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Linking corporate social responsibility to corporate reputation: a study on understanding behavioral consequences

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Abstract

In today's highly competitive market environment, firms need to meet the expectations of multiple stakeholders and compete for reputational status. In this context, corporate reputation (hereafter, CR) plays a very specific role because stakeholders make their decisions based on the reputational status of the firm in question. Given the importance of CR as an important intangible asset that firms should carefully manage, understanding its antecedents and consequences is of strategic importance. Examining CR from a multi-stakeholder perspective, this study aims to investigate first the effect that corporate social responsibility (hereafter, CSR) has on CR as an antecedent and then the effects that CR has on the behaviors of customers, employees, and investors as different stakeholder groups. To test the hypothesized relationships, an online questionnaire is conducted to a convenience sample of 172 respondents and the results are computed using multiple regression analyses. The results confirm not only that as an antecedent, CSR has a strong positive effect on CR but also that CR has a strong positive effect on the behaviors of customers, employees, and investors.

Keywords: Corporate Reputation; Corporate Social Responsibility; Behavioral Intentions; Customer Perceived Value; Satisfaction; Loyalty; Switching Cost; Commitment; Word-of Mouth; Turnover Intention

1. Introduction

To ensure success in today's highly competitive market environment, firms need to meet the expectations of multiple stakeholders and compete for reputational status. In this context, CR plays a very specific role because stakeholders make their decisions based on the reputational status of the firm in question. Employees' choice of firms to work for, investors' choice of firms to invest in, and customers' choice of firms to buy products and/or services from all depend on CR. Given the importance of CR as an important intangible asset that firms should carefully manage, understanding its antecedents and consequences is of strategic importance. The increasing importance of CR is also reflected in the proliferation of articles in the academic literature. Examining CR from the customer, employee,

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and investor perspectives, this study first investigates the effect that CSR has on CR as an antecedent and then discusses the effects of CR on the behaviors of these stakeholders.

2. Literature Review and Hypotheses

2.1. Corporate Reputation

The concept of CR has been a major concern of researchers from the 1950s onwards. There is a consensus among scholars and practitioners alike that the way in which public perceives a company influences the corporate success (Fombrun, 1996). However, the literature still lacks a precise and common definition of the "reputation" construct as several scholars adopt different, even contradictory definitions of it (Barnett et al., 2006).

Due to its multidisciplinary richness, the CR concept has been defined in various disciplines depending on its relation to the overall discipline. In economics, CR is considered as a reflection of a firm's past actions which provide signals to stakeholders about its probable future actions (Davies et al., 2003) and strategic behavior in the marketplace (Fombrun and van Riel, 1997). In strategic management, CR is viewed as a unique, hard to imitate intangible asset (Smaiziene and Jucevicius, 2009) which represents a collective impression about a firm derived from its multiple stakeholders (Shamma and Hassan, 2009). In the discipline of sociology, CR is treated as a social phenomenon which comprises the "collective agreement about what the relevant public knows about an actor" (Shamma and Hassan, 2009; pp. 326). Finally, in marketing disciplines (e.g., marketing strategy, relationship marketing, etc.) reputation illustrates the "corporate associations that individuals establish with the company name" (Fombrun et al., 2000; pp. 243) and is often viewed as a force that can attract customers (Davies et al., 2003), encourages their loyalty (Bontis et al., 2007), and influence the selling-buying processes (Lin et al., 2003).

Based on the definitional similarities across fields, Fombrun and van Riel (1997) propose an integrative definition of the reputation construct by describing it "as a collective representation of a firm's past actions and results that describes the firm's ability to deliver multiple stakeholders" (pp.10). The authors also state that CR determines a firm's relative position both internally with its employees and externally with its stakeholders in its competitive and industrial environments.

