Reputational Buffer or Backlash Accelerant? The Impact of Pairing CEO Activism with Politically Contentious CSR

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Dissertation written under the supervision of Filipa Lancastre

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Abstract

Title: Reputational Buffer or Backlash Accelerant? The Impact of Pairing CEO Activism with Politically Contentious CSR

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As CEO activism becomes increasingly prevalent, firms are facing growing pressure to demonstrate the sincerity of their sociopolitical commitments. While prior research has shown that politically neutral CSR can buffer corporate reputation against the risks of CEO activism, the consequences of pairing an activist stance with politically contentious CSR remain underexplored. Therefore, this study addresses this gap by examining how CEO stance and CSR type jointly shape corporate reputation through perceived moral authenticity in the Austrian and German context.

A 2×2 between-subjects experimental design was employed, exposing 217 participants to one of four fictional news article conditions varying CEO stance (activism vs. silence) and CSR type (polarizing vs. neutral). The results show that while CSR type did not directly moderate the effect of CEO stance on corporate reputation, polarizing CSR significantly elevated perceived moral authenticity when paired with CEO activism. Perceived moral authenticity emerged as a dominant driver of corporate reputation, explaining over half of the variance in reputational evaluations. An unexpected direct negative effect of CEO activism on reputation was also observed, which, if confirmed in future research, may suggest that moral authenticity functions as only a partial buffer against the reputational costs of sociopolitical positioning.

The study contributes to the CEO activism literature by identifying moral authenticity as a key driver of corporate reputation and offering preliminary evidence that CEO activism and authenticity dynamics operate within a European institutional context.

Keywords: CEO activism, corporate social responsibility, corporate reputation, moral authenticity, political ideology, signaling theory

Sumário

Título: Amortecedor de reputação ou acelerador de reações adversas? O impacto da combinação do ativismo dos CEO com a CSR politicamente controversa

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Com a crescente prevalência do ativismo dos CEOs, as empresas enfrentam pressão para demonstrar a sinceridade dos seus compromissos sociopolíticos. Embora estudos anteriores tenham demonstrado que a CSR politicamente neutra pode proteger a reputação corporativa contra os riscos do ativismo dos CEOs, as consequências de combinar uma postura ativista com uma CSR politicamente controversa continuam pouco exploradas. Este estudo aborda esta lacuna, examinando como a postura do CEO e o tipo de CSR moldam a reputação corporativa através da autenticidade moral percebida no contexto austríaco e alemão.

Foi utilizado um desenho experimental entre-sujeitos 2×2, no qual 217 participantes foram expostos a quatro condições de artigos noticiosos fictícios variando a postura do CEO (ativismo vs. silêncio) e o tipo de CSR (polarizante vs. neutro). Os resultados mostram que, embora o tipo de CSR não tenha moderado diretamente o efeito da postura do CEO na reputação corporativa, a CSR polarizante elevou significativamente a autenticidade moral percebida quando combinada com o ativismo do CEO. A autenticidade moral percebida emergiu como principal determinante da reputação corporativa, explicando mais de metade da variância nas avaliações.

Verificou-se um efeito negativo direto inesperado do ativismo do CEO sobre a reputação, o que, se confirmado em investigações futuras, poderá sugerir que a autenticidade moral funciona apenas como amortecedor parcial dos custos reputacionais do posicionamento sociopolítico.

O estudo contribui para a literatura do ativismo dos CEOs, identificando a autenticidade moral como determinante da reputação corporativa e oferecendo evidências preliminares de que estas dinâmicas se manifestam no contexto institucional europeu.

Palavras-chave: ativismo dos CEO, responsabilidade social das empresas, reputação corporativa, autenticidade moral, ideologia política, teoria da sinalização

Disclosure of AI

All ideas, conceptual and written content in this thesis are entirely my own. AI tools, specifically NotebookLM, Grammarly, and Claude (Anthropic), were used to support the research and writing process.

NotebookLM was used during the literature review to organize sources, trace citations and their relationships, and structure the theoretical background.

Claude and Grammarly were used to support the academic writing process, including improving grammar, tone clarity, and readability, as well as structuring and refining written passages. In addition, Claude provided guidance in supporting the data analysis process, including R code development and interpretation of statistical results. All statistical analyses were subsequently reviewed, cross-checked, and verified with multiple academic sources to ensure accuracy.

All content produced or refined with the assistance of these tools was critically reviewed, edited, and approved by me. I take full responsibility for the originality, accuracy, and integrity of this thesis.

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The completion of this thesis marks a fundamental milestone in my academic journey at WU Vienna and Católica Lisbon. This period has been an unforgettable journey, defined by profound academic and personal growth that will undoubtedly shape my future endeavors.

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List of Abbreviations

ACME	Average Causal Mediation Effect
ADE	Average Direct Effect
CEO	Chief Executive Officer
CI	Confidence Interval
CSR	Corporate Social Responsibility
CME	Coordinated Market Economy
ESS	European Social Survey
GLOBE	Global Leadership and Organizational Behavior Effectiveness
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual and more
OLS	Ordinary Least Squares
PAIS	Prejudice Against Immigrants Scale
PANPIS	Positive and Negative Perception of Immigrants Scale
PR	Public Relations
SE	Standard Error
SD	Standard Deviation
VIF	Variance Inflation Factor

1 Introduction

“The stories and images of families being separated at the border are gut-wrenching. [We must] urge our government to work together to find a better, more humane way that reflects our values as a nation. #keepfamiliestogether”

Sundar Pichai, CEO of Google, 18 June 2018 via Twitter, as cited in Homroy and Gangopadhyay (2025)

In recent years, corporations and their CEOs have increasingly engaged in corporate sociopolitical activism, which refers to publicly taking stances on highly polarizing issues (Burbano, 2021; Chatterji & Toffel, 2019). This marks a significant departure from traditional Corporate Social Responsibility (CSR). Historically, CSR focused on universally accepted and uncontested domains, including general philanthropy or basic environmental stewardship (Melloni et al., 2023), where stakeholders broadly agreed a firm's actions were inherently "good" (Melloni et al., 2023; Mohliver et al., 2023). In contrast, modern corporate activism delves into "hot-button" issues like abortion, gun control, migration, radical climate activism, and LGBTQ+ rights, which intrinsically divide public opinion and carry the risk of alienating a significant portion of a firm's stakeholders (Durand & Gouvard, 2021; Vakili & Zhang, 2018).

As entering these contested topics is risky, the credibility and moral authenticity of a firm's messaging become paramount (Bondi et al., 2025; Hoppner & Vadakkepatt, 2019; Li & Soule, 2022, 2026). Public statements, especially when shared by the CEO of a firm (Li & Soule, 2022), are relatively cheap to produce (Hambrick & Wowak, 2021). Producing such statements may lead stakeholders to be highly skeptical of so-called "wokewashing". This refers to the practice of opportunistically adopting progressive values for good public relations (PR) or profit without demonstrating actual, substantive commitment (Melloni et al., 2023).

To overcome this skepticism, prove authenticity, and mitigate ideological backlash, firms may pair their public statements with substantive financial actions, leveraging CSR as a reputational buffer (Bondi et al., 2025; Li & Soule, 2026). However, existing economic and strategic models of CSR largely rely on the outdated assumption that these buffering activities will be universally viewed as legitimate and positive by various audiences (Baron, 2009; Besley & Ghatak, 2007; Kitzmueller & Shimshack, 2012; Mohliver et al., 2023).

As a result, there is a blind spot in understanding this modern non-market strategy (Hou & Poliquin, 2023). Existing literature shows that universally accepted, politically neutral CSR, e.g., supporting children's health, can successfully buffer a firm's reputation (Li & Soule, 2026). However, the consequences of a firm attempting to validate a controversial stance using CSR that is itself politically contentious, underpinning "hot-button" issues such as those mentioned above, remain underexplored.

1.1 Academic and Managerial Relevance

Acknowledging this context, the academic relevance of this study stems from a targeted gap in the CEO activism literature. While prior research has established that CSR can serve as a buffer for reputational damage of sociopolitical positioning, this insurance effect has previously been tested exclusively using politically neutral causes (Li & Soule, 2026). Whether ideologically congruent, polarizing CSR amplifies or undermines this buffer remains an open empirical question. By examining the interplay between CEO activism, CSR type, and perceived moral authenticity, this study extends signaling theory to the domain of ideological congruence (Homroy & Gangopadhyay, 2025; Li & Soule, 2026) and contributes to the emerging literature on wokewashing (Melloni et al., 2023) and corporate hypocrisy (Qin et al., 2025; Wang et al., 2022). Additionally, the study addresses a contextual gap by investigating these dynamics within Austria and Germany as prior literature in this field is predominantly based on US data (Chatterji & Toffel, 2019; Homroy & Gangopadhyay, 2025; Hou & Poliquin, 2023; Li & Soule, 2026).

Moreover, the managerial relevance is equally pressing. As the line between business and politics becomes increasingly blurred, firms operating in ideologically fragmented markets face an ever more complex balancing act when it comes to reputation. Therefore, understanding whether pairing CEO activism with polarizing CSR strengthens or weakens stakeholder trust has direct implications for communications strategies, CSR investment decisions, and reputation management. Consequently, the findings of this study offer actionable guidance for CEOs and communications directors navigating the risks and opportunities of sociopolitical corporate engagement.

1.2 Research Objective

Building on this underexplored field in the literature, this thesis aims to answer multiple research questions by examining the reputational consequences of pairing CEO activism with politically contentious CSR in the Austrian and German contexts. The first research question directly addresses the identified gap by investigating whether ideologically congruent, polarizing CSR produces different reputational outcomes than neutral CSR when paired with CEO activism.

RQ1: *"What is the impact of pairing CEO activism with polarizing CSR versus neutral CSR on a firm's corporate reputation in Austria and Germany?*

As stakeholder perceptions of the firm, particularly moral authenticity, may represent the mechanism through which CSR signals are processed, the second research question examines how CSR type shapes these perceptions.

RQ2: *"What effect does CSR type accompanying CEO activism have on stakeholder perceptions of the firm?"*

Finally, given the central theoretical role of moral authenticity in the CEO activism literature, the third research question isolates its direct impact on corporate reputation.

RQ3: *"What is the impact of perceived moral authenticity on corporate reputation in the context of CEO activism?"*

Consequently, these three research questions follow a sequential logic, ranging from the direct reputational effect of CSR type to its effect on stakeholder perceptions, and ultimately to the reputational consequences of those perceptions.

1.3 Structure of Dissertation

Following this introduction, Chapter Two reviews the existing literature to develop the theoretical foundation and research hypotheses. Chapter Three outlines the quantitative experimental methodology, including the research design, experimental stimulus, measurement scales, and sampling strategy. Chapter Four presents the data analysis and results. Chapter Five interprets and discusses these findings, covering academic and managerial implications, acknowledging the study’s limitations, and outlining directions for future research. Finally, Chapter Six concludes the dissertation.

2 Theoretical Background

2.1 The Evolution of CSR and Financial Performance

The corporate landscape has been undergoing a shift in how organizations engage with societal issues, transitioning from traditional, universally accepted CSR toward a more complex era of sociopolitical involvement. This evolution has introduced new layers of risk and strategic necessity, which will be discussed in the following.

2.1.1 The Baseline: Traditional CSR as an "Uncontested Terrain"

Historically, CSR is conceptualized as voluntary organizational activities and initiatives aimed at promoting social good and advancing non-owner stakeholders (McWilliams et al., 2006). This is usually substantiated by long-term resource commitment, integration into daily business practices (Flammer, 2018; Melloni et al., 2023; Solal & Snellman, 2019), and continuous accountability (DesJardine et al., 2021). Common CSR arenas include environmental protection efforts, human rights initiatives, and general philanthropy (Hambrick & Wowak, 2021). Moreover, the literature frequently mentions "strategic CSR", pointing out that these substantive investments not only benefit society but also create valuable spillover effects for the company itself, including the increase of a firm's performance, building corporate reputation, and differentiation in the eyes of stakeholders (McWilliams & Siegel, 2001). Traditionally, these socially responsible practices were universally assumed to be legitimate and good (Melloni et al., 2023; Mohliver et al., 2023). However, such practices operated within an uncontested domain, including activities that are agreed upon by the majority of stakeholders to be desirable actions (Melloni et al., 2023), like supporting children's health (Li & Soule, 2026).

2.1.2 CSR and Financial Performance: The Variable of "Materiality"

While existing literature conceptualizes traditional CSR and evaluates how various stakeholder groups interpret these initiatives, it simultaneously studies the impact on the bottom line. Researchers have also introduced the concept of "materiality" of social issue engagement to assess how distinct activities affect these financial variables (Grewal et al., 2021; Khan et al., 2016; Wu et al., 2025). In that sense, material social issues are defined as essential to a firm's primary operations and therefore also involve shareholders' interests, whereas immaterial social issues are those that cover areas broader than its core business (Eccles & Serafeim, 2013;

Grewal et al., 2021; Khan et al., 2016). This distinction is crucial as the relationship between CSR and financial performance is highly dependent on it. Empirical evidence suggests that there is a positive association between addressing material social issues and a firm's direct financial returns, as investing in these core areas may enhance operational efficiency (Khan et al., 2016; Wu et al., 2025). Moreover, disclosing such information, specifically about material social issues engagement, has been demonstrated to positively improve a firm's stock price informativeness (Grewal et al., 2021). Conversely, investments in immaterial social issues may lack these direct economic benefits (Khan et al., 2016). Consequently, because material issues are most relevant when aligning with investor preferences for financial value creation (Guiral et al., 2020), firms may use them deliberately. By increasing the relative emphasis on material CSR, firms can strategically restore competence-based trust and protect firm value when they are confronted with performance concerns (Eccles & Serafeim, 2013; Hoang & Phang, 2023; Park et al., 2014).

2.1.3 Intangible Performance: Variables of Moral Capital and Authenticity

Beyond financial metrics, prior research also puts emphasis on CSR as a powerful driver of intangible performance variables, such as corporate reputation, trust, and moral capital (Bundy & Pfarrer, 2015; Graf-Vlachy et al., 2020; Wu et al., 2025). Even though immaterial CSR may not yield immediate direct financial returns, it is more effective at generating positive societal sentiments, building an altruistic image, and maintaining integrity-based trust (Wu et al., 2025). This is because it is grounded in emotional and behavioral evaluations that are usually in line with moral values of stakeholder groups (Connelly et al., 2018). Furthermore, sustained CSR engagement serves as a highly credible signal of a firm's moral authenticity (Li & Soule, 2026), which is defined as the alignment between its internal values and beliefs and its external actions (Lehman et al., 2019).

Because CSR requires long-term, costly resource commitments, it acts as a "reputational insurance" (Minor & Morgan, 2011). Also, Godfrey (2005) argues that sustained CSR and the accompanying moral capital allow for a buffer when a company is facing negative effects of malpractices. According to him, CSR buffers stakeholders' interpretations about these specific actions, making them less reprehensible or deliberate (Lange & Washburn, 2012). This reservoir of perceived authenticity and moral capital safeguards a firm's overall reputation, successfully protecting it from the backlash of stakeholders who might disagree with a company's practices (Li & Soule, 2026).

2.1.4 The Evolution: From Safe CSR to Polarizing Activism

However, in recent years, the landscape of corporate social engagement has undergone a noteworthy transition, shifting from universally accepted domains into highly contested and polarizing areas (Durand & Gouvard, 2021). This means modern firms are increasingly drawn into deeply divisive ideological debates on issues including abortion rights, gun control, and LGBTQ+ rights, especially in the US context (Mohliver et al., 2023). As these "hot-button" issues carry the risk of alienating a significant portion of a firm's stakeholders, their advent shatters the historical assumption that CSR is universally praised or perceived as inherently good (Melloni et al., 2023). Acknowledging this shift, a critical differentiation to traditional CSR has emerged, which is underpinned by a steep rise in the number of companies speaking out publicly on contested sociopolitical topics (Hou & Poliquin, 2023). As social issues evolve from uncontested terrain to domains of high salience but low societal agreement, firms need to manage new performance risks. Consequently, they are increasingly relying on their established moral authenticity and historical CSR to deal with reputational volatility introduced by this new era of corporate stance-taking (Li & Soule, 2026; Mohliver et al., 2023).

2.2 CEO Activism - Definitions and Dynamics

Reacting to the above-explained shift, a distinct phenomenon of stance-taking surfaced: CEO activism. Chatterji and Toffel (2019) define CEO activism as "corporate leaders speaking out on social and environmental policy issues not directly related to their company's core business". Literature highlights that these statements intend to engage in current debates, shape public discourse, and mobilize public opinion into the desired direction (Chatterji & Toffel, 2019). As such, CEO activism can be framed as a distinct new non-market strategy (Hambrick & Wowak, 2021; Li & Soule, 2022, 2026).

