company.

Finally, although social exchange and contagion theories have mainly been applied in a trickle-down setting, these concepts may explain bottom-up effects as well. As (emotional) contagion explains that behavioural attitudes can be transferred among individuals or groups even unconsciously (Barsade, 2002), it is likely that employees are affected by customers' positive or negative partnership evaluations through social interaction. This may also apply to superiors if subordinates reveal either positive or negative opinions regarding the partnership. Such trickle-up effects may be particularly pronounced if individuals' opinions become manifest at the group level, which has been described as a bottom-up process driven by social exchange (Mayer et al., 2009).

According to a second concept, *social learning theory,* individuals learn by observing others and by imitating values or behaviours of those they consider as role models (Mayer et al., 2009; Simons et al., 2007). Since role models are considered to possess status, competence, power, or the control over critical rewards (Simons et al., 2007), social learning theory has often been applied in the context of work organizations: employees emulate leaders' or co-workers' perceptions and behaviours, especially when spurred by sanctions or rewards. By imitating others, employees make sure that their behaviours are in line with generally accepted norms (Mayer et al., 2009). Therefore, role modelling can be regarded as a means of passing on values, attitudes and behaviours, which are subsequently internalized by followers due to identification with the role model (Weaver et al., 2005). In line with social learning theory Mayer et al., (2009) found that followers do not only emulate their leaders' ethical behaviour but are at the same time influenced by leaders' ability to punish and reward.

Applied to partnerships, social learning theory suggests that employees of the NPO and the company will view their supervisors or managers as role models. They will thus emulate supervisors' perceptions or behaviours similar to employees copying their superiors' ethical leadership behaviours (cf. Mayer et al., 2009) or behavioural integrity (Simons et al., 2007). If superiors talk favourably about the partnership or are actively engaged in partnership activities themselves, employees are likely to imitate these behaviours, causing trickle-down effects. By doing so employees may want to make sure that their thoughts and deeds are in accordance with accepted social norms. For example, if call-centre volunteers of an NPO experience that their manager helps the employees of the company with setting up their call-centre, they might copy that helping behaviour and do the same. Moreover, not

only superiors but also other employees of the work group can be seen as role models (Mayer et al., 2009), causing trickle-round effects within organisations. Although social learning theory has mainly been applied in the context of groups *within* an organization, Bouwen and Taillieu (2004) extended the concept to collaborations *between* organizations. According to these authors, social learning processes among different stakeholder parties can emerge through problem sharing and "working with different kinds of knowledge and competencies" (Bouwen and Taillieu, 2004, p. 137). Frequent communication or participation in common activities by employees from both partner organizations is therefore expected to result in shared views regarding the partnership initiative (i.e. trickle-round effects). Moreover, employees may be considered role models due to competences and knowledge that employees of the partner organization lack.

Although social learning theory – to our knowledge – has not yet been used explicitly to explain bottom-up effects, we argue that trickle-up effects of partnerships may be attributed to social learning for several reasons. First, as open communication, which was associated with trickle-up effects above, fosters social learning (Schusler et al., 2003), an open communication climate could be a necessary condition for superiors to learn partnership-related values and behaviours from their subordinates. Second, as "(h)ierarchical leadership is usually not accepted" in collaborations involving parties from different sectors and backgrounds, and "power differences require a 'neutral' form of facilitation or a distributed form of leadership" (Bouwen and Taillieu, 2004, p. 146), the common description of role models being organizational leaders or superiors may not be appropriate in the context of partnership initiatives, where organizational members from various levels participate in projects together. Finally, different from traditional organizational contexts, such role-model effects are also seen with customers who engage in the social activities that companies organize (e.g. if customers run marathons together with their account managers to raise money for the NPO).

A third theory, which builds on the concept of value congruence, is the *attraction-selection-attrition* model which suggests that "people are attracted to firms whose general core or dominant values they share" (Maxham and Netemeyer, 2003, p. 48). Therefore, individuals whose personal preferences (e.g. being helpful) fit with the organization's values or characteristics are more likely to be attracted, hired and also retained which in turn results in relatively homogeneous work groups with

a shared view on behavioural norms (Maxham and Netemeyer, 2003; Mayer et al., 2009). According to this definition, the model describes a "bottom-up process" (Ployhart et al., 2006, p. 661) driven by human resource practices which eventually ensure some sort of homogeneity among employees.