Thanks to the multidisciplinary richness of reputation studies and multiplicity of definitions, numerous theories are used in both the conceptual and empirical studies to scrutinize CR (Walker, 2010). Findings of the Walker's (2010) systematic review of the CR literature show that the most commonly referred theories include institutional theory, signaling theory, and resource based view. In reputation studies, institutional theory is used to shed light on how firms gain legitimacy and cultural support in their institutional environments to develop their reputations (Deephouse and Carter, 2005). Scholars, who draw on institutional theory to understand reputation, discuss that reputation results from information exchanges and social influence among various parties interacting in an organizational context (Rindova and Fombrun, 1999). With a different focus, signaling theory is used in reputation studies to explain how the strategic choices and actions of firms provide signals, which are then used by different stakeholders to build impressions of the firms (Basdeo et al., 2006). This theory is particularly instrumental in explaining how corporate social performance influences reputation given the preeminence of marketing efforts that highlight the social responsibility of companies (Walker, 2010). The third theory, which has been incorporated into reputation studies, is resource-based view which considers reputation as a valuable and rare resource that give rise to sustained competitive advantage. The theory views reputation as a unique resource not only because it is hard to be imitated and highly causally ambiguous (Deephouse, 2000; Roberts and Dowling, 2002), but also for the reason that it reduces the uncertainty for stakeholders by signaling positive attributes of the companies such as product quality (Rindova et al., 2005).

2.2. Corporate Social Responsibility and Corporate Reputation

Given the importance of CR as a valuable intangible asset that firms should carefully manage, understanding the potential factors that can enhance CR is of strategic importance. One of such factors that has been studied in the literature is CSR. Defined as "a discretionary allocation of corporate resources toward improving social welfare that serves as a means of enhancing relationships with key stakeholders" (Barnett, 2007; pp. 801), CSR is a necessity for many firms in today's highly competitive market environment. Indeed, CSR is a strategic tool to respond to the expectations of multiple stakeholders (Lai et al., 2010).

Even if the extant literature has paid particular attention to the effects that both CSR and CR have on financial performance, the potential relationship between CSR and CR is also recognized within the literature by a proliferation

of conceptual and empirical work. In different conceptual studies conducted, mostly the conceptual closeness between CSR and CR is discussed and researchers generally agree that while these two concepts are different, they are mutually enhancing as two sides of the same coin (Hillenbrand and Money, 2007). However, in the empirical studies conducted, the link between CSR and CR is tested to some extent, especially within the scope of those studies that focused on employees as the primary stakeholder group. As one of such earliest attempts, Fombrun and Shanley show that the greater a firm's contributions to social welfare, the better will be its reputation (Fombrun and Shanley, 1990).

In the following years, Fombrun conducts similar studies and finds that enhancing CR may act as an extrinsic motivation for companies to engage in CSR activities and thus, reputation gain should be considered as a relevant outcome of CSR (Garberg and Fombrun, 2006). Similarly, using the assessments of managers and market analysts, Brammer and Pavelin (2006) state that social performance has an enhancing effect on CR but this effect varies both across actors and within sectors across the various types of social performance. Pointing to the strategic use of CSR policy, Rettab et al. (2009) also investigate the potential impact CSR had on organizational performance and find that CSR has a positive relationship with CR even in emerging economies where the researchers expect that CSR activities will not be communicated effectively to external stakeholders due to lack of skills and effective channels.

While the studies conducted in this context have particularly taken a firm perspective, there are some recent attempts investigating the effect that a firm's perceived CSR policy has on a firm's perceived CR. For example, examining CSR and CR link from the consumer's perspective, Stanaland et al. (2011) find that perceived CSR significantly influences perceptions of CR and enhances a firm's legitimacy in the eyes of its consumers.

2.3. Behavioral Outcomes of Corporate Reputation: A Multi-stakeholder Perspective

Over the past years, a growing body of research has investigated the benefits that highly reputable companies enjoy among different groups of stakeholders. Helm (2007) state that all of the positive outcomes associated with reputation are triggered by the perceptions and attitudes of individuals, which subsequently influence their behavioral intentions and outcomes. A closer examination of the extant literature reveals that studies examine the CR phenomenon and its behavioral consequences for three major stakeholders (i.e., customers, employees, investors).