However, historically, CEO activism was considered related but distinct from traditional non-market strategies like covert lobbying (Hou & Poliquin, 2023) as it is inherently public and puts the spotlight on an individual rather than the firm. Additionally, as mentioned above, CEO activism typically deals with issues unrelated to core business operations. It targets a broad audience of consumers and employees instead of focusing solely on politicians and regulators (Chatterji & Toffel, 2019). Building on this, other literature classifies CEO activism as a unique non-market strategy, as its primary mechanism operates through shaping stakeholder perceptions and influencing the broader institutional context rather than through direct market transactions (Li & Soule, 2026; Melloni et al., 2023). Since taking a public stance demonstrably affects the behavior of key stakeholders (Burbano, 2021; Hou & Poliquin, 2023), it acts as a strategic lever to mold social evaluation and impact the overall institutional context (Li & Soule, 2026; Melloni et al., 2023).

To further understand the notion of CEO activism, several prominent examples have appeared in recent years. While former CEOs of Chick-fil-A (i.e., Dan Cathy) and Merck (i.e., Kenneth Frazier) are frequently mentioned in the literature as foundational examples to describe this phenomenon concerning the issues of same-sex marriage and racial justice, they provide no specific quantification of financial or reputational aftermaths (Hambrick & Wowak, 2021; Hou & Poliquin, 2023).

However, some studies explore the empirical effects of CEO activism, often including asymmetric stakeholder reactions. For instance, Hou and Poliquin (2023) examine consumer reactions after CEOs advocated for stricter gun laws and analyze how partisan perspectives affected consumption behavior after the occurrence of two mass shootings. By using mobile phone location data, the authors investigated the effect of CEO activism after CEOs of retailers such as Walmart, Dick's Sporting Goods, and Levi Strauss spoke out in favor of stricter gun control. The data revealed a temporary 4% to 6% drop in store visits within highly conservative counties, even though foot traffic in liberal counties remained largely the same. Consequently, this asymmetric backlash resulted in an estimated $800 million to $1.1 billion in lost sales across the firms in the following four weeks after their public stance. Yet, these negative effects completely vanished within 10 weeks, leading to no financial penalty from a long-term perspective.

In contrast, Apple CEO Tim Cook publicly opposed Indiana's Religious Freedom Restoration Act, a law widely criticized for enabling discrimination against LGBTQ+ individuals under the guise of religious liberty (Chatterji & Toffel, 2019; Hambrick & Wowak, 2021; Hou & Poliquin, 2025; Hou & Poliquin, 2023). Experimental evidence showed that this stance led to a positive increase in the intent to buy Apple products among ideologically aligned consumers who are in favor of same-sex marriage. Notably, in this specific case, no statistically significant evidence has been observed that Cook's activism changed the purchasing intent of consumers who opposed his stance (Chatterji & Toffel, 2019).

2.2.1 Advantages and Disadvantages of CEO Activism

Based on the literature and the above-mentioned real-life examples, CEO activism can be described as a “double-edged sword,” as it inherently entails both benefits and drawbacks (Larcker et al., 2018). Foremost, CEO activism fosters intense identification with the firm and therefore brand loyalty among ideologically aligned stakeholders (Chatterji & Toffel, 2019; Hou & Poliquin, 2023). When operating in highly polarized markets, taking a controversial stance acts as a powerful tool for social counter-positioning and horizontal differentiation, which enables firms to intentionally segment the market when mass-market appeal declines (Hambrick & Wowak, 2021; Homroy & Gangopadhyay, 2025; Melloni et al., 2023; Mohliver et al., 2023). In particular, these dynamics drive strategic catering, which is studied by Homroy and Gangopadhyay (2025). The authors examine whether the decision to engage in CEO activism is driven by a strategic effort to align with the sociopolitical preferences of key stakeholders, particularly consumers. Results show that even though the vast majority of US CEOs are Republican donors, their statements on social activism overwhelmingly lean toward liberal ideologies, suggesting that these choices are calculated to attract another consumer base.

Moreover, to fully unlock these advantages and cement long-term loyalty, activism must be deemed credible (Melloni et al., 2023). By purposely incurring a significant opportunity cost through alienating a portion of their customer base, the self-imposed economic penalty acts as a costly signal, proving that a firm may not engage in “cheap talk” (Homroy & Gangopadhyay, 2025; Melloni et al., 2023).

While taking a public stance may polarize a firm’s main stakeholders (e.g., consumers, employees or shareholders) (Bhagwat et al., 2020; Burbano, 2021; Do et al., 2022), the high probability of backlash from opposing ideological perspectives, however, serves as a credible commitment mechanism, reinforcing the authenticity of the executive's position (Copeland & Boulianne, 2022; Larcker et al., 2018; Stolle & Micheletti, 2013). Prior research indicates an “asymmetric backlash” effect to this alienation, wherein the penalties imposed by misaligned stakeholders are more severe than the rewards garnered from those who are aligned (Bondi et al., 2025; Burbano, 2021; Hou & Poliquin, 2026; Hou & Poliquin, 2023; Hydock et al., 2020; Mukherjee & Althuizen, 2020). This effect is demonstrated in multiple studies. For instance, Burbano (2021) shows that communicating a sociopolitical stance that an employee does not align with has a demotivating effect, thereby decreasing work effort. Yet, communicating an agreeable stance does not provide a statistically significant motivating effect. Although these asymmetric penalties exist, literature suggests that the accompanying risk of alienating stakeholders is not a strategic flaw but necessary to establish authenticity (Melloni et al., 2023).

Unlike traditional CSR, which requires substantive operational investments, publishing a statement is purely communication, entailing little to no financial cost (Hambrick & Wowak, 2021). Due to this low financial barrier, CEO activism inherits a vulnerability of being perceived as "wokewashing". If a firm tries to take a stance without risking stakeholder backlash, sophisticated consumers will recognize the lack of commitment, rationally ignore the message, and thereby neutralize the strategy's potential advantages (Melloni et al., 2023). Therefore, the self-imposed opportunity cost of lost sales or alienated employees acts as a crucial, costly signal that fosters authenticity (Melloni et al., 2023).

2.2.2 Impact on Performance and The Cost of Silence

Taking these identified advantages and disadvantages into consideration, the ultimate impact of CEO activism on a firm's performance, however, remains highly nuanced. Previous literature yields mixed financial outcomes as the strategy can not only add value (Chatterji & Toffel, 2019; Mohliver et al., 2023) but also cause a loss of value (Bhagwat et al., 2020; Hou & Poliquin, 2023) depending on the context.

When carried out strategically, CEO activism can lead to a positive financial performance by generating favorable stock returns around the time of announcement and higher quarterly sales, especially for firms within a strongly competitive business landscape and polarized industries (Homroy & Gangopadhyay, 2025). In contrast, CEO activism may trigger immediate asymmetric backlash, e.g., boycotts, when consumers disagree with a CEO's statement (King & Soule, 2007; McDonnell & King, 2013). However, research indicates that these effects are highly transient, as shown by Hou and Poliquin (2023). Consequently, literature attributes these characteristics to high switching costs, limited attention spans, and the ephemeral nature of public anger (Etter et al., 2019; Hou & Poliquin, 2023; Liaukonytė et al., 2023). Thus, the influence of CEO activism on consumption is short-lived and more episodic (Hou & Poliquin, 2023; Li & Soule, 2026). This is also underpinned by the fact that research has not yet detected long-term operational shifts resulting from activism, including, e.g., changes in annual profitability, employee productivity, or retention (Homroy & Gangopadhyay, 2025). This implies that CEOs may need to take a stance frequently to leverage this as a differentiation strategy (Hou & Poliquin, 2023). Despite risking temporary stakeholder alienation and episodic characteristics, recent literature discovers a critical paradigm shift. This means choosing not to address societal issues is no longer a safe harbor (Qin et al., 2025).

In an era of heightened polarization, corporate silence on highly salient issues is increasingly interpreted by stakeholders as complicity or implicit opposition. When dealing with such "hot-button" issues, stakeholders monitor corporate behavior more intensely, either to praise or to criticize it (Barnett, 2014; Durand et al., 2019; Mohliver et al., 2023), and tend to expect public activism (Hambrick & Wowak, 2021; Wowak et al., 2022). Consequently, staying silent is no longer perceived as a neutral stance. However, it is instead interpreted as an intentional alignment with the opposing side, resulting in negative reactions from disappointed consumers or employees (Qin et al., 2025). Furthermore, surveys indicate that 65% of consumers want CEOs to take a stance on important social issues (Larcker et al., 2018). Ultimately, firms are being more susceptible to allegations of hypocrisy if their actions do not align with CEO activism (Carlos & Lewis, 2018; Melloni et al., 2023; Vredenburg et al., 2020; Wang et al., 2022). Consequently, the reputational costs of silence and the resulting erosion of stakeholder identification may now outweigh the inherent risks of taking a stance (Qin et al., 2025).

2.3 The Authenticity Crisis

As mentioned before, due to the low-cost nature of public statements (Hambrick & Wowak, 2021), CEO activism embeds a certain "authenticity crisis". Thus, corporate leaders may face enduring suspicion that their activism is simply "cheap talk" (Chakraborty & Harbaugh, 2007, 2010; Melloni et al., 2023) or "wokewashing". The latter can be defined as opportunistically adopting progressive values for good PR or profit without actual, substantive commitment (Melloni et al., 2023). By implying this phenomenon, sophisticated consumers do not merely take these statements at face value. Instead, they actively evaluate the firm's moral authenticity (Li & Soule, 2022, 2026; Melloni et al., 2023), which can be defined as the perceived consistency between a company's front-stage public claims and its back-stage actions, operations, and espoused values (Hahl & Ha, 2020; Lehman et al., 2019).

To navigate this authenticity issue and potentially also corporate reputation (Jin et al., 2023), firms need to provide credible signals, showing that they are driven by genuine values (Cuypers et al., 2016) and not by opportunistic impression management (Delmas & Burbano, 2011; Hooghiemstra, 2000). The literature suggests several key mechanisms firms may utilize to establish this necessary credibility. First, as established earlier, the willingness to alienate misaligned stakeholders serves as a vital, costly signal (Li & Soule, 2026), thereby reconnecting it to signaling theory for creating corporate reputation (Fombrun & Van Riel, 2004; Ravasi et al., 2018). By deliberately taking a stance on contested topics that may incur short-term financial penalties, the CEO establishes a certain “disinterestedness” of purely economic gains. This suggests to the audience that an organization is committed to the cause rather than just seeking mass-market approval (Carroll & Swaminathan, 2000; Hahl & Ha, 2020; Hou & Poliquin, 2026).

Second, public statements are perceived as more credible when reinforced by tangible, congruent actions (Li & Soule, 2026). Bondi et al. (2025) shows that reinforcing a sociopolitical statement with monetary donations can substantiate the underlying message, thereby increasing positive reactions. However, this effect is contingent upon the audience’s alignment with the stated position. Furthermore, a company’s long-term engagement in CSR acts as a reputational buffer, especially if it is combined with CEO activism. Consequently, when a firm already takes advantage of strong CSR initiatives, it provides evidence of its values, neutralizing skepticism and effectively mitigating the ideological backlash from consumers that may misalign with the CEO’s stance (Li & Soule, 2026). Another aspect that needs to be considered when discussing moral authenticity is a firm’s structural identity. For instance, Benefit Corporations (B Corps), which are third-party-verified firms that were founded to balance profit and purpose, illustrate this point well. Due to this factor, they already possess an inherent authenticity (Gehman et al., 2019). Committing to this organizational structure often mitigates the hypocrisy penalties that traditional, purely for-profit organizations face when activist claims are questioned (Li & Soule, 2022).

Finally, this authenticity crisis is also reinforced by the modern social media landscape. If stakeholders perceive a discrepancy between a CEO’s public statement and a firm’s actual actions, they may no longer be passive recipients of that message (Etter et al., 2019). Such hypocrisy can be exposed through culture jamming, which may involve the creative subversion of corporate logos or the launching of viral hashtag campaigns. These actions can effectively transform an activist statement into a severe reputational liability (Etter et al., 2019). Therefore, for CEO activism to be a viable non-market strategy, resolving the authenticity crisis through substantive commitment and genuine value alignment is paramount (Li & Soule, 2026).

2.4 The European Context

Although literature on CEO activism has increased immensely in recent years, the dominant theoretical frameworks have been tested almost exclusively within the institutional context of the US. This means existing research primarily depends on data stemming from US-centric social issues, including gun control, abortion rights, and the Black Lives Matter movement. Additionally noteworthy, stakeholders react through the lens of a highly polarized, binary two-party political system of Democrats and Republicans (Bondi et al., 2025; Homroy & Gangopadhyay, 2025; Hou & Poliquin, 2023; Melloni et al., 2023).

Deriving from this, a contextual gap exists in understanding how CEO activism functions in other institutional environments that entail distinct socio-economic and political structures. This context cannot be universally applied and rather is a socially constructed perception of specific cultural and institutional frameworks in which firms operate (Suchman, 1995). For instance, multinational corporations are still shaped by local regulations and cultural norms of the region in which they are headquartered (Tilcsik & Marquis, 2013). Therefore, corporate responses to social issues may be shaped by social contexts (Chung et al., 2025).

2.4.1 Focus on Austria and Germany

Due to the aforementioned contextual gap, there is a necessity to also differentiate between European countries. Europe itself may not be a sufficient sample group, as it does not exhibit a homogeneous institutional context. Distinguishing between countries is based on acknowledging diverse cultural and institutional nuances through which a specific emphasis can be set. Consequently, this study focuses on Austria and Germany.

First, cross-cultural research has consistently classified Austria and Germany as part of the same Germanic cultural cluster (Ronen & Shenkar, 1985, 2013). Building on this, the GLOBE project empirically confirmed that Austria and Germany share distinctive cultural values around high uncertainty avoidance, a preference for participative leadership, and having established co-determination (Gupta et al., 2002; Szabo et al., 2002). Another notable aspect is that both countries share German as their primary language, indicating that political discourse, media narratives, and corporate communications about contested issues may circulate within a shared public sphere (Ronen & Shenkar, 1985). Second, beyond cultural similarity, the countries represent examples of Coordinated Market Economies (CMEs). This model is defined by close cooperation among firms, labor, and the state, and it also prioritizes long-term investment horizons and stakeholder-oriented corporate governance (Hall & Soskice, 2001). Additionally, Austria and Germany operate under comparable co-determination laws that require employee representation on corporate supervisory boards, embedding systematic expectations that companies are broadly accountable to their stakeholders (Matten & Moon, 2008). CSR in such systems is primarily implicit, meaning socially responsible behavior is institutionally mandated rather than voluntarily communicated, which implies a fundamentally different baseline for how stakeholders evaluate corporate social engagement, compared to Liberal Market Economies such as the US and UK (Matten & Moon, 2008). Furthermore, the political architecture plays a crucial role. Both countries operate under proportional-representation multi-party systems with parallel party families, including social-democratic, Christian-democratic, green, and right-wing parties (Corina et al., 2025; Thomas-Walters et al., 2025).

Moreover, the differences from other European contexts further justify treating Germany and Austria as a distinct unit. While Switzerland is culturally part of the Germanic cluster (Ronen & Shenkar, 1985; Szabo et al., 2002), it is excluded for institutional rather than cultural reasons. This is due to its position outside the European Union, its unique direct-democracy system, and its financial-sector-dominated political economy, which is inconsistent with Austria's and Germany's political architecture (Matten & Moon, 2008). Beyond Switzerland, other European countries further differentiate themselves from Austria and Germany. For instance, Southern European countries such as Italy, Spain, and Greece score higher on the power distance index within Hofstede's framework and exhibit different historical relationships between corporations, the state, and civil society (Hofstede et al., 2010). Nordic countries, on the other hand, are also defined as CMEs. However, they show lower levels of assertiveness and egalitarianism, indicating different baselines for corporate social engagement (Hofstede et al., 2010; Szabo et al., 2002). Additionally, Eastern European countries carry post-transitional institutional legacies (Matten & Moon, 2008), and France operates a state-led variety of capitalism with distinct elite leadership norms (Hofstede et al., 2010; Matten & Moon, 2008). Consequently, across these comparisons, Austria and Germany form an internally coherent and homogeneous region within the European context and the scope of this study.

2.4.2 Contested Social Issues in Austria and Germany

While the US landscape is heavily influenced by a binary two-party system, Austria and Germany entail their own distinct equivalents that may polarize public opinion. The following section discusses two examples of such contested social issues, selected to illustrate the broader landscape of sociopolitical polarization in this region.