If we relate the attraction-selection-attrition model to partnerships we can expect companies that are visible as good corporate citizens to attract potential partners, employees and customers who perceive an overlap between their personal identity and their perceived image of the organization (cf. social identity theory, e.g. Dutton et al., 1994). Some of these mechanisms have been found in the CSR area more generally. Turban and Greening (1997) reported that companies with a higher corporate social performance had a more favourable reputation and consequently attracted more potential employees. Furthermore, Maxham and Netemeyer (2003) suggested that values shared by employees may create an organizational culture that guides employees' behaviours. Therefore, if employees perceive the organization to be CSR friendly, they are likely to adopt the values demonstrated by organizational members (i.e. values shown by superiors, subordinates or peers, indicating trickle-down, up and round effects within the organization). Similar effects were found for consumers who identify with a company's CSR activities (Bhattacharya et al., 2009). Moreover, research has shown that employees identify with their organization if they perceive that outsiders (e.g. customers) believe it to have "socially valued characteristics" (Smidts et al., 2001, p. 1052). Such a construed external image (cf. Smidts et al., 2001) suggests that employees are affected by the values they believe customers attribute to the organization, indicating potential trickle-up effects. Finally, in line with interorganizational identification (cf. Berger et al., 2006), employees may feel attracted by the partnering organization as well, causing identification and hence trickle-round effects.

Drawing on the concepts discussed above, the following propositions can be formulated:

P4: Superiors' partnership-related evaluations and behaviours are positively related to subordinates' evaluations and behaviours (trickle up, trickle down).

P5: Subordinates' partnership-related evaluations and behaviours are positively related to customers' evaluations and behaviours (trickle up, trickle down).

P6: Subordinates' partnership-related evaluations and behaviours are positively related to peers' evaluations and behaviours, both within and between the partnering organizations (trickle round).

It should be noted that not all theories from the various bodies of literature apply to all micro-level interactions. In Figure 2 we suggest which theories seem to apply in particular to specific relationships (and respective trickle-up, trickle-round and trickle-down effects). Obviously, this is something to be investigated further in follow-up empirical research (see the next, final section of this paper).

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Figure 2 around here

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In conclusion, we posit that if partnerships are diffused effectively within and between the partner organizations (micro level), the resulting benefits most likely will not be restricted to individuals (e.g. in terms of employee or customer satisfaction and loyalty). These benefits may spill over to the organizational level (meso level), impacting both the company (e.g. in terms of an improved corporate image), and the nonprofit partner (e.g. in terms of more visibility or access to more resources). Conversely, more visibility of the nonprofit partner and an improved corporate image of the company resulting from a partnership will aid employees and customers/clients to identify more closely with both organizations (cf. social identity theory, Dutton et al., 1994), which in turn triggers employee commitment and customer loyalty, indicating a trickle-down effect from the meso to the micro level. And, as indicated in an earlier part of the paper, outcomes at the meso level are likely to be positively related to those at the macro level (cf. Figure 1).

IMPLICATIONS FOR RESEARCH AND PRACTICE

As a contribution to the topic of cross-sector social interactions, this paper paid specific attention to micro-level trickle effects of partnerships. We conceptually explored how social interactions spread and evolve, focusing on individuals and the organization(s) they interact with. Based on literature from various disciplines and perspectives, trickle-down, trickle-up and trickle-round effects were distinguished, both within and between organizations involved in a partnership. We explored how

insights related to leadership, communication, social exchange and contagion, social learning and attraction-selection-attrition can help shed light on micro-level interactions in a partnership, considering in particular transmission mechanisms via employees, top and middle management, and customers. Drawing on theories that have previously been used primarily to describe organizational trickle-down effects and applying them to a partnership context, we suggest that they explain in what ways evaluations and behaviours with regard to such initiatives may not only trickle down the organizational hierarchy, but also diffuse upwards. Due to the integrative character of partnerships we propose that theories that are typically applied to an intraorganizational context can be extended to an interorganizational setting, and even to customers/clients.