With respect to customer outcomes, previous research shows that a positive CR increases customer perceived value (hereafter, CPV) and purchase intention by leading the customer to believe that the benefits of the purchase transaction are comparatively good and by reducing the monitoring costs associated with perceived performance ambiguity and information asymmetry (Hansen et al., 2008). Besides, as customers infer higher quality and/or value from good reputation, they feel highly satisfied with the product they purchased and/or service they received (Walsh and Beatty, 2007). Good reputation also increases customers' loyalty to the firm (Fombrun and van Riel, 1997) and reduces their switching intentions (Walsh et al., 2006). Several authors suggest that those customers, who attribute a good reputation to a specific company, have belief-consistent feelings of commitment, favorable intentions to continue doing business with the same company, or other forms of goodwill (Zeithaml et al., 1996). In addition, a firm's good reputation signals its reliability in all market transactions, such that a better reputation enhances not only levels of commitment but also loyalty intentions (Bartikowski et al., 2011) which subsequently foster positive worth-of-mouth. Customers want to pass along their product/service experiences with firms, particularly when these experiences are either very good or very poor. As one of the basic motives for positive or negative word of mouth is "helping the company" (Sundaram et al., 1998), the more satisfied, loyal, and trusting customers of highly reputable firms are willing to pass along their positive feelings to others.

Behavioral consequences of CR for both actual and prospective employees are miscellaneous as well. The theoretical bases of these consequences reside in both social identity theory and signaling theory, which provide rationales for why reputable firms attract and retain higher quality employees. According to the social identity theory, individuals categorize themselves into social categories based on group membership (i.e., the organization they work for) and these categories strongly influence their self-concepts (Ashforth and Mael, 1989). Thus, affiliation with a reputable firm enhances employees' self-esteem (Cable and Turban, 2003), positively affects their social identity and increases their job satisfaction (Helm, 2011). Similarly, employees that are affiliated with more prestigious firms feel more committed to their firms (Cable and Turban, 2003; Helm, 2007) and do not consider leaving these companies since withdrawal from reputable firms would deteriorate their self-images (Mignonac et al., 2006). These individuals can even recommend their firms to their friends as employers. From the job seekers' perspective, good reputation provide strong signals about the (working) conditions of the organization (Alniacik et al., 2011), particularly when they do not have full information. Similarly, as firms with positive reputations provide enhanced self-esteem, they can be highly preferred by job applicants as prospective employers (Turban and Cable, 2003).

The last group of stakeholders who are affected by the CR phenomenon is investors. Unlike the situation in other stakeholder groups, studies examining the consequences of CR with respect to investors are rather limited. Findings show that the current or potential investors perceive a company with a good reputation as a less risky investment than a company with an equivalent financial performance but a less favorable reputation (Srivastava et al., 1997). Besides, Helm (2007) found that CR has considerable effects on investors' satisfaction and affective loyalty while it does not significantly affect their behavioral loyalty. The latter result indicates that reputation is not a strong lever to directly shape investors' future trading intentions. However, the author concludes that in explaining the CR-behavioral loyalty relationship, the indirect effect of reputation on behavioral loyalty via investor satisfaction should be taken into consideration.

2.4. Development of Hypotheses

Based on the above literature review, the conceptual model of the study (see Figure 1) and the related hypotheses are developed. The current study aims to understand the possible influences of CSR on CR. Stanaland et al. (2011) show that there is a positive relationship between customers' evaluation of CSR and CR. Brammer and Pavelin (2006) also find a positive relationship between these two constructs. Therefore, the proposed conceptual model adopts CSR as an antecedent variable and hypothesizes a positive relationship with CR. Accordingly the related hypothesis is developed as follows;

H1: There is a positive relationship between CSR and CR.