A prominent example may be the transformation that the European political landscape has experienced in recent years. The 2015 European migration crisis acted as a flashpoint in this shift (Klein & Amis, 2021). Rather than being confined to a standard political debate, the crisis was linked to more far-reaching disruptions triggered by globalization. For instance, economic uncertainty and a sentiment against globalization emerged (Baccini & Weymouth, 2021; Colantone & Stanig, 2018; Rodrik, 2018), which may have contributed to the rise of populism (Corina et al., 2025). Consequently, this shock accelerated a shift away from traditional left-right economic divides, creating a fierce new cultural struggle between nationalist and cosmopolitan perspectives (Corina et al., 2025). In the context of Austria and Germany, the crisis overwhelmed state administrations in both countries due to sudden, extreme numbers of refugees. As a result, a temporary "legal vacuum" emerged that sharply polarized public opinion and forced civil society initiatives, such as Vienna's "Train of Hope" to take action, leading them to assume state responsibilities in the area of refugee care (Kornberger et al., 2018).

As a consequence of this deep-seated context, when a European firm publicly supports immigration today, it is not engaging in a standard policy debate. However, it is actively taking the cosmopolitan side. (Corina et al., 2025; Melloni et al., 2023).

Alongside immigration, another highly contested social issue is the debate about the environment and energy transformation, in which progressive and conservative values clash. In Germany, the energy transition was marked by decades of heated debate and "framing battles" surrounding nuclear energy, leading to dramatic political U-turns between phasing out nuclear power and temporarily extending reactor lifespans (Bohn et al., 2021). This profound polarization on environmental issues persists to this day. The fragility of these environmental commitments becomes visible during periods of acute energy shortages and policy regressions like Germany's recent return to coal power at the expense of its CO_2 reduction targets (Fan et al., 2025). Additionally, this environmental polarization is affecting the institutional and financial landscape as well. For instance, climate movements like "Fridays for Future" have directly shaped German voting behaviors and shifted policy preferences (Thomas-Walters et al., 2025). Such movements, however, not only have political consequences but also exert financial pressure on European firms. Schuster et al. (2023) demonstrate that climate strikes are drivers for significant stock price reactions, which highly rely on a company's environmental track record to date. Therefore, firms need to carefully navigate moderate climate expectations but also take into account the "radical flank" of disruptive activists, as the latter might have an influence on how authentic the public perceives corporate environmentalism (Thomas-Walters et al., 2025).

As a result, firms operating in the European context, especially in Austria and Germany, also face distinct and highly contested social issues that inherently complicate strategic non-market positioning and, in turn, CEO activism.

2.5 Research Gap and Hypotheses Development

While existing literature highlights that firms can use CSR as a reputational buffer to signal moral authenticity and mitigate the ideological backlash of CEO activism (Li & Soule, 2026), a significant gap remains in understanding the boundaries of this buffering effect. Historically, CSR focused on universally accepted and uncontested domains, including general philanthropy or basic environmental stewardship (Melloni et al., 2023), where stakeholders broadly agreed the firm's actions were inherently "good" (Melloni et al., 2023; Mohliver et al., 2023).

Indeed, prior empirical tests have demonstrated CSR's ability to buffer corporate reputation against the risks of CEO activism by explicitly relying on politically neutral causes (e.g., children's health) to prove its efficacy (Li & Soule, 2026). Consequently, a critical theoretical and empirical blind spot exists. The literature has not yet addressed what happens when a firm attempts to validate a controversial public stance using CSR that is itself politically contentious.

Polarizing CSR incurs higher direct and indirect costs through stakeholder alienation and lost sales (Burbano, 2021; Hou & Poliquin, 2023). Given these elevated risks, it remains underexplored whether taking on these heightened risks acts as a stronger, more credible costly signal that proves moral authenticity to skeptical audiences. Alternatively, such risks may compound the reputational penalty among ideologically misaligned stakeholders.

2.5.1 Hypotheses Development

Literature, in particular signaling theory, suggests that the credibility of signals increases when they are aligned and pointing in the same direction (Bapna, 2019; Connelly et al., 2025). While a CEO speaking out publicly sends a clearly visible signal, stakeholders often dismiss stance-taking as "cheap talk" or "wokewashing" if it is not underscored by substantial firm actions (Hahl & Ha, 2020; Melloni et al., 2023). Specifically, Melloni et al. (2023) argues that strategic communication needs to entail a controversial aspect to be authentic as it shows willingness to incur reputational and economic risks. Pairing CEO activism with polarizing CSR represents such commitment due to purposely exposing a firm to stakeholders' backlash. Therefore, such commitment may produce a stronger and thus more credible signal of a firm's genuine intention.

Consequently, this may affect corporate reputation positively when CEO activism is aligned with polarizing CSR rather than paired with neutral CSR.

> ***H1a:*** *CEO activism aligned with polarizing CSR leads to a more positive effect on corporate reputation than CEO activism paired with neutral CSR.*

> ***H1b:*** *Under silence, CSR type has no significant effect on corporate reputation.*

Rather than evaluating corporate communications objectively, stakeholders interpret signals from different perspectives, utilizing motivated reasoning, actively judging whether a firm's actions genuinely reflect its espoused values (Bitektine, 2011; Etter et al., 2019). This evaluation is grounded in moral authenticity, which refers to the consistency between a firm's actions and public claims (Lehman et al., 2019). Adopting polarizing CSR involves significant opportunity costs, which may alienate a specific group of stakeholders, thereby demonstrating a firm's true intentions and beliefs more convincingly than neutral CSR, which is perceived as widely safe and costless (Melloni et al., 2023). As a result, stakeholders may attribute greater moral authenticity to CEO activism when it is paired with polarizing CSR than with neutral CSR, which carries no comparable signaling cost.

> ***H2a:*** *CEO activism aligned with polarizing CSR leads to higher perceived moral authenticity than CEO activism paired with neutral CSR.*

> ***H2b:*** *Under silence, CSR type has no significant effect on perceived moral authenticity.*

Corporate reputation is a critical social evaluation that mirrors a firm's overall esteem and perception among stakeholders (Fombrun & Van Riel, 2004). A firm's underlying values are not as easy to determine, making moral authenticity a key evaluative criterion for assessing whether a firm's sociopolitical engagement is genuine or opportunistic (Hambrick & Wowak, 2021; Li & Soule, 2026). This means stakeholders reward firms they perceive as more authentic, attributing a higher overall reputation to them, as genuine sociopolitical engagement signals that the company is trustworthy and worthy of being continuously supported (Hoppner & Vadakkepatt, 2019).

> ***H3:*** *Perceived moral authenticity is positively associated with corporate reputation.*

Taking a stance provides the initial trigger for authenticity judgments, which in turn may shape corporate reputation, suggesting that perceived moral authenticity mediates the relationship between CEO stance and corporate reputation (Appels, 2023; Hahl & Ha, 2020; Li & Soule, 2026). However, the extent to which CEO activism generates perceived moral authenticity may rely on the type of CSR the firm engages in. Polarizing CSR incurs higher opportunity costs and stakeholder alienation risks, which can consequently produce stronger authenticity than neutral CSR (Melloni et al., 2023). This may lead to an indirect reputational effect of CEO activism through the path of perceived moral authenticity.

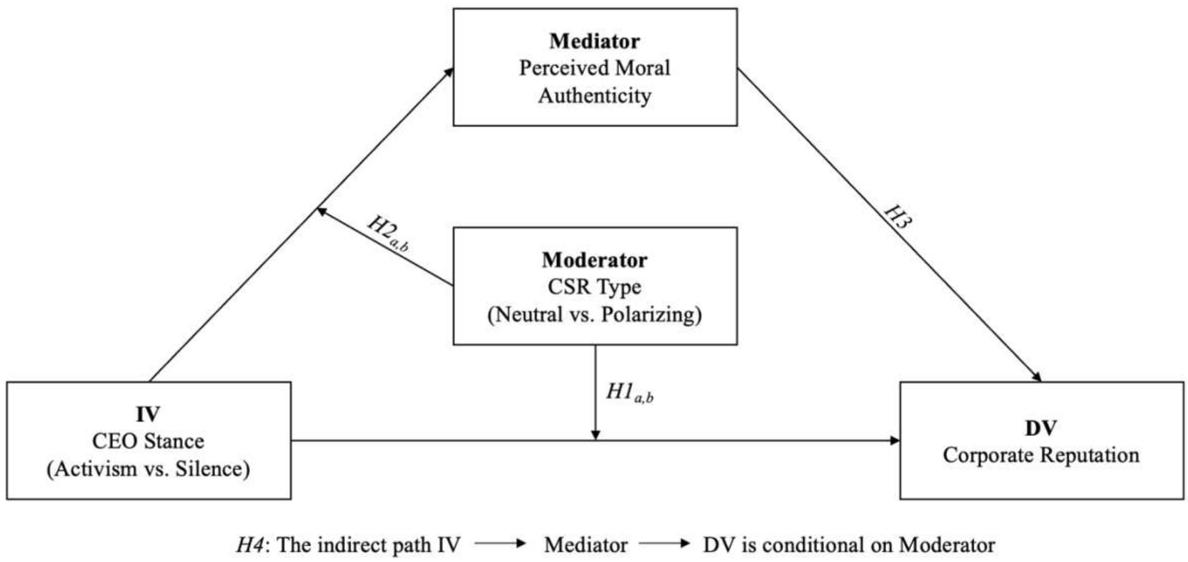
H4: *The indirect effect of CEO stance on corporate reputation via perceived moral authenticity is conditional on CSR type.*

3 Methodology

3.1 Research Design

The aim of this research is to examine how CSR type conditions the effect of CEO stance on corporate reputation and perceived moral authenticity. Building on this, the study explores whether perceived moral authenticity mediates the relationship between CEO stance and corporate reputation in a manner that is itself contingent on CSR type. The conceptual framework for this research was derived based on the findings of the preceding literature review to establish the underlying logic and relational assumptions, as described in Figure 1. It serves as guidance for the methodological choices discussed in the following sections.

Figure 1: Conceptual Framework



Note. Own elaboration.

By employing a quantitative experimental approach, this study utilizes structured, objective analysis to produce statistical results that either support or reject the proposed hypotheses (Franses & Paap, 2010). Furthermore, an experimental design permits examining causal relationships, as it not only allows manipulating the independent variable under controlled conditions but also minimizes the influence of extraneous factors (Nunan et al., 2020). To gather the required data in a cost-effective and fast way, a structured online survey was chosen, which also enables high-quality data collection (Evans & Mathur, 2018; Nunan et al., 2020).

To examine the moderating role of CSR type alongside the influence of a CEO's positioning, this study adopts a 2 (CEO stance: activism vs. silence) × 2 (CSR Type: neutral vs. polarizing) experimental design. Participants were randomly assigned to one of four experimental conditions, implying a between-subject design (Charness et al., 2012). Each variation features a fictional news article and the same survey. The experimental manipulation consisted solely of varying the CEO's public stance (issuing a polarizing statement vs. remaining silent) and the specific nature of the company's CSR initiative (polarizing vs. neutral). These variations are illustrated in Table 1.

Table 1: Cross-Sectional Design Matrix

Condition	CEO Stance	CSR Type	Description
1	Activism	Neutral	Funding a universally accepted social issue CEO takes a strong stance on a contested social issue
2	Activism	Polarizing	Funding a contested social issue CEO takes a strong stance on a contested social issue that aligns with polarizing CSR
3	Silence	Neutral	Funding a universally accepted social issue CEO declines to comment and remains silent
4	Silence	Polarizing	Funding a contested social issue CEO declines to comment and remains silent

Note. Own elaboration.

To test the proposed hypotheses, a sequential analytical strategy is adopted. H1 and H2 are tested via the CEO stance x CSR type interaction effect, estimated as an OLS regression with dummy-coded predictors to accommodate the inclusion of control variables. Additionally, simple effect analyses evaluated the directional sub-hypotheses. By also using OLS regression, H3 is tested, whereas H4 requires a moderated mediation model equivalent to Hayes' PROCESS Model 7 (Hayes, 2018). In this model, CSR type moderates the path from CEO stance to perceived moral authenticity, and the model was estimated with bootstrapped confidence intervals. A full description of the analytical execution and results is presented in Chapter 4.

3.2 Experimental Stimulus and Data Collection

3.2.1 Choice and Validation of Contested Social Issue

Prior to finalizing the experimental stimulus, a qualitative pre-study was conducted to validate which contested social issue would serve as the most suitable for the experimental manipulation within the Austrian and German context. As previously established, both issues, immigration and energy transition, represent plausible options due to their inherent polarization potential. However, rather than selecting the issue solely based on theoretical grounds, an empirical validation step was introduced. This should ensure that the chosen topic actively triggers ideological division among the target group, which is crucial for the experimental design to function as intended.

Therefore, a focus group was established to validate the choice of the contested social issue. The pre-study was conducted online via MS Teams with a sample size of n = 6 of Austrian and German residents. Following Kitzinger's (1995) approach, participants were selected to reflect the spectrum of political orientations, ensuring that both progressive and conservative perspectives were covered to explore divergent points of view. Furthermore, a semi-structured format enabled examination of thought processes and the reasoning behind divergent positions. Participants were first invited to share their spontaneous associations of each issue. Subsequently, they were asked to assess both issues based on perceived societal polarization, ideological divisiveness, and valence, defined as the intensity of stakeholder concern surrounding each topic (Mohliver et al., 2023).

The findings indicated that both issues entail a certain polarization potential. However, immigration as a social issue is perceived as more contested among the focus group. In contrast, climate change, combined with the energy transition, has become increasingly normalized due to its prolonged visibility in public discourse, reducing its perceived contestedness. Further supporting this insight, participants highlighted the rise of right-wing parties and the dissatisfaction with the governmental handling of immigration policy. Moreover, the salience of this topic may also be amplified by current geopolitical tensions, including the wars involving Iran, Israel, and the US, as well as the ongoing conflict in Ukraine, as noted by participants. Based on these findings, immigration is perceived to be more polarizing given its stronger ideological division, personal salience, and valence.

Building on these results and the regional context, the debate surrounding immigration serves as an optimal contested issue for the experimental stimulus. This topic inherently activates ideological division by contrasting two competing perspectives that trigger fundamentally opposing responses, referred to as "master frames". Klein and Amis (2021) distinguish between a threat-based frame characterized by anger and fear and a humanitarian frame associated with compassion and solidarity. This competing framing implies that a corporate stance on immigration will be interpreted through distinct moral lenses dependent on a stakeholder's ideological orientation, which remains a critical requirement for the experimental manipulation. Moreover, immigration entails direct strategic relevance for firms as it not only affects access to labor markets but also workforce composition and global talent supply (Branicki et al., 2021; Chatterji & Toffel, 2019; Larcker et al., 2018). Additionally, immigration-related political polarization also transfers into organization settings, where regional ideological division has been shown to shape how this social issue is perceived and responded to at a firm level (Korman et al., 2025).

Within the specific context of Austria and Germany, immigration accounts for one of the most politically contested and ideologically divisive issues of recent decades. According to Korman et al. (2025) in Germany, regional far-right voter support has created measurable differences in how immigration is perceived also at the organizational level, reflecting a broader pattern of deep ideological split around this issue. Similarly, Austria experienced, as mentioned above, an acute political salience of immigration during the 2015 refugee crisis, which exposed great division between humanitarian solidarity and restrictive governance responses. This ideological conflict has persisted in public and political discourse since (Kornberger et al., 2018).

Compared to other contested topics in Austria and Germany, such as climate change and the energy transition, immigration was selected for the experimental stimulus based on the results of the focus group and the theoretical foundation.

3.2.2 Survey Outline

In order to ensure quality and clarity, a further pilot test was conducted (n = 6). Beyond identifying errors, this process ensured that participants fully comprehend all questions (Nunan et al., 2020). During this phase, participants were asked to provide in-depth feedback that was systemically reviewed to refine the survey's clarity and eventually strengthen the experimental stimulus. These revisions ensured that the final experimental stimulus was both robust and easily understood. The complete survey is available in Appendix A.