Although the proposed links seem tempting, we are not aware of any studies applying multi-informants research designs to study the effects of a partnership on employees of partner organizations and customers simultaneously. This points at several possibilities for future research on trickle effects of cross-sector social partnerships. Firstly, studies could explore if trickle effects as found on other topics, and the suggested theories for the diffusion processes, also hold for partnerships. While trickle-down effects have received some attention in the area of CSR, this is not really the case for particularly trickle-up and trickle-round effects. This also applies to the customer perspective, e.g., how customers can influence private, public and nonprofit organizations with respect to partnerships.

Secondly, it is particularly interesting to find out how employees of NPOs influence employees of partnering companies (at all levels) and vice versa. Whereas it is understandable that the same trickle-down, up, and round effects of CSR activities within companies will be found for partnership activities *within* the company, it very well might be that these effects differ *between* partnering organizations as formal positions and relations between the persons involved are dissimilar. For example, can a manager of the partner NPO act as role model for an employee of the company, i.e. a cross-sector trickle-down effect? It may also be that an employee of the company inspires the manager of the partnering NPO to change, for instance, call-centre procedures, which would mean a cross-sector trickle-up effect. Or a cross-sector trickle-round effect may occur in case of same-level interactions. Since the formal and social structures are different in cross-sector partnerships compared to intra-organizational structures, these effects might differ as well.

Thirdly, future research could investigate trickle effects in a variety of partnership contexts, for instance in private-nonprofit and private-public partnerships. As organizational structures within non-profit and public organizations are likely to differ (e.g. as to volunteers versus salaried employees) this might influence the type of and intensity of trickle effects related to a cross-sector partnership. It might well be, for example, that the intrinsic motivation of a volunteer (who is not doing the job to earn money) brings such enthusiasm that this creates stronger contagion effects.

While further empirical research is needed to get more insight into the exact mechanisms, findings from other (CSR) settings as well as mere anecdotal evidence suggest that the role of individual interactions has been underexposed, also in realizing wider effects of partnering for the 'social good'. It might be good to pay explicit attention to possible trickle-down, trickle-up and trickle-round effects to transmit partnerships effectively throughout the organization. By communicating, role modelling and engaging managers and employees, (top)management may create commitment and a sense of felt obligation to reciprocate. As has been shown for CSR more generally, a partnership might then also have a positive effect for organizations and their employees themselves, if it helps to create favourable employees' perceptions of organizational fairness, support, trust and job satisfaction, with positive implications for work motivation, commitment, turnover intentions and productivity (Brammer et al., 2007, Gond et al., 2007; Koh and Boo, 2001; Peterson, 2004). In turn, and in line with the service-profit chain concept, satisfied and committed employees might have a positive impact on customers as well, which is explained by the creation of a pleasant service climate or affect transfer (e.g. Brown and Lam, 2008; Wangenheim et al., 2007).

Finally, as employees and customers have multiple roles, positive interactions at the micro-level in relation to organization(s) they interact with, may extend to the meso and macro levels as well. This would in fact represent multiple benefits of cross-sector partnerships, as "agents of change" in organizations and societies, via more diverse mechanisms than assessed so far, including those related to the process-based interactions themselves.