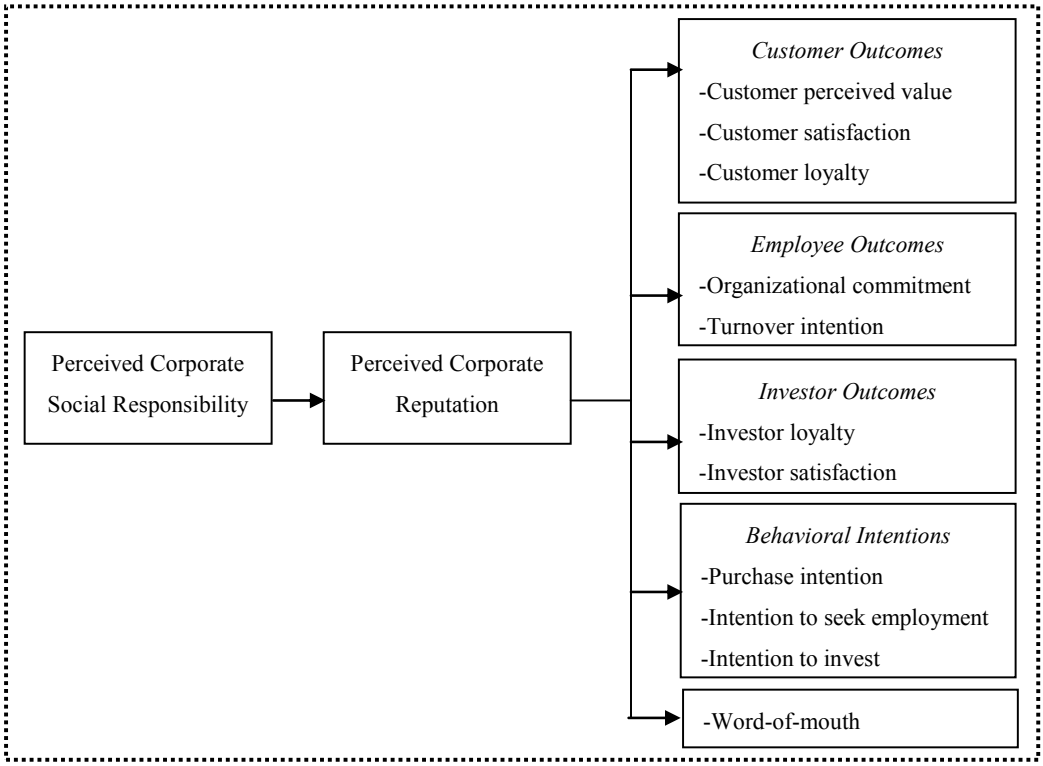

Figure 1: Conceptual Model

Following the call of Carter which emphasizes the need to explore the behavioral consequences of CR on multiple stakeholders (Carter, 2006), the current study concentrates on customers, employees, and investors. While there are studies that analyze the effects of CR on customer outcomes such as customer citizenship behavior (Bartikowski et al., 2011), customer loyalty (Bontis et al., 2007), and affective and intentional loyalty (Bartikowski et al., 2011); or employee outcomes such as employee turnover intention (Alniacik et al., 2011), satisfaction (Chun and Davies, 2006), and affective commitment (Helm, 2011); or investor outcomes such as behavioral intentions (Caruana et al., 2006), and loyalty (Helm, 2007), there still exists a gap in the literature regarding the consequences of CR with a multiple stakeholder perspective. For instance, Chun and Davies (2006) study the effect of CR on customer and employee

satisfaction. Helm (2007) adopts a multi-stakeholder perspective for the development of a CR scale. Srivoravilai et al. (2011) sample managers and customers to understand the relationship between organizational legitimacy and reputation. Lastly, Shamma and Hassan (2009) analyze the influence of CR on behavioral intentions of both customers and non-customers. Accordingly, while there are studies that concentrate on the effect of CR on multiple stakeholders' behavioral consequences, the research has yet to produce.

The current study hypothesizes a positive relationship between CR and CPV, satisfaction, loyalty, switching costs, and commitment as behavioral outcomes for customers. Walsh et al. report a positive relationship between customer satisfaction and CR (Walsh et al., 2006). Hodovic et al. (2011) also state a positive relationship between CR and CPV. Cretu and Brodie (2007) show that CR has a stronger influence on customer loyalty compared to brand image. Accordingly, the hypotheses are developed as follows;

H2a: There is a positive relationship between CR and CPV.
H2b: There is a positive relationship between CR and customer satisfaction.
H2c: There is a positive relationship between CR and customer loyalty.
H2d: There is a positive relationship between CR and switching cost.
H2e: There is a positive relationship between CR and customer commitment.

Chun and Davies (2010) find that components of CR highly correlate with employee satisfaction. According to Alniacik et al. (2011), there is a negative relationship between turnover intention of employees and CR and CR positively influences commitment and satisfaction of employees. As a result, the related hypotheses are developed as follows;

H3a: There is a positive relationship between CR and organizational commitment.
H3b: There is a negative relationship between CR and turn over intention.
H3c: There is a positive relationship between CR and employee satisfaction.

According to Helm (2007), there is a significant effect of CR on affective loyalty of investors while such relationship cannot be established for behavioral loyalty. In line with this line of reasoning, the hypotheses are developed as follows;

H4a: There is a positive relationship between CR and investor loyalty.
H4b: There is a positive relationship between CR and investor satisfaction.