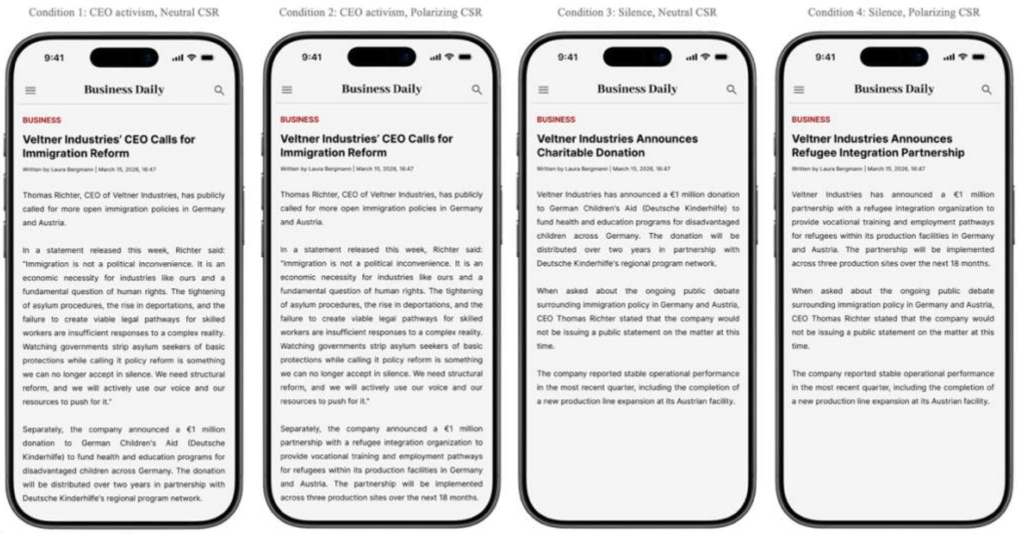
Following the refinements made during the pilot phase, the final data collection was conducted using the online survey tool Qualtrics. To ensure ethical standards, participants were first informed of the research's purpose and guaranteed anonymity before providing their consent to participate. Subsequently, the survey started with questions concerning the eligibility of participants. Afterward, participants had to answer questions regarding the control variables, which were captured prior to participants being exposed to the experimental stimulus. Eventually, participants had to provide demographic data.

3.2.3 Experimental Stimulus Design

The experimental stimulus was based on a fictional news article designed to imitate a realistic business news report. Additionally, a fictional company was created to avoid biases from pre-existing brand attitudes or associations with real firms and ensure internal validity following prior research (Appels, 2023; Bondi et al., 2025; Hahl & Ha, 2020; Hou & Poliquin, 2025; Li & Soule, 2026). Therefore, "Veltner Industries", based in Stuttgart, Germany, represents this fictional firm. Further, CEO "Thomas Richter" acts as the focal figure of the company. To align with the regional context, the company presents itself as an industrial manufacturing group operating across automotive components, building materials, and industrial chemicals. In particular, this industry was chosen as it represents a capital-intensive, operationally complex sector that is typical for the German and Austrian economic landscape, lending realism to the fictional scenario. Additionally, the company's core business does not tie directly to the contested issue (i.e., immigration) to avoid potential biases.

To maintain the requirements of a 2x2 vignette experiment, four versions of the news article were created that vary across the two manipulated dimensions (i.e., CEO stance and CSR type). The article content, length, layout, and tone were kept identical in all four conditions, and only the specific manipulation elements differed. Furthermore, the article was written using the AI tool Claude, adopting a neutral, factual style to avoid evaluative phrasing (Etter et al., 2019). This approach is consistent with established prior research on CEO activism (Appels, 2023; Bondi et al., 2025; Li & Soule, 2026).

Figure 2: Stimulus Material



Note. Own elaboration.

Within the four conditions, two variables were manipulated, i.e., CEO Stance and CSR Type. First, the CEO's stance differed under the activism conditions (Conditions 1 and 2), where the CEO openly called for more open immigration policies. In doing so, the CEO argues that restrictive immigration policy is incompatible with the values of an open, prosperous society and that firms have a responsibility to take a stance on issues that affect the communities in which they operate. In the silence conditions (Conditions 3 and 4), the article states that the CEO declines to comment on the broader political discussion, and the company issued its CSR announcement without an executive statement. Moreover, to make sure that the amount of information was comparable across the conditions, the silence article included additional neutral background information about the company's recent operational performance. Second, to manipulate CSR type, the neutral conditions (Conditions 1 and 3) show the company announcing a €1 million donation to the "Deutsche Kinderhilfe" (German Children's Aid) to fund health and education programs for disadvantaged children. In contrast, in the polarizing conditions (Conditions 2 and 4), the article describes a €1 million partnership with a refugee integration organization to provide vocational training and employment pathways for refugees within its production facilities. This represents a substantive commitment directly linked to the contested immigration issue. In both CSR conditions, the monetary value was kept identical to ensure that differences in responses are attributable to the nature of the CSR initiative rather than the size of the financial investment.

To verify that participants correctly identified the experimental manipulation, two manipulation checks were included. First, participants were asked whether the CEO publicly expressed a position on immigration policy by answering the following question: “In the news article you just read, did the CEO publicly express a position on immigration policy?” Possible answers included (a) “Yes, the CEO publicly advocated for more open immigration policies”, (b) “No, the CEO declined to comment”, (c) “I don’t remember”. Second, participants needed to identify the type of initiative the firm announced, answering the following question: “What type of initiative did the company announce in the article?” with the options (a) “A donation to a children’s health charity”, (b) “A partnership to provide training and employment for refugees”, (c) “I don’t remember”. Participants who failed to select the correct answers were excluded from the final analysis.

3.3 Measurement and Scales

In order to ensure consistency in quality and comparability of the results, reliable and valid measurement scales are employed (Nunan et al., 2020). Additionally, the variables and scales that have been used in this study are all grounded in existing literature, however, adjusted to the specific context. The main variables, items, and scales descriptions can be found in Appendix B.

3.3.1 Main Variables

Independent Variable - CEO Stance: The study’s independent variable is CEO stance, referring to a CEO’s public communication strategy. This variable is manipulated by varying the CEO’s public response to a polarizing social issue. While the social issue remains constant across all conditions, the experimental stimulus is altered in two distinct ways. Participants will see a CEO either making a public statement on this social issue (activism) or providing a generic message declining to comment (silence).

Moderator - CSR Type: The second manipulated variable acts as a moderator, which describes whether the firm is engaging in CSR that is widely accepted and “safe” (neutral CSR) or in controversial CSR that is directly tied to the polarizing issue (polarizing CSR).

Mediator - Perceived Moral Authenticity: To capture the underlying psychological mechanism, moral authenticity is measured using a 3-item scale adapted from Wagner et al. (2009) and used by Li and Soule (2026). Participants rate their agreement with statements such as “the organization acts out of its true value or belief", "what the organization says is the same as what it does" and “the organization acts authentically” on a 7-point Likert scale that ranges from “Strongly disagree” (1) to “Strongly agree” (7).

Dependent Variable - Corporate Reputation: To measure the dependent variable, i.e., Corporate Reputation, in this experiment, a validated four-item RepTrak™ Pulse scale is applied (Ponzi et al., 2011). Participants then rated their agreement on a 7-point Likert scale ranging from “Strongly disagree” (1) to “Strongly agree” (7), while assessing whether the firm: (1) is a company they have a good feeling about, (2) is a company that they trust, (3) is a company that they admire and respect, and (4) has a good overall reputation.

3.3.2 Control Variables

In order to isolate the causal effect of this experiment and avoid potential bias, several control variables were employed during the survey (Nunan et al., 2020).

First, the study controlled for baseline attitudes following the approach of Li and Soule (2026), measured on a 7-point Likert scale, ranging from 1 (“Strongly disagree”) to 7 (“Strongly agree”).

Thus, participants were asked to indicate their general sentiment toward CSR, using a three-item scale. This scale was adapted from Maignan (2001) and included (1) “I think it is important for companies to help solve social problems”, (2) “Companies should play a role in society that goes beyond the mere generation of profits” and (3) “I think it is important for companies to allocate some of their resources to philanthropic activities”.

Furthermore, participants’ attitude toward CEO activism was measured on a three-item scale. As existing literature has not yet yielded a validated scale for this general attitudinal measure, a scale was developed for this study. While Li and Soule (2026) controlled for baseline activism attitude using a single item, the exact wording of which is not reported, this study employs a three-item scale to improve measurement reliability. Therefore, given these limitations and the context tested in this study, three items were constructed, grounded in existing literature such as Hambrick and Wowak (2021) and Chatterji and Toffel (2018). Both papers discuss stakeholder expectations around a CEO’s public engagement on societal issues. The constructed scale included (1) “I believe CEOs should publicly take stances on social and political issues.”, (2) “I support companies whose CEOs take public stands on contested societal topics.” and (3) “CEOs should avoid taking positions on social and political issues.” The last item is reverse-coded and was recoded prior to data analysis to ensure that higher scores consistently represent greater support for CEO activism.

Moreover, participants were asked to indicate their baseline level of support for the specific sociopolitical issue (i.e., criticizing immigration policies) that was introduced in the vignette. Reviewing existing literature revealed that no validated scale adequately captures immigration policy support. The most widely used European measurement tool is the European Social Survey (ESS) battery, which disaggregates the willingness to admit immigrants by ethnic and economic origin (Davidov et al., 2008). This means that responses may reflect attitudes toward specific immigrant groups rather than capturing general policy support. In an experimental design where immigration already serves as the polarizing stimulus, this group-level specificity risks undermining the ability to isolate the experimental effect cleanly. Additionally, while other scales such as the PANPIS (Panno et al., 2023) and PAIS (Salvati et al., 2020) measure affective perceptions, they focus on immigrants as a social group rather than policy preferences. Even the authors of PANPIS acknowledge this distinction by noting that the relationship between their measure and immigration policy preferences remains an open direction for future research (Panno et al., 2023). Given the absence of a validated scale that is suitable for the present experimental design, a three-item scale was developed to measure immigration policy support. All of the items are conceptually grounded in the general admission dimension of the ESS framework (Davidov et al., 2008). The following items were developed: (1) “I support more open immigration policies in my country”, (2) “Immigration should be facilitated for people seeking to live and work in my country” and (3) “Immigration policies in my country should be more inclusive”. Additionally, the sample included participants who were not originally from Austria or Germany but had resided in one of the two countries for more than one year. Therefore, to ensure consistent interpretation across respondents, a clarifying note was added to the scale instructing these participants to interpret references to “my country” within the scale as referring to the country they have lived in, either Germany or Austria.

Second, this study also controls for stakeholders’ ideological alignment. By introducing this variable, the study ensures that individual-level political ideology is captured, which accounts for pre-existing ideological differences that could independently influence reputation judgments. Stakeholders’ ideological alignment was assessed by asking participants to evaluate their own political orientation on a 7-point Likert scale ranging from 1 (“Very progressive/left-leaning”) to 7 (“Very conservative/right-leaning”). The scale was adapted to the context of this study from DeCelles et al. (2020) and Salvati et al. (2020).

Although political orientation and immigration policy support are conceptually related, they serve distinct purposes as control variables. Political orientation captures participants' broad ideological disposition, which may independently shape evaluations of CEO activism and CSR regardless of the specific issue involved, following the approach of Li and Soule (2026). Immigration policy support, in contrast, captures pre-existing attitudes toward the exact sociopolitical issue featured in the experimental stimulus. Controlling for both ensures that the experimental effects are not confounded by either general ideology or specific issue attitudes. Both variables were retained despite their conceptual proximity. A potential multicollinearity concern was examined and confirmed to be within acceptable limits, as discussed further in Chapter 4.

Third, to characterize the study sample and ensure transparency, participants were asked to provide standard demographic information, including age, gender, highest level of education, and current employment status. However, these variables were not included for controlling but rather for descriptive purposes to allow for an assessment of sample composition and generalizability.

3.4 Sampling Strategy, Data Cleaning, and Sample Characteristics

As previous research has mainly focused on US data (Chatterji & Toffel, 2019; Homroy & Gangopadhyay, 2025; Hou & Poliquin, 2023; Li & Soule, 2026), this study prioritizes Austrian and German participants due to the countries' distinct polarizing social issues. Additionally, individuals of other nationalities who have lived in Austria or Germany for more than a year were also eligible, as their prolonged exposure to the same social context is comparable to that of citizens. To recruit participants, this study initially followed a sampling approach that distributed the survey through the researcher's personal and professional networks. Utilizing the social media platforms Instagram and WhatsApp as distribution channels allows for a cost- and time-efficient way of data collection (Nunan et al., 2020; Vehovar et al., 2016). While this approach generates a first pool of responses, a simplified chain-referral technique encouraged participants to share the study within their own networks to further increase the sample size (Heckathorn, 2014; Vehovar et al., 2016). Furthermore, as the initial sample size proved to be insufficient to meet the requirements of statistical analyses, additional participants were recruited via Prolific, an online crowdsourcing platform widely used in experimental research (Palan & Schitter, 2018).

As predicting the exact sample size for a moderated mediation model is complex (Schoemann et al., 2017), an approximation was obtained using a power analysis conducted with G*Power (Faul et al., 2009). Following prior experimental research on CEO activism (Li & Soule, 2026), an F-test for the interaction effect was conducted with a small-to-medium effect size ($f = 0.25$), $\alpha = 0.05$, and a power level of 0.80. Based on one numerator degree of freedom across the four groups, a minimum sample size of $n = 128$ was indicated. However, the minimum sample size indicated by the power analysis is considered conservative as the conceptual framework includes a moderated mediation pathway. Detecting conditional indirect effects through bootstrapping typically requires a larger sample size than an interaction F-test alone. Thus, a larger sample was targeted, which ensures adequate statistical power (Schoemann et al., 2017). Consequently, a final target of $n = 215$ usable responses was set, accounting for an estimated 15% attrition due to incomplete responses or failed manipulation checks.

Data collection was conducted for 14 days between April 19, 2026, and May 2, 2026, via Qualtrics, and data were subsequently analyzed using RStudio version 4.4. The complete R script is available in Appendix C.

As mentioned above, the platform Prolific was also used to supplement the required target sample size. In total, 270 responses were recorded, of which $n = 100$ were accounted for by Prolific. From the 270 responses, 26 were excluded due to incomplete survey responses, and two responses were excluded due to missing condition assignment, as the randomization variable was not recorded for these participants, resulting in 242 responses.

In order to verify that participants had correctly understood the experimental stimulus, two manipulation checks were included. Out of the 242 responses, 20 participants (8.3%) failed to remember the correct CEO stance, and 17 participants (7.0%) failed to identify the correct CSR type, while 12 (5.0%) participants failed both checks simultaneously. In total, 25 participants (10.3%) were excluded for failing at least one manipulation check, resulting in 217 responses.

Furthermore, Chi-square tests were conducted to show whether manipulation check failure rates differed significantly across the four experimental conditions. The tests revealed no significant differences for either the CEO stance check ($\chi^2(3) = 1.252$, $p = .741$) or the CSR type check ($\chi^2(3) = 3.786$, $p = .286$), indicating that the manipulation was comparably effective across all four conditions. Overall, 91.7% of participants correctly identified the CEO stance and 92.8%

the CSR type presented in the assigned condition. Thus, the manipulation can be considered successful.

To assess the influence of potential outliers, standardized z-scores were computed across all key variables. This testing revealed that 5 responses exceeded the ± 3 threshold on at least one variable, in particular on reputation (n = 2) and CSR attitude (n = 3). An additional sensitivity analysis showed that excluding these five cases resulted in substantively identical conclusions across all hypotheses, confirming the robustness of the results. Therefore, these responses were retained in the final analysis. Consequently, after data cleaning, the final sample consists of n = 217, achieving the target set before data collection (see Appendix D).

The final sample after data cleaning was distributed across the four experimental conditions as follows: CEO Activism with Neutral CSR (n = 50, 23.0%), CEO Activism with Polarizing CSR (n = 57, 26.3%), Silence with Neutral CSR (n = 56, 25.8%), and Silence with Polarizing CSR (n = 54, 24.9%), indicating a relatively well-balanced distribution across conditions. The distribution is also available in Appendix E.

Moreover, the final sample consisted of 41.5% Austrians, 54.4% Germans, and 4.1% being non-nationals who had resided in Germany or Austria for more than one year. Regarding gender, the sample was predominantly male, with 65.9%, while 33.6% identified as female, and 0.5% preferred not to say. Furthermore, the majority of participants were between 18 and 34 years old (72.8%), with the largest group aged 25 to 34 (47.0%), followed by 18 to 24 (25.8%). In terms of education, 39.6% held a bachelor’s degree, 30.0% a master’s degree, and 2.8% a doctoral degree, indicating a highly educated sample. Additionally, most participants were either employed (49.3%) or students (37.3%). Regarding political orientation, the sample showed a relatively balanced but slightly progressive distribution, with 51.6% of respondents identifying as progressive or somewhat progressive, 29.5% as conservative or somewhat conservative, and 18.9% as neutral. A detailed overview of the sample characteristics is provided in Appendix F.