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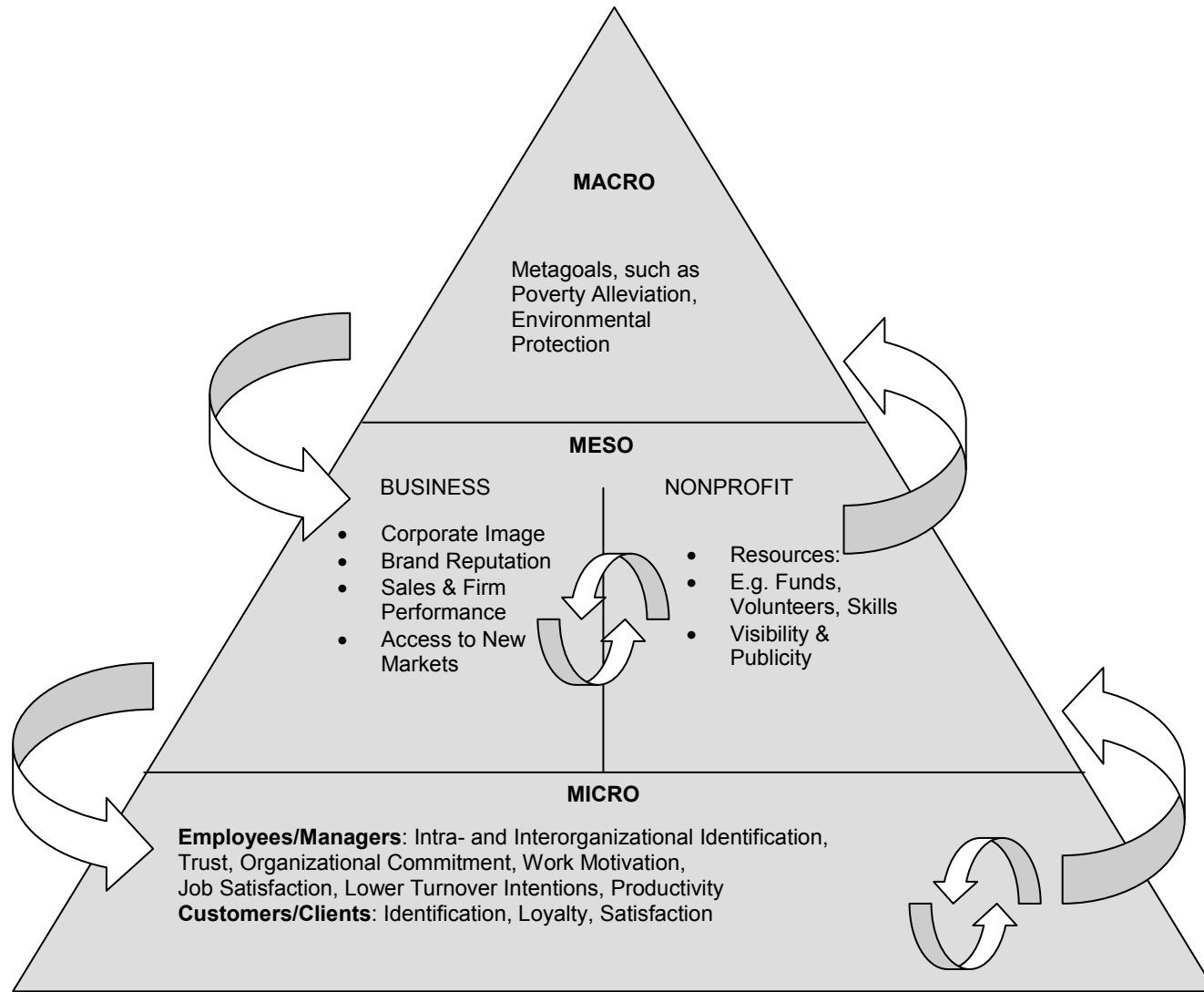**Figure 1**. Trickle effects of partnerships and the various levels

MACRO

Metagoals, such as
Poverty Alleviation,
Environmental
Protection

MESO

BUSINESS   NONPROFIT

- Corporate Image
- Brand Reputation
- Sales & Firm
  Performance
- Access to New
  Markets

- Resources:
- E.g. Funds,
  Volunteers, Skills
- Visibility &
  Publicity

MICRO

Employees/Managers: Intra- and Interorganizational Identification,
Trust, Organizational Commitment, Work Motivation,
Job Satisfaction, Lower Turnover Intentions, Productivity
Customers/Clients: Identification, Loyalty, Satisfaction

Figure 2. Overview of relationships and possible relevant theories