Shamma and Hassan (2009) find a positive relationship between CR and behavioral intentions of both customers and non-customers. Keh and Xie (2009) also show that CR positively stimulates purchase intention of customers. Accordingly, the related hypotheses are developed as follows;

H5a: There is a positive relationship between CR and purchase intention.
H5b: There is a positive relationship between CR and intention to seek employment.
H5c: There is a positive relationship between CR and intention to invest.

According to Hansen et al. (2008), CR influences CPV which than increases the customer's likelihood to recommend the company to others. Walsh et al. (2009) also report that customer-based CR significantly affects word-of-mouth communication. Based on these findings, the hypothesis is developed as follows;

H6: There is a positive relationship between CR and word-of-mouth communication.

3. Methodology

3.1. Research Goal

Examining CR from a multi-stakeholder perspective, this study aims to investigate first the effect that CSR has on CR as an antecedent and then the effects that CR has on the behaviors of customers, employees, and investors as different stakeholder groups. To test the hypothesized relationships, a field survey using questionnaires is conducted.

3.2. Sample and Data Collection

For the study, different firms are drawn from the list of the Most Admired Companies of Turkey. This list has been published annually since 2001 by a recognized business magazine called Capital in collaboration with a major research agency. The firms are selected based on the criteria that they operate in the services industry and they are representative of all the tiers of the CR ranking. The service industry is specifically chosen as the focus of this study given that CR is of major importance in the services due to their richness in terms of credence qualities (Helm et al., 2009). Six firms from the banking, telecommunications and airline industries have fulfilled the selection criteria. For these firms, different versions of the questionnaire are prepared and then distributed online to a convenience sample of 172 respondents. Each respondent has answered only one version of the questionnaire.

Of the respondents, 52 % are males and 48% are females and their ages range from 20 to 67 years, with an average age of 31 years. Approximately half of the respondents (51 %) have a bachelor's degree as their latest degree; yet, a significant percentage (38%) also has graduate degrees. 34 % of the respondents report monthly income less than 2000 TL, whereas only 5 % report monthly income in excess of 8000 TL. More than half of the reported monthly incomes fall between 2000 TL and 7999 TL. In terms of current working status, most of the respondents (76%) are employed and they mostly hold managerial positions in their workplaces. Of the employed respondents, 27 % work as firstline managers, 17 % work as middle managers and 5 % work as top managers. In terms of the stakeholder characteristics, 73 % of the respondents are customers of the assigned company, 12 % of the respondents are currently employed by the assigned company and 14 % of the respondents have investments in the assigned company.

3.3. Analysis and Results

In order to test the hypothesized relationships described above, scales are drawn and adapted from existing literature. All the scales are translated to Turkish and then back-translated and the survey instrument is finalized. Before conducting the survey with a representative sample of the three major stakeholder groups that are of concern in the present study, a pilot test is conducted with 54 individuals with the aim to purify the scales. CR is measured by the Reputation Quotient (hereafter, RQ) developed by Fombrun et al. (2000). The scale consists of 20 items that are grouped under six dimensions (i.e., emotional appeal, products and services, vision and leadership, workplace environment, social and environmental responsibility, and financial performance). Since the RQ reflects the aggregate perception of multiple stakeholders about a company's performance, it is considered the most suitable measure for the present study that has a multi-stakeholder perspective in studying antecedents and consequences of CR. These items are measured by five-point Likert scales (1=strongly disagree, 5=strongly agree).

In order to measure CSR, five of the eight corporate social performance dimensions (i.e., community relations, employee relations, performance with respect to the environment, product characteristics, and treatment of women and minorities) in the Kinder, Lydenberg, Domini (hereafter, KLD) Index are selected. These five dimensions are chosen since they emphasize key stakeholder relations and the remaining three dimensions (i.e., military contracting, participation in nuclear power, and involvement in South Africa-relevant for the time period when the scale is developed) are left out since they are less directly related to stakeholder groups (Waddock and Graves, 1997). The initial measure consisted of 36 items. However, the analysis of Cronbach Alpha values and correlations resulted in deletion of 17 items. The remaining 19 items are measured by five point Likert scales (1=strongly disagree, 5=strongly agree).