Overall, the skew of the sample toward younger, highly educated, male, and slightly progressive respondents reflects a sampling strategy that employed personal and professional networks as well as social media platform distribution. As such, the sample is not fully representative of the general Austrian and German population, and findings should therefore be interpreted with caution in terms of their generalizability.

4 Data Analysis and Results

4.1 Scale Reliability

To ensure internal consistency of the multi-item scales of the variables *Corporate Reputation*, *Perceived Moral Authenticity*, *CSR Attitude, CEO Activism*, and *Immigration Policy Support* employed in this study, Cronbach's alpha α was computed (Bonett & Wright, 2015). A threshold of $\alpha \geq .70$ is generally considered acceptable for providing reliable measurement (Nunan et al., 2020; Taber, 2018). It is acknowledged that a comprehensive validation of new scales would ideally involve additional quality tests, including assessments of convergent validity, discriminant validity, and criterion validity (Fornell & Larcker, 1981). However, given the limited resources available within the scope of this thesis and the fact that the two self-constructed scales (i.e., CEO activism attitude and immigration policy support) serve as control variables rather than focal constructs in the hypotheses, Cronbach's alpha was considered as a sufficient minimum standard to establish the reliability of these measures.

To categorize the extent of internal consistency, descriptive labels were derived from Taber (2018). The corporate reputation scale, consisting of four items, demonstrated reliable internal consistency (α = .909). The perceived moral authenticity scale, measured with three items, showed reliable internal consistency (α = .850). Regarding the control variables, the CSR attitude scale with three items had reliable internal consistency (α = .885), as well as the CEO activism attitude scale, consisting of three items and including one reverse-coded item (α = .893). The immigration policy support scale also involving three items showed robust internal consistency (α = .810). As all five scales exceeded the recommended threshold of $\alpha \geq .70$, their respective item means were calculated to create aggregated variables for subsequent analyses. Acknowledging that a more rigorous approach would treat these constructs as latent variables, this method would account for measurement error at the item level. However, given the practical constraints of this study and the strong internal consistency across all scales, the use of item means as observed composite scores represents a justified simplification. Full reliability statistics are available in Appendix G.

4.2 Descriptive Statistics and Preliminary Analyses

By providing an initial preliminary analysis that presents the descriptive statistics for the main outcome variables across the four experimental conditions, the integrity of the experimental design prior to hypothesis testing can be verified.

To obtain an overview of the treatment effect prior to the full regression analyses, means (M) and standard deviations (SD) were calculated for the dependent variable, *Corporate Reputation,* and the mediator, *Perceived Moral Authenticity,* across all four experimental conditions. These values provide a structured overview of how participants responded to each specific stimulus variation and are presented in Table 2. To further elaborate on an aggregated level, Table 3 shows these results by CEO Stance and CSR type separately, allowing for comparison of the marginal effects of each independent variable across conditions.

Table 2: Descriptive Statistics by Experimental Condition

Condition	n	Corporate Reputation M (SD)	Perceived Moral Authenticity M (SD)
CEO Activism + Neutral CSR	50	4.7 (1.18)	4.29 (1.2)
CEO Activism + Polarizing CSR	57	4.87 (1.37)	4.69 (1.26)
Silence + Neutral CSR	56	4.92 (0.94)	4.36 (1.04)
Silence + Polarizing CSR	54	4.85 (1.06)	4.31 (1.11)

Table 3: Descriptive Statistics by CEO Stance and CSR Type

Group	n	Corporate Reputation M (SD)	Perceived Moral Authenticity M (SD)
CEO Stance			
CEO Activism	107	4.79 (1.28)	4.5 (1.24)
Silence	110	4.88 (1)	4.34 (1.07)
CSR Type			
Neutral CSR	106	4.81 (1.06)	4.33 (1.11)
Polarizing CSR	111	4.86 (1.22)	4.51 (1.2)

At the aggregated level, data show that participants in the silence conditions report slightly higher mean *Corporate Reputation* scores (M = 4.88, SD = 1.00) in comparison to those in the activism conditions (M = 4.79, SD = 1.28), even though the difference is small. In contrast, for *Perceived Moral Authenticity*, the pattern was reversed, meaning the activism conditions showed a slightly higher mean (M = 4.5, SD = 1.24) than the silence condition (M = 4.34, SD = 1.07). Notably, the highest authenticity scores were observed in the CEO Activism with

Polarizing CSR condition (M = 4.69, SD = 1.26), indicating initial descriptive support for the directional prediction of H2a. Additionally, across CSR types, differences in both reputation and authenticity were modest. Participants in the Polarizing CSR conditions showed marginally higher reputation (M = 4.86, SD = 1.22) and authenticity scores (M = 4.51, SD = 1.20) compared to the Neutral CSR conditions' reputation (M = 4.81, SD = 1.06) and authenticity scores (M = 4.33, SD = 1.11). These descriptive patterns are examined further in the hypothesis testing section that follows. A full correlation matrix of all study variables is provided in Appendix H.

Moreover, prior to hypothesis testing, randomization balance was assessed to ensure that participants of the four experimental conditions did not systematically differ on the control variables. Therefore, one-way ANOVAs were computed for each control variable across the conditions. No significant differences were found for political orientation ($F(3, 213) = 2.116$, $p = .099$), CSR attitude ($F(3, 213) = 0.188$, $p = .904$), and CEO activism attitude ($F(3, 213) = 1.241$, $p = .296$), confirming successful randomization on these variables. However, a significant effect emerged for immigration policy support ($F(3, 213) = 2.913$, $p = .035$), indicating a minor imbalance in baseline immigration attitudes across the proposed conditions. Given this observed imbalance, immigration policy support was included as a covariate in all regression models to directly account for pre-existing differences in baseline immigration attitudes. Furthermore, the remaining control variables (i.e., political orientation, CSR attitude, and CEO activism attitude) were also included as covariates across all models. This controls for individual-level attitudinal effects that could influence the outcome variables, ensuring consistency across all models.

Additionally, to address a potential multicollinearity, particularly between political orientation and immigration policy support noted in Chapter 3, variance inflation factors (VIF) were calculated for all predictor variables. According to Hair et al. (2019) values close to 3.0 or below are considered ideal, and show no meaningful collinearity issues. All VIF values fell below 3.0 except for the interaction term between CEO stance and CSR type (VIF = 3.195), which marginally exceeded this threshold but still remained below the critical value of 5. Therefore, all variables were retained in all final models as the results indicate that multicollinearity did not affect the coefficient estimates.

Finally, given that *Perceived Moral Authenticity* and *Corporate Reputation* were both measured within a single survey instrument, the possibility of common method bias was assessed. To test for this, a Harman's single-factor test was conducted. This test evaluates whether a single factor accounted for the majority of variance across items (Podsakoff et al., 2003). If so, this would indicate that the observed relationships between constructs are driven by the measurement method rather than reflecting genuine associations. The first factor accounted for 38.02% of the total variance, which is well below the 50% threshold commonly used as an indicator of problematic common method bias (Podsakoff et al., 2003). Therefore, this result suggests that common method bias is unlikely to have substantially distorted the observed relationships in this study.

4.3 Hypothesis Testing

To test the four proposed hypotheses and their directional predictions, three OLS regression models and one moderated mediation model were employed. While H1 and H2 were tested via *CEO Stance* × *CSR Type* interaction effect, with simple effect analyses in order to compute the directional sub-hypotheses separately, H3 was tested through a direct OLS regression of *Perceived Moral Authenticity* on *Corporate Reputation*. Finally, H4 was tested as a moderated mediation model equivalent to Hayes PROCESS Model 7 (Hayes, 2018) with CSR type conditioning the a-path from *CEO Stance* to *Perceived Moral Authenticity*, and all indirect effects estimated using nonparametric bootstrapping with 5,000 simulations. For consistency reasons, all models included the full set of control variables.

First, H1 examined whether CSR type moderates the effect of CEO stance on corporate reputation. H1a predicted that CEO activism aligned with polarizing CSR would generate more positive reputation outcomes than CEO activism paired with neutral CSR. In contrast, H1b predicted that under silence, CSR type would have no significant effect on corporate reputation. Examining the results, the interaction term in the H1 model did not reach statistical significance ($b = 0.268$, $SE = 0.296$, $t = 0.903$, $p = .368$), and the overall model explained approximately 15% of the variance in reputation ($F(7,209) = 5.162$, $p < .001$, $R^2 = .147$). Additionally, simple effects analyses were conducted to test each sub-hypothesis individually. Under CEO activism, participants in the polarizing CSR condition reported higher reputation scores than those in the neutral CSR condition (contrast = -0.196). This shows a direction consistent with H1a, however, this difference was not statistically significant ($t = -0.919$, $p = .359$). **H1a** is therefore not supported. Under silence, the difference in reputation scores between CSR types was small and non-significant (contrast = 0.071, $t = 0.343$, $p = .732$), which is consistent with the prediction of H1b that CSR type would not meaningfully affect reputation in the absence of CEO activism, representing a null hypothesis. **H1b,** therefore, cannot be rejected.

In H2 the same moderation pattern was evaluated, however, with perceived moral authenticity used as the outcome variable. H2a predicted higher perceived moral authenticity when CEO activism was aligned with polarizing CSR compared to neutral CSR. H2b predicted that CSR type would have no significant effect on perceived moral authenticity under silence. The H2 model explained approximately 11% of the variance in authenticity ($F(7, 209) = 3.700$, $p < .001$, $R^2 = .110$), and the interaction term approached but did not reach conventional significance ($b = 0.576$, $SE = 0.306$, $t = 1.881$, $p = .061$). However, simple effects analysis revealed a significant difference under CEO activism. Participants in the polarizing CSR condition rated the company significantly higher on perceived moral authenticity than those in the neutral CSR condition (contrast = -0.548, $t = -2.482$, $p = .014$). Consequently, **H2a** can be confirmed. Under silence, the difference in authenticity between CSR types was negligible and non-significant (contrast = 0.028, $t = 0.131$, $p = .896$), consistent with the prediction that CSR type alone would not drive authenticity perceptions. Therefore, this was expected as H2b was formulated as null hypothesis. Thus, **H2b** cannot be rejected.

H3 proposed that perceived moral authenticity would be positively associated with corporate reputation. An OLS regression was estimated with authenticity as the main predictor alongside the four control variables. The results provide support for H3 as authenticity was a highly significant and substantive predictor of corporate reputation ($b = 0.649$, $t = 13.435$, $p < .001$). The model explained 54% of the variance in reputation ($F(5, 211) = 48.78$, $p < .001$, $R^2 = .536$), indicating that perceived moral authenticity accounts for a large share of how a company is evaluated reputationally. **H3** is supported.

Finally, H4 tested whether the indirect effect of CEO stance on corporate reputation via perceived moral authenticity is conditional on CSR type, consistent with Hayes' PROCESS Model 7. The moderated mediation was estimated using nonparametric bootstrapping with 5,000 simulations and percentile confidence intervals, implemented through the mediation package in R. CSR type was specified as a moderator of the a-path only, meaning it conditions the effect of CEO stance on authenticity. The b-path from authenticity to reputation was estimated as constant across conditions. Under neutral CSR, the conditional indirect effect was non-significant (ACME = -0.092, 95% CI [-0.360, 0.193], $p = .492$), suggesting that CEO activism did not significantly influence corporate reputation through authenticity when CSR was neutral. In contrast, under polarizing CSR, the indirect effect was positive and statistically significant (ACME = 0.290, 95% CI [0.015, 0.572], $p = .038$). This result indicates that when activism accompanies an aligned polarizing CSR initiative, it raises perceived moral authenticity, which in turn elevates corporate reputation. Even though the conditional indirect effects differ in direction and significance across CSR types, the moderation of the indirect effect could not be confirmed with statistical confidence. **H4** is not supported.

Furthermore, a significant direct effect of CEO stance on corporate reputation emerged consistently across both conditions (ADE = -0.250, $p = .019$). This result suggests that CEO activism may be independently associated with lower reputation regardless of the authenticity pathway. This finding is addressed further in Chapter 5.

Table 4: Hypotheses Testing

Hypotheses		Results
H1a	CEO activism paired with polarizing CSR leads to a more positive effect on corporate reputation than CEO activism paired with neutral CSR.	Rejected
H1b	Under silence, CSR type has no significant effect on corporate reputation.	Cannot be rejected
H2a	CEO activism paired with polarizing CSR leads to higher perceived moral authenticity than CEO activism paired with neutral CSR.	Accepted
H2b	Under silence, CSR type has no significant effect on perceived moral authenticity.	Cannot be rejected
H3	Perceived moral authenticity is positively associated with corporate reputation.	Accepted
H4	The indirect effect of CEO stance on corporate reputation via perceived moral authenticity is conditional on CSR type.	Rejected

Note. Own elaboration.

4.4 Control Variables

This study also investigates the influence of the four control variables (i.e., immigration policy support, political orientation, CSR attitude, and CEO activism attitude) employed to account for individual-level attitudinal differences that could influence the outcome variables.

Across models, CSR attitude and CEO activism attitude emerged as the most consistent individual-level predictors. Participants with more favorable attitudes toward CSR and CEO activism generally evaluated both corporate reputation and perceived moral authenticity more positively. For instance, CSR attitude was a significant predictor in the H1 model ($b = 0.188$, $p = .020$), and CEO activism attitude reached significance in both the H1 and H2 models ($b = 0.157$, $p = .022$ and $b = 0.218$, $p = .002$, respectively). This indicates that participants with more favorable attitudes toward CSR generally rated the company's reputation more positively, while CEO activism attitude shaped both reputation and authenticity perceptions. This pattern suggests that pre-existing attitudinal dispositions play a role in how stakeholders process sociopolitical corporate behavior, independent of the experimental manipulation. Additionally, in the H4 model, CSR attitude remained a significant predictor of corporate reputation ($b = 0.163$, $p = .005$), consistent with the results across the other models.

A particularly noteworthy observation appeared in the H3 model. While CEO activism attitude was a significant predictor of corporate reputation in earlier models, it lost its predictive power once perceived moral authenticity was introduced ($p = .763$). This indicates that its influence on reputation may partly operate through authenticity perceptions, which further supports the central role of moral authenticity as a mediating mechanism in this study.

Moreover, political orientation emerged as a significant predictor of perceived moral authenticity in the H2 model ($b = 0.169$, $p = .009$). Immigration policy support, in contrast, did not reach significance, suggesting that authenticity may be partly shaped by broader ideological dispositions rather than specific stances on the immigration issue itself.

5 Discussion

The findings of this study reveal a nuanced and partially mixed pattern of results, which is now further discussed in this chapter. Not all hypotheses were supported, yet the findings suggest that the overarching picture that emerged seems coherent. Perceived moral authenticity may function as a relevant psychological mechanism through which CEO activism and CSR type jointly shape corporate reputation. Rather than acting as direct and independent reputation drivers, CEO stance and CSR type seem to interact in ways that are primarily channeled through stakeholders' authenticity perceptions, as also depicted in the proposed conceptual framework in Figure 1. The following section interprets each finding in light of the theoretical framework developed in Chapter 2.

5.1 Interpretation of Results

The central and most theoretically significant finding of this study emerges from considering H2a and H3 together. Taken jointly, these results trace a sequential path. When a CEO publicly takes an activist stance, pairing it with ideologically congruent, polarizing CSR generates significantly higher perceived moral authenticity than pairing it with neutral CSR. This is confirmed by H2a. In turn, this elevated authenticity has a significant effect on corporate reputation, accounting for over half of its variance, supported by H3. This sequential path represents the core empirical contribution of this study.

The support for H2a can be understood from two complementary perspectives. From a signaling theory lens, the combination of a controversial public statement and additional financial commitment is perceived as a costly signal (Bondi et al., 2025). Thus, issue-congruent CSR sends a signal that shows the firm is placing real resources behind a politically contentious position that risks alienating a meaningful segment of its stakeholders (Burbano, 2021; Hou & Poliquin, 2023). Stakeholders may recognize this cost as evidence of sincere conviction instead of a measure of strategic intent. By contrast, neutral CSR does not carry the same cost structure. While it may reflect a philanthropic intent, it does not imply the same willingness to bear the risk associated with its stated position (Hambrick & Wowak, 2021). From an ideological congruence perspective, the alignment between the CEO's public stance and the CSR initiative's thematic focus minimizes the interpretive ambiguity associated with wokewashing (Li & Soule, 2026). When the activist statement and the financial commitment point in the same direction, stakeholders face no cognitive dissonance in evaluating the firm's motives.

