Corporate Political Activities and Corporate Reputation Relationship: The Moderating Role of Corporate Social Responsibility

Rifat Kamasak[1] and Deniz Palalar Alkan[2]

[1, 2] *Yeditepe University, Department of Business Administration, Istanbul, Turkey*

Abstract

This study explores the impact of non-market strategies on firm performance. We draw on and extend the domain of the interplay of corporate political activities and corporate social responsibility into the realm of organisational image and prestige research. We suggest that corporate political activity and corporate social responsibility interaction may enhance suppliers' prestige-related evaluations of the firm by inhibiting the negative stakeholder impressions that might emerge from firms' excessive political actions. Therefore, a self-administrated questionnaire was used to collect data from the suppliers of 102 Turkish listed firms. Our findings show that while overemphasis on corporate political activities can lead firms' suppliers to have negative corporate reputation outcomes, the interaction with corporate social responsibility activities moderates this relationship and turns the perception of suppliers into more positive results. Some implications for achieving a delicate balance between corporate political activity and corporate social responsibility related actions are provided.

Keywords: Corporate political activities; corporate social responsibility; corporate reputation; quantitative study; Turkey.