All behavioral outcome constructs regarding customers, employees, and investors are measured by multiple items drawn from existing literature and five-point Likert scales (1=strongly disagree, 5=strongly agree) are used. CPV is measured by four items adapted from Hansen et al. (2008). These items, which were originally developed in a B-to-B context, have been slightly changed to fit to the B-to-C context used in the present study. Two items measuring customer satisfaction are adapted from Nielson (1998) and Wilson and Vlosky (1998). Customers' affective and intentional loyalties to the company are measured by four items respectively. These items are adapted from Chaudhuri and Holbrook (2001) and Arnold and Reynolds (2003). Two items that are adapted from Turnbull et al. (1996) and Wilson and Vlosky (1998) are used to measure customer switching cost. Customer commitment is measured by the two items adapted from Hennig-Thurau et al. (2002). With respect to employees, three items that are developed by Rosin and Korabik (1995) are used to measure intentions to leave the organization; two items that are previously used by Chun and Davies (2010) are used to measure satisfaction with the organization; ten items, drawn and adapted from Allen and Meyer's (1990) organizational commitment scale, are used to measure affective, normative, and

continuance commitment to the organization. Finally, investor's satisfaction with and affective and behavioral loyalty to the company are measured by four items respectively, all of which are adapted from Helm (2007).

In addition to measures of behavioral outcomes, non-customers' intention to purchase products and services of the company (4 items), non-employees' intentions to seek employment in the company (3items), and non-investor's intention to make investment in the company (1 item) are measured. A five-point interval scale, where one equals very unlikely and five equals very likely, is used to measure these items. All stakeholders' word-of-mouth behavior is also measured by using five-point Likert scales and the four items included in the questionnaire are drawn from Goyette et al. (2010). All the constructs with respective number of items and Cronbach Alpha values are provided in Table 1. The results show that all the Cronbach Alpha values are greater than 0.70 except for customer satisfaction (0.68). Yet, the analysis is continued since the Cronbach Alpha value for the construct is close to acceptable limits.

To test the hypothesized relationships multiple regression analyses are computed. Table 2 details the results of the multiple regression analyses. First of all, a positive relationship between CSR and CR (β=.801; p=0.000) is found, supporting H1. Related to customer outcomes, there is positive relationship between CR and CPV (β=.727; p=0.000), customer satisfaction (β=.681; p=0.000), customer loyalty (β=.780; p=0.000), switching cost (β=.427; p=0.000), and customer commitment (β=.622; p=0.000) supporting H2a, H2b, H2c, H2d, and H2e. As to employee outcomes, there is positive relationship between CR and organizational commitment (β=.615; p=0.003), turnover intention (β=.594; p=0.005), and employee satisfaction (β=.762; p=0.000) supporting H3a, H3b, H3c. Related to investor outcomes, there is positive relationship between CR and investor loyalty (β=.782; p=0.000), and investor satisfaction (β=.629; p=0.001) supporting H4a and H4b.

Table 1: Cronbach Alpha Values

Constructs	*Cronbach Alpha*	*Number of items*
CSR	.897	19
CR	.946	20
CPV	.812	4
Customer satisfaction	.682	2
Customer loyalty	.914	8
Switching cost	.757	2
Customer commitment	.782	2
Organizational commitment	.838	10
Turnover intention	.744	3
Employee satisfaction	.846	2
Investor loyalty	.886	8
Investor satisfaction	.805	4
Purchase intention	.921	4
Intention to seek employment	.817	3
Intention to invest	NA	1
Word-of-mouth	.849	4

With respect to behavioral intentions there is a positive relationship between CR and purchase intention (β=.654; p=0.000), intention to seek employment (β=.368; p=0.000), and intention to invest (β=.588; p=0.000) supporting H5a, H5b, and H5c. Lastly, there is a positive relationship between CR and word-of-mouth (β=.777; p=0.000) supporting H6.