In contrast, this mismatch is introduced with neutral CSR as a CEO speaking out in favor of a polarizing cause while investing its resources in another matter creates room for doubt. However, it is worth noting that the overall interaction term in the indirect path approached but did not reach conventional significance, meaning it needs to be interpreted with caution. Nevertheless, the simple effect under the activism condition was statistically significant and directionally clean, which provided meaningful support for the underlying mechanism.

Building on this, the support for H3 is the strongest result in this study. Perceived moral authenticity emerged as a highly significant and substantively large predictor of corporate reputation by explaining 54% of the variance in reputational outcomes. This effect size is notable in the context of experimental vignette research and suggests the central role of authenticity in how stakeholders evaluate firms that actively engage in sociopolitical issues (Appels, 2023; Li & Soule, 2026). This finding also aligns with prior theoretical work on moral capital and reputational buffering, arguing that stakeholders do not merely evaluate corporate behavior based on its content but primarily on the basis of its perceived sincerity. A company that is perceived as genuine and committed to its own stated values may generate a reservoir of goodwill that translates into durable reputational standing (Hahl & Ha, 2020; Suchman, 1995).

Regarding H2b, the null result cannot be rejected. In the absence of CEO activism, CSR type did not significantly influence perceptions of authenticity. This is consistent with the logic that the signaling dynamic identified in H2a is conditional on an activist stance. However, given the absence of statistically significant results, this interpretation remains tentative rather than confirmed.

The results of H1a indicate that the interaction term between CEO stance and CSR type showed the predicted direction but did not reach statistical significance. This may partly reflect the constraints of the available sample size, as smaller samples reduce the statistical power needed to detect moderation effects. However, this null result should not be interpreted as evidence that CSR type is reputationally irrelevant. Instead, the moderating effect of CSR type was more evident through the indirect path. The effect via perceived moral authenticity reached statistical significance under the activism condition. This outcome can be traced back to existing literature stating that the perceptions of a firm’s sincerity are based on multiple interconnected factors, including whether publicly stated values and observable actions align (Lehman et al., 2019). Stakeholders appear to evaluate a firm’s sociopolitical positioning holistically, weighing overall credibility rather than the content of its CSR investment alone. A CSR initiative, regardless of whether it is polarizing or neutral, may not, in isolation, resolve the "cheap talk" issue that emerges when publicly taking a stance (Hahl & Ha, 2020; Melloni et al., 2023).

Furthermore, the lack of evidence to reject H1b seems to point in the same direction of this interpretation as in the absence of CEO activism, CSR type had no significant effect on corporate reputation. Therefore, the reputational dynamics under investigation seem to be specific to the activist context and do not extend to the silence condition, mirroring the pattern observed for H2b.

To interpret the results for H4 adequately, a two-part interpretation is required. The moderated mediation was not supported holistically. The conditional indirect effects of CEO stance on corporate reputation via perceived moral authenticity differed across CSR conditions in a direction consistent with the prediction. While the indirect effect under polarizing CSR was significant (ACME = 0.290, $p = .038$), the effect under neutral CSR was non-significant ($p = .492$). However, the formal test of the difference between these conditional indirect effects did not reach statistical significance, meaning the moderation of the mediation path cannot be confirmed due to insufficient statistical power.

Beyond this, an unexpected finding to emerge from the moderated mediation analysis is the significant direct effect of CEO activism on corporate reputation (ADE = -0.250, $p = .019$), which appeared to be negative and consistent across both CSR conditions. This effect was not predicted and warrants future research and a new data set.

Finally, the findings of this study point to a coherent underlying picture. While the direct moderating effect of CSR type on corporate reputation could not be confirmed, the results reveal a sequential path through which CEO activism and CSR type jointly shape reputational outcomes. Ideologically polarizing CSR elevates perceived moral authenticity when aligned with an activist statement. Authenticity, in turn, emerges as the dominant driver of corporate reputation. Consequently, the findings point in the direction that reputational consequences of CEO activism are not driven by CSR type directly but are instead shaped by whether stakeholders perceive the firm as genuinely committed to its stated values.

5.2 Academic Implications

Acknowledging the findings of this study, it contributes to several targeted fields, including CEO activism, moral authenticity, and corporate reputation within the literature.

First, through this study, the theoretical understanding of moral authenticity as a mechanism linking CEO activism to corporate reputation is advanced. Building on Lehman et al.'s (2019) the definition of moral authenticity and on Hahl and Ha's (2020) the argument that stakeholders actively evaluate whether a firm's actions genuinely reflect its espoused values, the support for H3 suggests that authenticity can be a dominant driver of reputational outcomes. The finding that perceived moral authenticity accounts for over half of the variance in corporate reputation suggests it may serve as a predominant evaluation criterion through which stakeholders process sociopolitical corporate behavior. This responds to calls in the CEO activism literature for a deeper understanding of the conditions under which activist stances translate into reputational outcomes (Bondi et al., 2025; Li & Soule, 2026).

Second, the support for H2a directly addresses the central empirical blind spot identified in the literature. The findings suggest that ideological alignment between a CEO's public stance and a firm's CSR activities plays a meaningful role in shaping stakeholders' moral authenticity perceptions. Existing research has relied exclusively on politically neutral causes to prove its efficacy by showing CSR's ability to buffer corporate reputation against the risks of CEO activism (Li & Soule, 2026). Consequently, the theoretical and empirical consequences of aligning CEO activism with CSR, which is itself politically contentious, remained unresolved. The present study and its findings partially fill this gap. The support for H2a suggests that ideologically congruent and polarizing CSR may elevate perceived moral authenticity under CEO activism to a greater extent than under neutral CSR. This hints that the elevated costs of polarizing CSR may function as a stronger credibility signal rather than merely compounding the reputational penalty. Thus, the buffering logic of Li and Soule (2026) is extended by showing that the signaling value of CSR may be conditional on its ideological alignment with the activist stance, not only its presence.

Beyond the buffering logic, the support for H2a also carries implications for signaling theory. Building on Melloni et al.'s (2023) argument that strategic communication must entail a controversial aspect to be perceived as authentic, the finding suggests that signal coherence is what drives authenticity perceptions rather than the signal volume alone. This may refine existing research on signaling theory in the management literature, which has largely focused on signal presence rather than signal consistency (Connelly et al., 2025; Li & Soule, 2026).

Finally, the study also responds to the contextual gap identified at the beginning. The dominant theoretical frameworks on CEO activism have been developed and tested almost exclusively within the US institutional context (Chatterji & Toffel, 2019; Homroy & Gangopadhyay, 2025; Hou & Poliquin, 2023; Li & Soule, 2026). Thus, the present findings may offer preliminary evidence of the link between CEO activism and corporate reputation within the European context, namely in Austria and Germany. This contextual extension may represent a meaningful contribution to a literature that has so far treated institutional context as peripheral rather than constitutive.

5.3 Managerial Implications

Beyond its academic contributions, this study also offers several practical takeaways for CEOs, communications directors, and CSR managers operating in Germany and Austria who are considering or already engaged in sociopolitical corporate behavior.

The most actionable insight stems from H3. Given that perceived moral authenticity emerged as the dominant driver of corporate reputation, the findings suggest that authenticity may not be a soft, intangible concept but rather a concrete, measurable driver of reputational outcomes. For practitioners, this means that the content of an activist stance matters less than whether stakeholders perceive the firm as genuinely committed to it. Firms that invest in building long-term, value-driven reputations through consistent behavior, transparent communication, and sustained CSR engagement are better positioned to navigate the reputational risks of sociopolitical involvement. By contrast, firms that rely on isolated public statements without substantive commitment behind them are more vulnerable to stakeholder skepticism and reputational backlash.

Furthermore, the support for H2a carries a direct and practical signal for the CSR strategy. When a CEO takes a public stance on a contested social issue, the type of CSR the firm pairs with that stance matters for how stakeholders evaluate its sincerity. This hints that CSR thematically aligned with the activist position may generate higher authenticity perceptions than neutral CSR. Therefore, firms should resist the temptation to pair a polarizing public stance with safe, universally accepted CSR initiatives as a risk mitigation strategy. While neutral CSR may seem like a safer choice in this context, it introduces a visible inconsistency between what the firm says and where it directs its resources, which sophisticated stakeholders are likely to interpret as wokewashing. Instead, firms willing to take a public stance should consider directing their CSR investments toward causes that align with the public stance, accepting the associated costs as a credibility-building mechanism rather than an unnecessary risk.

Lastly, the Austrian and German contexts themselves offer a specific managerial lesson. Unlike the US, where CEO activism has largely been studied in the context of a binary political system, the multi-party political landscape of these markets highlights that stakeholder audiences may be more fragmented and ideologically diverse. Therefore, activist statements directed at a broad and ideologically diverse audience might be particularly risky, since the proportion of misaligned stakeholders is harder to predict and potentially larger. Consequently, firms operating in these markets should invest in stakeholder mapping before engaging in sociopolitical positioning, ensuring they have a realistic understanding of their audience's ideological distribution and the likely reputational trade-offs of speaking out.

5.4 Limitations and Future Research

Despite its contributions, this study is subject to several limitations that should be considered when interpreting the findings. The potential contributions outlined in this thesis should therefore be understood within the context of the following constraints, as they define the boundaries within which the results can be meaningfully applied.

The first and most fundamental limitation concerns the external validity of the experimental vignette design itself. While the between-subject design strengthens internal validity by isolating the causal effects of CEO stance and CSR type, it does so at the cost of reflecting practical applicability. Real-world reputational evaluations unfold over a longer time period and are shaped by prior brand knowledge, repeated media exposure, and accumulated stakeholder experience with a firm. Consequently, a single experimental scenario involving a fictional company cannot fully replicate these dynamics. Future research could address this limitation by employing longitudinal designs or field experiments using real firms to assess whether the authenticity mechanism identified in this study sustains under more naturalistic conditions.

Moreover, the study relied on a single contested social issue, i.e., immigration in Austria and Germany, which was validated as sufficiently polarizing through a pre-study focus group. However, while this increases internal consistency of the experimental design, it limits the generalizability of the findings to other hot-button issues. Notably, immigration carries a specific ideological charge in the Austrian and German context that may differ from other issues, such as climate activism, LGBTQ+ rights, or gender equality, that involve distinct stakeholder segments and moral evaluations. Consequently, future research could examine whether the role of ideological congruence and the direct reputational effects of CEO activism replicate across a broader range of contested social issues.

Additionally, the two self-constructed control variables were validated solely through Cronbach's alpha. A more rigorous validation would include assessments of convergent, discriminant, and criterion validity, which were beyond the scope of the present study. Future research employing these should consider more comprehensive validation procedures.

Another limitation concerns the statistical power available in this study, which may have been insufficient to detect the moderated mediation effects tested in H4. A moderated mediation model requires substantially larger samples than simple mediation or moderation alone. This means a sample size of $n = 217$, while adequate for the main hypotheses, represents a plausible explanation for the non-significant index of moderated mediation. The directional consistency of the conditional indirect effects is nonetheless in line with the underlying logic. This calls for further research that aims for larger samples and may also benefit from power analyses that are specifically calibrated to the detection of moderated mediation effects. Moreover, the null results for H1b and H2b should not be interpreted as a confirmation of the predicted absence of effects. H1b and H2b were formulated as null hypotheses to test whether the observed effects under the activism condition are specific to the context, rather than driven by CSR type alone. Therefore, the absence of statistically significant results means only that the null hypothesis could not be rejected, not that the hypothesized relationships do not exist. Future studies with larger samples may be better positioned to detect these effects if they exist.

Furthermore, the unexpected direct negative effect of CEO activism on corporate reputation warrants further investigation. As a single experimental study is insufficient grounds for drawing firm conclusions, future research with a larger and more representative sample should first examine whether this effect replicates. If confirmed, subsequent research could explore the theoretical mechanisms through which it operates.

Regarding the sample composition itself, it consisted predominantly of younger, highly educated, and male respondents. Additionally, the sample showed a notable progressive lean, with more than half of the participants identifying toward the progressive side of the political spectrum. These characteristics may affect how respondents process and evaluate authenticity signals, as younger, highly educated, male, and progressive individuals may apply different criteria when assessing corporate sociopolitical behavior. Consequently, future research should assess whether these findings replicate in more representative population samples, including older, less-educated, more gender-balanced, and more politically diverse respondents.

While Austria and Germany share sufficient institutional, cultural, and political characteristics to justify both as a homogeneous group in this study, the findings should not be uncritically extended to other European contexts. Countries that operate under different institutional logics may exhibit fundamentally divergent patterns of responses to CEO activism and CSR signaling. Comparative cross-national designs would allow future research to evaluate the boundary conditions of the present findings across institutional contexts.

Finally, the study examined reputational evaluations at a single point in time with an immediate exposure to the experimental stimulus. This design cannot capture the dynamic nature of reputation creation, including the possibility that initial reputational penalties from CEO activism diminish over time as stakeholders update their evaluations in response to sustained firm behavior. This is particularly relevant given prior evidence that the negative financial effects of CEO activism can dissipate within weeks (Hou & Poliquin, 2023). Longitudinal research tracking reputational evaluations over time following activist statements would provide a more complete picture of the buffering and backlash dynamics identified in this study.

6 Conclusion

This thesis examined whether CEO activism functions as a reputational buffer or backlash accelerant when paired with different types of CSR in the Austrian and German context. Motivated by a blind spot in the existing literature, which had tested the buffering effect of CSR exclusively using politically neutral causes, this study examined whether pairing CEO activism with polarizing CSR compared to neutral CSR affects corporate reputation via perceived moral authenticity.

Addressing the first research question, the findings indicate that pairing CEO activism with polarizing CSR does not directly produce more positive reputational outcomes than pairing it with neutral CSR. Therefore, CSR type alone does not determine how stakeholders evaluate a firm's reputation within the activist context. However, the picture becomes more nuanced when stakeholder perceptions are taken into account. In response to the second research question, the findings show that when a CEO takes a public stance, ideologically congruent CSR significantly elevates stakeholder perceptions of the firm's moral authenticity compared to neutral CSR. This suggests that the type of CSR accompanying CEO activism matters not for corporate reputation directly, but for how genuine and committed the firm appears to its stakeholders. Even though neutral CSR seems to be financially safe, it introduces a visible discrepancy between what the firm says and where it directs its resources, reflecting an inconsistency that sophisticated stakeholders appear to recognize and respond to.

Furthermore, the answer to the third research question is the most unambiguous finding of this study. Perceived moral authenticity emerged as a dominant driver of corporate reputation in the context of CEO activism, explaining over half of the variance in reputational evaluations. This confirms that stakeholders do not evaluate corporate sociopolitical behavior primarily on its content, but on whether they believe the firm is genuinely committed to its stated values. Consequently, authenticity in this sense is not a soft concept but rather a concrete, measurable reputational asset. Yet the study also revealed an unexpected direct negative effect of CEO activism on reputation, independent of the authenticity pathway, suggesting that moral authenticity may function as only a partial buffer against the reputational costs of sociopolitical positioning. However, this is a finding that warrants further investigation.

Beyond answering the proposed research questions, this study contributes to the literature by positioning moral authenticity as the potential central driver through which CEO activism shapes reputation. This extends signaling theory to the domain of ideological congruence and offers preliminary evidence that these dynamics operate within coordinated market economies such as Austria and Germany. For practitioners, the key takeaway is that firms engaging in sociopolitical positioning should invest in ideological alignment between their public statements and their CSR commitment. However, they still need to be aware that taking stances on deeply polarizing issues carries inherent reputational risks that even genuine commitment cannot fully absorb.

In an era in which the boundary between business and politics is increasingly blurred, understanding the conditions under which corporate sociopolitical engagement creates or erodes reputation is not only an academic question but rather a strategic imperative for firms navigating an ideologically fragmented stakeholder landscape.

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Appendix

Appendix A: Survey Questionnaire

Dissertation Survey

Consent Form

Dear Participant,
Thank you for taking the time to participate in this survey, which is part of my master's thesis at Católica Lisbon School of Business and Economics (CLSBE) and Vienna University of Economics and Business (WU Vienna). This study explores perceptions of corporate leadership and company reputation.

Your participation is voluntary, anonymous, and all responses will be kept strictly confidential in accordance with GDPR. Data will be used exclusively for academic purposes. The survey includes a short scenario followed by related questions and takes approximately 5 minutes. In line with the objectives of this study, participation is intended for individuals from Germany or Austria, as well as for individuals of other nationalities who are living or have lived in Germany or Austria for a period exceeding one year.

If you have any questions, please contact me at s-jschartmuller@ucp.pt.

Thank you for your support!

Q1: **Do you consent to participate in this survey?**

- I consent.
- I do not consent.