4. Discussion

With its integrative model, this study aims to investigate the relationship between CSR and CR and shed light on the effects of CR on different stakeholder behaviors. Customers, employees, and investors are used as the subjects of the study since they are considered in literature as the three important primary stakeholders of a firm. These three groups have an influence on and are influenced by the activities of the firms they are affiliated to. However, as to the knowledge of the authors, there is no previous attempt to investigate the effects of perceived CSR on perceived CR as well as those of perceived CR on these three stakeholder groups' actual behaviors and behavioral intentions with

Table 2: Multiple Regression Analysis Results

Dependent Variable	*Independent Variable*	*Adjusted R^2*	*Fchange*	*Model α*	*Std. B*	*Beta A*
CR	CSR	.654	321,716	0.000	.810	0.000
Customer Outcomes						
CPV	CR	.524	137,74	0.000	.727	0.000
Customer satisfaction	CR	.459	106,143	0.000	.681	0.000
Customer loyalty	CR	.605	190.929	0.000	.780	0.000
Switching cost	CR	.176	27,397	0.000	.427	0.000
Customer commitment	CR	.382	77,758	0.000	.622	0.000
Employee Outcomes						
Organizational commitment	CR	.346	11,567	0.003	.615	0.003
Turnover intention	CR	.318	10,332	0.005	.594	0.005
Employee satisfaction	CR	.558	26,289	0.000	.762	0.000
Investor Outcomes						
Investor loyalty	CR	.594	34,661	0.000	.782	0.000
Investor satisfaction	CR	.368	14,419	0.001	.629	0.001
Behavioral Intentions						
Purchase intention	CR	.415	34,289	0.000	.654	0.000
Intention to seek employment	CR	.130	23,2	0.000	.368	0.000
Intention to invest	CR	.341	76,564	0.000	.588	0.000
Word-of-Mouth	CR	.601	257,355	0.000	.777	0.000

respect to the firms in question. The findings of the study are worthy of attention and will hopefully strike further discussions. First of all, results convey that all stakeholder groups assign good reputations to those firms which they evaluate positively in terms of their social performance. Consistent with the tenets of signaling theory, social responsibility actions of the firms act as signals to the society and are used by different stakeholders to develop positive impressions of the firms. It is supported that a strong record of environmental performance, product characteristics, community and employees relations, and diversity initiatives may enhance the firms' reputation in the eyes of the stakeholders and substantiates the "firm legitimacy". Second, customers' perceived CR have a strong and positive influence on their perceptions regarding the value they receive from the firms, their satisfaction with and loyalty and commitment to the firm, and their evaluations of the costs of switching to another supplier. This finding implies that customers, who attribute a good reputation to a specific firm, regard their relationships with the company as valuable, create emotional bonds with the firm, and are willing to last these relationships for long. Positive CR evaluations also help customers to perceive the products they purchase and/or the services they receive from the firms as of high quality, which increases their level of satisfaction and enhance loyalty and commitment. Those people, who report greater satisfaction, loyalty, and commitment, also engage in positive word-of-mouth communications by sharing their experiences with others with an aim to help the company and show lesser switching tendencies.

Another prominent finding concerns the positive consequences of perceived CR for both actual and prospective employees. The study results support the notion that CR is vital in determining work-related social identity (Dutton and Dukerich, 1991) as employees associate with the superior or poor reputation of their employer (Helm, 2011). In particular, the findings indicate that employees, who work for firms with positive public recognition, perceive their workplace and job conditions more favorably and as a result, feel more satisfied with their jobs. What is more, working for a well-regarded firm enhances employees' self-esteem, provides a stronger foundation for organizational commitment, and decreases employees' turnover intents. The results also show that employees who perceive their organization as highly-reputable entities, recommend their firms to others as good employers. Another important finding of the study, which is related with the behavioral outcomes of CR for prospective employees, show that when job seekers assign a good reputation to a specific firm, they are more likely to seek employment there.

Finally, with respect to the effects of perceived CR on investors' behavioral intentions and actual behaviors, the findings reveal that investors' evaluations of the firm reputation have considerable effects on their loyalty, satisfaction, and intentions to invest. As investors believe that reputation conveys important information about the profit and long-term potential of a firm, a good reputation increases the firm's attractiveness as an investment choice.

This study suffers from certain limitations that need to be addressed in future studies. First, the exclusive use of self-reported, cross-sectional data might cause certain methodological problems. Future attempts that examine the relationships identified within a longitudinal framework may resolve the issues concerning causality. In addition, researchers may use secondary data for the computation of CR and/or CSR scores. At the time of this study, researchers cannot access any secondary data for Turkish firms to compute CR and/or CSR scores and have to proceed with the survey data. Second, the number of customers is considerably higher than the number of employees and investors in the sample, which can attenuate the robustness of the analyses as well as the results. Finally, extension of this study from services to other industries would increase the generalizability of the findings.

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