Eligibility Check

Q2: **What is your nationality?**

- Austrian
- German
- Other ____

Q2.1 **How long have you lived or did you live in Germany or Austria?**

- Less than 1 year
- 1 year or more
- I have never lived in Germany or Austria

Control Variables

Q3 **Please indicate your level of agreement with the following statements.**

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I think it is important for companies to help solve social problems.	○	○	○	○	○	○	○
Companies should play a role in society that goes beyond the mere generation of profits.	○	○	○	○	○	○	○
I think it is important for companies to allocate some of their resources to philanthropic activities.	○	○	○	○	○	○	○

Q4: **Please indicate your level of agreement with the following statements.**

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I believe CEOs should publicly take stances on social and political issues.	○	○	○	○	○	○	○
I support companies whose CEOs take public stands on contested societal topics.	○	○	○	○	○	○	○
CEOs should avoid taking positions on social and political issues.	○	○	○	○	○	○	○

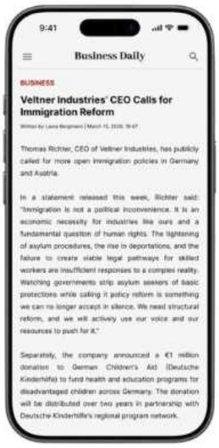
Scenario Introduction

In this study, you will read a short news article about a company and its CEO. Before reading the article, please take a moment to familiarize yourself with the following company.

Founded over 60 years ago, Veltner Industries is an industrial manufacturing group headquartered in Stuttgart, Germany, with a longstanding presence in the German and Austrian markets. The company operates across three business divisions: automotive components, building materials, and industrial chemicals. With around 2,500 employees across production sites in Germany and Austria, the company generates annual revenues of approximately €380 million. Veltner Industries is a publicly listed firm that has been led by CEO Thomas Richter since 2018.

Scenario 1

Please read the following news article carefully. You will be asked questions about it afterwards.



9:41

Business Daily

BUSINESS

Veltner Industries' CEO Calls for Immigration Reform

Thomas Richter, CEO of Veltner Industries, has publicly called for more open immigration policies in Germany and Austria.

In a statement released this week, Richter said: "Immigration is not a political inconvenience. It is an economic necessity for industries like ours and a fundamental question of human rights. The tightening of asylum procedures, the rise in deportations, and the failure to create viable legal pathways for skilled workers are insufficient responses to a complex reality. Watching governments strip asylum seekers of basic protections while calling it policy reform is something we can no longer accept in silence. We need structural reform, and we will actively use our voice and our resources to push for it."

Separately, the company announced a €1 million donation to German Children's Aid (Deutsche Kinderhilfe) to fund health and education programs for disadvantaged children across Germany. The donation will be distributed over two years in partnership with Deutsche Kinderhilfe's regional program network.

Scenario 2

Please read the following news article carefully. You will be asked questions about it afterwards.

9:41

Business Daily

BUSINESS

Veltner Industries' CEO Calls for Immigration Reform

Thomas Richter, CEO of Veltner Industries, has publicly called for more open immigration policies in Germany and Austria.

In a statement released this week, Richter said: "Immigration is not a political inconvenience. It is an economic necessity for industries like ours and a fundamental question of human rights. The tightening of asylum procedures, the rise in deportations, and the failure to create viable legal pathways for skilled workers are insufficient responses to a complex reality. Watching governments strip asylum seekers of basic protections while calling it policy reform is something we can no longer accept in silence. We need structural reform, and we will actively use our voice and our resources to push for it."

Separately, the company announced a €1 million partnership with a refugee integration organization to provide vocational training and employment pathways for refugees within its production facilities in Germany and Austria. The partnership will be implemented across three production sites over the next 18 months.

Scenario 3

Please read the following news article carefully. You will be asked questions about it afterwards.

9:41

Business Daily

BUSINESS

Veltner Industries Announces Charitable Donation

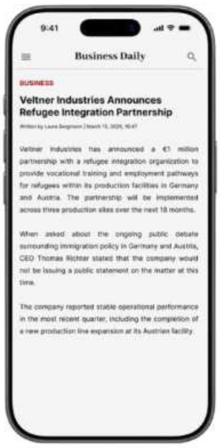
Veltner Industries has announced a €1 million donation to German Children's Aid (Deutsche Kinderhilfe) to fund health and education programs for disadvantaged children across Germany. The donation will be distributed over two years in partnership with Deutsche Kinderhilfe's regional program network.

When asked about the ongoing public debate surrounding immigration policy in Germany and Austria, CEO Thomas Richter stated that the company would not be issuing a public statement on the matter at this time.

The company reported stable operational performance in the most recent quarter, including the completion of a new production line expansion at its Austrian facility.

Scenario 4

Please read the following news article carefully. You will be asked questions about it afterwards.



9:41

Business Daily

BUSINESS

Veltner Industries Announces Refugee Integration Partnership

Veltner Industries has announced a €1 million partnership with a refugee integration organization to provide vocational training and employment pathways for refugees within its production facilities in Germany and Austria. The partnership will be implemented across three production sites over the next 18 months.

When asked about the ongoing public debate surrounding immigration policy in Germany and Austria, CEO Thomas Richter stated that the company would not be issuing a public statement on the matter at this time.

The company reported stable operational performance in the most recent quarter, including the completion of a new production line expansion at its Austrian facility.

Corporate Reputation

Q7: **Please indicate your level of agreement with the following statements about Veltner Industries.**

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
I have a good feeling about Veltner Industries.	○	○	○	○	○	○	○
I trust Veltner Industries.	○	○	○	○	○	○	○
I admire and respect Veltner Industries.	○	○	○	○	○	○	○
Veltner Industries has a good overall reputation.	○	○	○	○	○	○	○

Perceived Moral Authenticity

Q8: **Please indicate your level of agreement with the following statements about Veltner Industries.**

	Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree
Veltner Industries acts out of its true value or belief.	○	○	○	○	○	○	○
What Veltner Industries says is the same as what it does.	○	○	○	○	○	○	○
Veltner Industries acts authentically.	○	○	○	○	○	○	○

Attention Check

Please answer the following questions based on the article you just read.

Q9: **In the news article you just read, did the CEO publicly express a position on immigration policy?**

- ○ Yes, the CEO publicly advocated for more open immigration policies
- ○ No, the CEO stated the company would not be issuing a public statement
- ○ I don't remember

Q10: **What type of initiative did the company announce in the article?**

- ○ A donation to a children's health charity
- ○ A partnership to provide training and employment for refugees
- ○ I don't remember

Demographics

Q11: **What is your age?**

- ○ 18 to 24
- ○ 25 to 34
- ○ 35 to 44
- ○ 45 to 54
- ○ 55 to 64
- ○ 65 or older

Q12: **What is your gender?**

- Male
- Female
- Other
- Prefer not to say

Q13: **What is your highest level of education?**

- Less than Highschool
- High School Degree
- Bachelor's Degree
- Master's Degree
- Doctoral Degree
- Other

Q14: **What is your current employment status?**

- Employed
- Unemployed
- Self-employed
- Student
- Retired
- Other

End of Survey

Appendix B: Main Variables and Items

Variable	Item	Item Wording	Source
Corporate Reputation	REP1	I have a good feeling about Veltner Industries.	Ponzi et al. (2011)
	REP2	I trust Veltner Industries.	
	REP3	I admire and respect Veltner Industries.	
	REP4	Veltner Industries has a good overall reputation.	
Perceived Moral Authenticity	AUTH1	Veltner Industries acts out of its true value or belief.	Wagner et al. (2009)
	AUTH2	What Veltner Industries says is the same as what it does.	
	AUTH3	Veltner Industries acts authentically.	
CSR Attitude	CSRA1	I think it is important for companies to help solve social problems.	Maignan (2001)
	CSRA2	Companies should play a role in society that goes beyond the mere generation of profits.	
	CSRA3 (R)	I think it is important for companies to allocate some of their resources to philanthropic activities.	
CEO Activism	CEOA1	I believe CEOs should publicly take stances on social and political issues.	Self-constructed derived from Hambrick and Wowak (2021) and Chatterji & Toffel (2018)
	CEOA2	I support companies whose CEOs take public stands on contested societal topics.	
	CEOA3	CEOs should avoid taking positions on social and political issues.	
Immigration Policy Support	IMMIG1	I support more open immigration policies in my country.	Self-constructed derived from Davidov et al. (2008)
	IMMIG2	Immigration should be facilitated for people seeking to live and work in my country.	
	IMMIG3	Immigration policies in my country should be more inclusive.	

All items were measured on a 7-point Likert scale ranging from 1 (Strongly disagree) to 7 (Strongly agree). (R) denotes a reverse-coded item.

Political orientation was measured as a single item on a 7-point scale ranging from 1 (Very progressive/left-leaning) to 7 (Very conservative/right-leaning) adapted from DeCelles et al. (2020) and Salvati et al. (2020).

Appendix C: R Analysis Script

The script was run in R version 4.4 using the packages listed in the load libraries section.

```
# ============================================================
# Dissertation Survey – Data Preparation and Analysis
# ============================================================
# Author:       Judith Schartmüller
# Institution:  CLSBE / WU Vienna
# Date:         April 2026
# Study:        CEO Activism, CSR Type & Corporate Reputation
# Design:       2x2 Between-Subjects Experiment
# ============================================================


# --- Load Libraries ----------------------------------------

library(readxl)
library(dplyr)
library(psych)
library(emmeans)
library(mediation)
library(car)
library(effectsize)
library(gt)


# --- Set Working Directory ---------------------------------

setwd("~/Desktop/Thesis")


# --- Load Data ---------------------------------------------

df <- read_excel("dissertation_data_final.xlsx", skip = 1)

# Remove second Qualtrics header row
df <- df[-1, ]

# Quick check
nrow(df)
names(df)
head(df, 3)


# --- Rename Columns ----------------------------------------

colnames(df) <- c(
  "start_date", "end_date", "response_type", "ip_address", "progress",
  "duration", "finished", "recorded_date", "response_id",
  "recipient_last", "recipient_first", "recipient_email",
  "external_ref", "latitude", "longitude", "distribution", "language",
  "consent", "nationality", "nationality_other", "residency",
  "csr_attitude_1", "csr_attitude_2", "csr_attitude_3",
  "ceo_attitude_1", "ceo_attitude_2", "ceo_attitude_3",
  "political_orientation",
  "immig_1", "immig_2", "immig_3",
  "rep_1", "rep_2", "rep_3", "rep_4",
  "auth_1", "auth_2", "auth_3",
  "manip_check_1", "manip_check_2",
  "age", "gender", "education", "employment",
  "prolific_pid", "study_id", "session_id",
  "condition"
)

# Confirm
ncol(df)
names(df)


# --- Filter Valid Responses --------------------------------

df_clean <- df |>
```

```
  filter(
    finished == 1,
    consent == 1,
    nationality == 1 | nationality == 2 | (nationality == 3 & residency == 2)
  )

nrow(df_clean)


# --- Recode Condition Variable ------------------------------

df_clean <- df_clean |>
  mutate(
    ceo_stance = case_when(
      grepl("CEO Activism", condition) ~ 1,
      grepl("Silence", condition)      ~ 0,
      TRUE ~ NA_real_
    ),
    csr_type = case_when(
      grepl("Polarizing", condition) ~ 1,
      grepl("Neutral", condition)    ~ 0,
      TRUE ~ NA_real_
    ),
    # Reverse code ceo_attitude_3 (1-7 scale: 8 - x)
    ceo_attitude_3_r = 8 - as.numeric(ceo_attitude_3),
    # Convert manipulation checks to numeric
    manip_check_1 = as.numeric(manip_check_1),
    manip_check_2 = as.numeric(manip_check_2)
  )

# Check condition cell sizes before NA removal
df_clean |> count(condition, ceo_stance, csr_type)

# Remove rows with missing condition
df_clean <- df_clean |>
  filter(!is.na(condition))

# Confirm
nrow(df_clean)
df_clean |> count(condition, ceo_stance, csr_type)


# --- Compute Composite Scores -------------------------------

df_clean <- df_clean |>
  mutate(
    across(c(rep_1, rep_2, rep_3, rep_4,
             auth_1, auth_2, auth_3,
             immig_1, immig_2, immig_3,
             csr_attitude_1, csr_attitude_2, csr_attitude_3,
             ceo_attitude_1, ceo_attitude_2, ceo_attitude_3_r,
             political_orientation), as.numeric),

    # DV: Corporate Reputation (4 items)
    reputation   = rowMeans(across(c(rep_1, rep_2, rep_3, rep_4)), na.rm = TRUE),

    # Mediator: Perceived Moral Authenticity (3 items)
    authenticity = rowMeans(across(c(auth_1, auth_2, auth_3)), na.rm = TRUE),

    # Control: Immigration Policy Support (3 items)
    immig_support = rowMeans(across(c(immig_1, immig_2, immig_3)), na.rm = TRUE),

    # Control: CSR Attitude (3 items)
    csr_attitude = rowMeans(across(c(csr_attitude_1,
                                     csr_attitude_2,
                                     csr_attitude_3)), na.rm = TRUE),

    # Control: CEO Activism Attitude (3 items; item 3 reverse-coded)
    ceo_attitude = rowMeans(across(c(ceo_attitude_1,
```

```
                                    ceo_attitude_2,
                                    ceo_attitude_3_r)), na.rm = TRUE)
  )

# Quick check
df_clean |>
  summarise(
    rep_mean     = round(mean(reputation, na.rm = TRUE), 2),
    rep_sd       = round(sd(reputation, na.rm = TRUE), 2),
    auth_mean    = round(mean(authenticity, na.rm = TRUE), 2),
    auth_sd      = round(sd(authenticity, na.rm = TRUE), 2),
    immig_mean   = round(mean(immig_support, na.rm = TRUE), 2),
    immig_sd     = round(sd(immig_support, na.rm = TRUE), 2),
    csr_att_mean = round(mean(csr_attitude, na.rm = TRUE), 2),
    ceo_att_mean = round(mean(ceo_attitude, na.rm = TRUE), 2)
  )


# --- Manipulation Checks ------------------------------------
# CEO stance: 1 = activism, 2 = silence, 3 = don't remember
# CSR type:   1 = neutral,  2 = polarizing, 3 = don't remember

df_clean |>
  group_by(ceo_stance) |>
  summarise(
    correct = mean(
      (ceo_stance == 1 & manip_check_1 == 1) |
        (ceo_stance == 0 & manip_check_1 == 2),
      na.rm = TRUE),
    n = n()
  )

df_clean |>
  group_by(csr_type) |>
  summarise(
    correct = mean(
      (csr_type == 0 & manip_check_2 == 1) |
        (csr_type == 1 & manip_check_2 == 2),
      na.rm = TRUE),
    n = n()
  )


# --- Exclude Failed Manipulation Checks --------------------

df_clean <- df_clean |>
  mutate(
    pass_mc1 = case_when(
      ceo_stance == 1 & manip_check_1 == 1 ~ TRUE,
      ceo_stance == 0 & manip_check_1 == 2 ~ TRUE,
      TRUE ~ FALSE
    ),
    pass_mc2 = case_when(
      csr_type == 0 & manip_check_2 == 1 ~ TRUE,
      csr_type == 1 & manip_check_2 == 2 ~ TRUE,
      TRUE ~ FALSE
    )
  ) |>
  filter(pass_mc1 == TRUE & pass_mc2 == TRUE)

# Final sample
nrow(df_clean)
df_clean |> count(condition, ceo_stance, csr_type)


# --- Manipulation Check Failure Breakdown ------------------

df_pre_exclusion <- df |>
  filter(finished == 1, consent == 1,
```

```
        nationality == 1 | nationality == 2 |
          (nationality == 3 & residency == 2)) |>
  filter(!is.na(condition)) |>
  mutate(
    manip_check_1 = as.numeric(manip_check_1),
    manip_check_2 = as.numeric(manip_check_2),
    ceo_stance = case_when(
      grepl("CEO Activism", condition) ~ 1,
      grepl("Silence", condition)      ~ 0,
      TRUE ~ NA_real_
    ),
    csr_type = case_when(
      grepl("Polarizing", condition) ~ 1,
      grepl("Neutral", condition)    ~ 0,
      TRUE ~ NA_real_
    ),
    pass_mc1 = case_when(
      ceo_stance == 1 & manip_check_1 == 1 ~ TRUE,
      ceo_stance == 0 & manip_check_1 == 2 ~ TRUE,
      TRUE ~ FALSE
    ),
    pass_mc2 = case_when(
      csr_type == 0 & manip_check_2 == 1 ~ TRUE,
      csr_type == 1 & manip_check_2 == 2 ~ TRUE,
      TRUE ~ FALSE
    )
  )

table(pass_mc1 = df_pre_exclusion$pass_mc1,
      pass_mc2 = df_pre_exclusion$pass_mc2)

cat("Failed MC1:", sum(!df_pre_exclusion$pass_mc1),
    "(", round(mean(!df_pre_exclusion$pass_mc1) * 100, 1), "%)\n")
cat("Failed MC2:", sum(!df_pre_exclusion$pass_mc2),
    "(", round(mean(!df_pre_exclusion$pass_mc2) * 100, 1), "%)\n")
cat("Failed both:", sum(!df_pre_exclusion$pass_mc1 & !df_pre_exclusion$pass_mc2),
    "(", round(mean(!df_pre_exclusion$pass_mc1 & !df_pre_exclusion$pass_mc2) * 100, 1),
"%)\n")
cat("Failed at least one:", sum(!df_pre_exclusion$pass_mc1 |
!df_pre_exclusion$pass_mc2),
    "(", round(mean(!df_pre_exclusion$pass_mc1 | !df_pre_exclusion$pass_mc2) * 100, 1),
"%)\n")

chisq_mc1 <- chisq.test(table(df_pre_exclusion$condition, df_pre_exclusion$pass_mc1))
print(chisq_mc1)

chisq_mc2 <- chisq.test(table(df_pre_exclusion$condition, df_pre_exclusion$pass_mc2))
print(chisq_mc2)


# --- Reliability Analysis (Cronbach's Alpha) ----------------
# Computed on final analytical sample (post-exclusions)

alpha_rep   <- alpha(df_clean[, c("rep_1", "rep_2", "rep_3", "rep_4")])
alpha_auth  <- alpha(df_clean[, c("auth_1", "auth_2", "auth_3")])
alpha_immig <- alpha(df_clean[, c("immig_1", "immig_2", "immig_3")])
alpha_csr   <- alpha(df_clean[, c("csr_attitude_1", "csr_attitude_2",
"csr_attitude_3")])
alpha_ceo   <- alpha(df_clean[, c("ceo_attitude_1", "ceo_attitude_2",
"ceo_attitude_3_r")])

cat("Reputation alpha:", round(alpha_rep$total$raw_alpha, 3), "\n")
cat("Authenticity alpha:", round(alpha_auth$total$raw_alpha, 3), "\n")
cat("Immigration Support alpha:", round(alpha_immig$total$raw_alpha, 3), "\n")
cat("CSR Attitude alpha:", round(alpha_csr$total$raw_alpha, 3), "\n")
cat("CEO Activism Attitude alpha:", round(alpha_ceo$total$raw_alpha, 3), "\n")


# --- Randomization Balance Check ----------------------------
```

```r
# Verifies control variables are balanced across conditions
# All effects should be non-significant (p > .05)

bal_pol_omnibus   <- aov(political_orientation ~ condition, data = df_clean)
bal_immig_omnibus <- aov(immig_support ~ condition, data = df_clean)
bal_csr_omnibus   <- aov(csr_attitude ~ condition, data = df_clean)
bal_ceo_omnibus   <- aov(ceo_attitude ~ condition, data = df_clean)

cat("\nBalance check - Political Orientation:\n");  summary(bal_pol_omnibus)
cat("\nBalance check - Immigration Support:\n");    summary(bal_immig_omnibus)
cat("\nBalance check - CSR Attitude:\n");           summary(bal_csr_omnibus)
cat("\nBalance check - CEO Activism Attitude:\n");  summary(bal_ceo_omnibus)


# --- Multicollinearity Check --------------------------------

cor(df_clean$political_orientation, df_clean$immig_support,
    use = "complete.obs")


# --- Descriptive Statistics: Outcome Variables by Condition -

df_clean |>
  group_by(condition) |>
  summarise(
    rep_mean  = round(mean(reputation, na.rm = TRUE), 2),
    rep_sd    = round(sd(reputation, na.rm = TRUE), 2),
    auth_mean = round(mean(authenticity, na.rm = TRUE), 2),
    auth_sd   = round(sd(authenticity, na.rm = TRUE), 2),
    n = n()
  )

# By CEO stance only
df_clean |>
  group_by(ceo_stance) |>
  summarise(
    rep_mean  = round(mean(reputation, na.rm = TRUE), 2),
    rep_sd    = round(sd(reputation, na.rm = TRUE), 2),
    auth_mean = round(mean(authenticity, na.rm = TRUE), 2),
    auth_sd   = round(sd(authenticity, na.rm = TRUE), 2),
    n = n()
  )

# By CSR type only
df_clean |>
  group_by(csr_type) |>
  summarise(
    rep_mean  = round(mean(reputation, na.rm = TRUE), 2),
    rep_sd    = round(sd(reputation, na.rm = TRUE), 2),
    auth_mean = round(mean(authenticity, na.rm = TRUE), 2),
    auth_sd   = round(sd(authenticity, na.rm = TRUE), 2),
    n = n()
  )


# --- Descriptive Statistics: Demographics -------------------

df_clean |> count(age)                   |> mutate(pct = round(n / sum(n) * 100, 1))
df_clean |> count(gender)                |> mutate(pct = round(n / sum(n) * 100, 1))
df_clean |> count(education)             |> mutate(pct = round(n / sum(n) * 100, 1))
df_clean |> count(employment)            |> mutate(pct = round(n / sum(n) * 100, 1))
df_clean |> count(nationality)           |> mutate(pct = round(n / sum(n) * 100, 1))
df_clean |> count(political_orientation) |> mutate(pct = round(n / sum(n) * 100, 1))

df_clean |>
  summarise(
    immig_mean = round(mean(immig_support, na.rm = TRUE), 2),
    immig_sd   = round(sd(immig_support, na.rm = TRUE), 2),
    pol_mean   = round(mean(as.numeric(political_orientation), na.rm = TRUE), 2),
```

```
    pol_sd     = round(sd(as.numeric(political_orientation), na.rm = TRUE), 2)
  )

# --- Correlation Table -------------------------------------

cor_vars <- dplyr::select(df_clean,
                          reputation, authenticity, immig_support,
                          political_orientation, csr_attitude, ceo_attitude)

cor_table <- round(cor(cor_vars, use = "complete.obs"), 3)
print(cor_table)

cor_vars |>
  summarise(across(everything(),
                   list(mean = ~round(mean(., na.rm = TRUE), 2),
                        sd   = ~round(sd(., na.rm = TRUE), 2))))

# ============================================================
# COMMON METHOD BIAS DIAGNOSTIC
# ============================================================
# Harman's Single Factor Test
# Evaluates whether a single factor accounts for the majority
# of variance across all scale items (threshold: < 50%)

harman_items <- dplyr::select(df_clean,
                              rep_1, rep_2, rep_3, rep_4,
                              auth_1, auth_2, auth_3,
                              immig_1, immig_2, immig_3,
                              csr_attitude_1, csr_attitude_2, csr_attitude_3,
                              ceo_attitude_1, ceo_attitude_2, ceo_attitude_3_r)

harman_pca <- prcomp(harman_items, scale. = TRUE)

variance_explained <- harman_pca$sdev^2 / sum(harman_pca$sdev^2) * 100

cat("Variance explained by first factor:", round(variance_explained[1], 2), "%\n")
cat("Variance explained by all factors:\n")
print(round(variance_explained, 2))

# ============================================================
# HYPOTHESIS TESTING
# ============================================================


# --- H1: OLS Regression - Corporate Reputation --------------
# Tests whether CSR type moderates the effect of CEO stance on reputation
# Key term: ceo_stance:csr_type interaction

h1_ols <- lm(reputation ~ ceo_stance * csr_type +
               immig_support +
               political_orientation +
               csr_attitude +
               ceo_attitude,
             data = df_clean)

summary(h1_ols)
eta_squared(h1_ols)
vif(h1_ols)

# Simple effects: H1a (under activism) and H1b (under silence)
h1_ols_emm <- emmeans(h1_ols, ~ csr_type | ceo_stance)
pairs(h1_ols_emm)


# --- H2: OLS Regression - Perceived Moral Authenticity ------
# Tests whether CSR type moderates the effect of CEO stance on authenticity
# Key term: ceo_stance:csr_type interaction

h2_ols <- lm(authenticity ~ ceo_stance * csr_type +
```

```
               immig_support +
               political_orientation +
               csr_attitude +
               ceo_attitude,
             data = df_clean)

summary(h2_ols)
eta_squared(h2_ols)
vif(h2_ols)

# Simple effects: H2a (under activism) and H2b (under silence)
h2_ols_emm <- emmeans(h2_ols, ~ csr_type | ceo_stance)
pairs(h2_ols_emm)


# --- H3: OLS Regression – Authenticity predicting Reputation ----
# Tests whether perceived moral authenticity positively predicts reputation
# Controls included for consistency across all models

h3_ols <- lm(reputation ~ authenticity +
               immig_support +
               political_orientation +
               csr_attitude +
               ceo_attitude,
             data = df_clean)

summary(h3_ols)


# --- H4: Moderated Mediation --------------------------------
# Tests whether the indirect effect of CEO stance on reputation
# via perceived moral authenticity is conditional on CSR type
# Equivalent to Hayes PROCESS Model 7
# 5,000 bootstrap simulations with percentile confidence intervals

# Mediator model: authenticity ~ CEO stance x CSR type + controls
med_model_full <- lm(authenticity ~ ceo_stance * csr_type +
                       immig_support +
                       political_orientation +
                       csr_attitude +
                       ceo_attitude,
                     data = df_clean)

# Outcome model: reputation ~ CEO stance + authenticity + CSR type + controls
# Note: b-path (authenticity -> reputation) estimated as constant across conditions
out_model_full <- lm(reputation ~ ceo_stance + authenticity + csr_type +
                       immig_support +
                       political_orientation +
                       csr_attitude +
                       ceo_attitude,
                     data = df_clean)

summary(out_model_full)

# Indirect effect under Neutral CSR (csr_type = 0)
med_neutral_full <- mediate(med_model_full, out_model_full,
                            treat      = "ceo_stance",
                            mediator   = "authenticity",
                            covariates = list(csr_type = 0),
                            boot = TRUE, sims = 5000)

# Indirect effect under Polarizing CSR (csr_type = 1)
med_polarizing_full <- mediate(med_model_full, out_model_full,
                               treat      = "ceo_stance",
                               mediator   = "authenticity",
                               covariates = list(csr_type = 1),
                               boot = TRUE, sims = 5000)

summary(med_neutral_full)
```

```
summary(med_polarizing_full)


# ============================================================
# CONTROL VARIABLE SUPPRESSION CHECK
# ============================================================
# Investigates why immigration policy support reaches significance
# in H4 but not in H1 or H3 — sequential model approach

# Step 1: controls only
test_model_1 <- lm(reputation ~ immig_support + political_orientation +
                     csr_attitude + ceo_attitude,
                   data = df_clean)

# Step 2: add CEO stance only
test_model_2 <- lm(reputation ~ ceo_stance + immig_support +
                     political_orientation + csr_attitude + ceo_attitude,
                   data = df_clean)

# Step 3: add authenticity only
test_model_3 <- lm(reputation ~ authenticity + immig_support +
                     political_orientation + csr_attitude + ceo_attitude,
                   data = df_clean)

summary(test_model_1)
summary(test_model_2)
summary(test_model_3)


# ============================================================
# SENSITIVITY ANALYSIS: OUTLIER EXCLUSION
# ============================================================
# Outliers identified using z-score threshold of |z| > 3

z_scores <- df_clean |>
  dplyr::select(reputation, authenticity, immig_support,
                political_orientation, csr_attitude, ceo_attitude) |>
  scale()

outliers <- apply(abs(z_scores) > 3, 1, any)
cat("Number of potential outliers (|z| > 3):", sum(outliers), "\n")
print(apply(abs(z_scores) > 3, 2, sum))

df_clean_no_outliers <- df_clean[!outliers, ]
cat("Sample size without outliers:", nrow(df_clean_no_outliers), "\n")

# H1 sensitivity
h1_sensitivity <- lm(reputation ~ ceo_stance * csr_type +
                       immig_support + political_orientation +
                       csr_attitude + ceo_attitude,
                     data = df_clean_no_outliers)
summary(h1_sensitivity)

# H2 sensitivity
h2_sensitivity <- lm(authenticity ~ ceo_stance * csr_type +
                       immig_support + political_orientation +
                       csr_attitude + ceo_attitude,
                     data = df_clean_no_outliers)
summary(h2_sensitivity)

# H3 sensitivity
h3_sensitivity <- lm(reputation ~ authenticity +
                       immig_support + political_orientation +
                       csr_attitude + ceo_attitude,
                     data = df_clean_no_outliers)
summary(h3_sensitivity)

# H4 sensitivity
med_model_sensitivity <- lm(authenticity ~ ceo_stance * csr_type +
```

```
                              immig_support + political_orientation +
                              csr_attitude + ceo_attitude,
                            data = df_clean_no_outliers)

out_model_sensitivity <- lm(reputation ~ ceo_stance + authenticity + csr_type +
                              immig_support + political_orientation +
                              csr_attitude + ceo_attitude,
                            data = df_clean_no_outliers)

med_neutral_sensitivity <- mediate(med_model_sensitivity, out_model_sensitivity,
                                   treat      = "ceo_stance",
                                   mediator   = "authenticity",
                                   covariates = list(csr_type = 0),
                                   boot = TRUE, sims = 5000)

med_polarizing_sensitivity <- mediate(med_model_sensitivity, out_model_sensitivity,
                                      treat      = "ceo_stance",
                                      mediator   = "authenticity",
                                      covariates = list(csr_type = 1),
                                      boot = TRUE, sims = 5000)

summary(med_neutral_sensitivity)
summary(med_polarizing_sensitivity)
```

Appendix D: Sample Cleaning and Manipulation

Stage	N
Raw responses collected	270
After eligibility filter (completed, consented, residency)	244
After removing missing condition assignments	242
After manipulation check exclusions	217
Final analytical sample	**217**

Appendix E: Experimental Groups (Conditions)

Condition	n	%	CEO Stance Check (% Correct)	CSR Type Check (% Correct)
CEO Activism + Neutral CSR	50	23.0	100	100
CEO Activism + Polarizing CSR	57	26.3	100	100
Silence + Neutral CSR	56	25.8	100	100
Silence + Polarizing CSR	54	24.9	100	100

Appendix F: Sample Characteristics

Characteristic	n	%
Age		
18 to 24	56	25.8
25 to 34	102	47.0
35 to 44	35	16.1
45 to 54	19	8.8
55 to 64	2	0.9
65 or older	3	1.4
Gender		
Male	143	65.9
Female	73	33.6
Other	0	0.0
Prefer not to say	1	0.5

Characteristic	n	%
Nationality		
Austrian	90	41.5
German	118	54.4
Other (residing in Germany/Austria)	9	4.1
Political Orientation		
Very progressive/left-leaning	25	11.5
Progressive	46	21.2
Somewhat progressive	41	18.9
Neutral	41	18.9
Somewhat conservative	49	22.6
Conservative	13	6.0
Very conservative/right-leaning	2	0.9

Characteristic	n	%
Education		
Less than Highschool	9	4.1
High School Degree	45	20.7
Bachelor's Degree	86	39.6
Master's Degree	65	30.0
Doctoral Degree	6	2.8
Other	6	2.8

Characteristic	n	%
Employment		
Employed	107	49.3
Unemployed	11	5.1
Self-employed	14	6.5
Student	81	37.3
Retired	3	1.4
Other	1	0.5

Appendix G: Scale Reliability Statistics

Scale Reliability Statistics

Scale	Number of Items	Cronbach's Alpha
Corporate Reputation	4	0.909
Perceived Moral Authenticity	3	0.850
Immigration Policy Support	3	0.810
CSR Attitude	3	0.885
CEO Activism Attitude	3	0.893

All alpha values exceed the threshold of .70 (Nunan et al.; Taber, 2018)

Appendix H: Descriptive Statistics

Correlation Matrix

Variable	1	2	3	4	5	6
1. Corporate Reputation	1.000***	0.682***	0.187*	-0.086	0.334***	0.318***
2. Perceived Moral Authenticity	0.682***	1.000***	-0.017	0.094	0.141	0.205*
3. Immigration Policy Support	0.187**	-0.017	1.000***	-0.586***	0.388***	0.356***
4. Political Orientation	-0.086	0.094	-0.586***	1.000***	-0.317***	-0.394***
5. CSR Attitude	0.334***	0.141*	0.388***	-0.317***	1.000***	0.650***
6. CEO Activism Attitude	0.318***	0.205**	0.356***	-0.394***	0.650***	1.000***

* p < .05, ** p < .01, *** p < .001