2023

Employing the Houseless as Corporate Social Responsibility

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Abstract

**Purpose** – Many hospitality organizations see the benefits of engaging in corporate social responsibility (CSR), which can take many forms. In this article, we examine one relatively unique form of CSR: hiring individuals experiencing houselessness. This research aimed to investigate the impact of hiring individuals experiencing houselessness on customers’ behavioral intentions, attitudes toward an organization, and perceptions of CSR actions.

**Design/methodology/approach** – Across two experiments, we investigated the impact of employing individuals experiencing houselessness on customers’ perceptions of the employee and organization using organizational legitimacy theory.

**Findings** – Results demonstrate that employees known to be houseless elicited more positive employee and organizational perceptions from the customers, mediated by CSR perceptions. In addition, the gender of the employees or the quality of the organization did not impact these findings.

**Originality** – Using organizational legitimacy theory, this study examines CSR perceptions as a potential explanatory mechanism between houselessness and customers’ reactions.

**Practical implications** – Hospitality and tourism organizations should consider utilizing available resources or tax benefits to make a deliberate effort to employ those experiencing houselessness.

**Keywords:** houselessness; recruitment; CSR; customer perceptions
Employing the Houseless as Corporate Social Responsibility

“I once thought I was going to be living in a tent for the rest of my life, and now I’m being trained to be a professional tour guide. How amazing is that?”

— Batha, 2019

Introduction

There is a national houselessness crisis in the United States, and organizations are in prime positions to respond. In their most recent study, the U.S. Department of Housing and Urban Development (2021) reported that on a single night approximately 580,000 people were experiencing houselessness across the U.S. (The U.S. Department of Housing and Urban Development, 2021). The National Center on Domestic and Sexual violence identified lack of employment as the leading cause of houselessness (35%), followed by bills that exceeded income (15%; NCDSV, 2016). Lack of employment and high costs of living suggest the houseless crisis is not an issue of providing housing for those who experience houselessness, but rather an issue of providing gainful employment to those who need it. Furthermore, the stigma towards houseless people is associated with perceptions of risk and has been perceived as controllable, which intensifies the negative reactions from the society (Lee et al., 2010; Zhang et al., 2021).

Although many solutions have been suggested and implemented by various entities, statistics regarding lack of employment and high costs of living suggest that organizations and hiring managers may be in a critical position to combat houselessness and the stigma associated with it. Organizations can create hiring programs and policies targeted at populations who do not have a permanent residence while simultaneously promoting their image to consumers by engaging in corporate social responsibility (CSR; Ross and Cox, 2013). The definition of CSR evolves over time. The current study follows the most prominent stream of literature that
describes an organization that strives to “make a profit, obeys the law, be ethical, and be a good
corporate citizen” as a socially responsible organization (Carroll, 1999).

Organizations have previously implemented such CSR interventions with success. One example includes a collaboration between a Louisville, KY area houseless shelter (Wayside Christian Mission) and the University of Louisville. Wayside purchased a hotel and employed individuals experiencing houselessness to work there. Employees were tasked with providing service related to room rentals, banquet space, catering, the coffee shop, the snack shop, and the cafe. The partnership between Wayside Christian Mission and University of Louisville impacted the well-being of individuals within the community and benefited the students and faculty at the university (Ross and Cox, 2013). Similarly, Days Inn partnered with houseless shelters in the Atlanta, GA area to employ those experiencing houselessness, in part to counter labor shortages and high employee turnover. Days Inn reported high success with these workers, describing them as model workers who were appreciative for the employment opportunity. Additionally, most of these workers were able to obtain housing within six months of employment (Kossek et al., 1997).

Hiring and employee welfare are important components of CSR (Carroll, 1999; Guzzo et al., 2022). The United Nations General Assembly urged all countries to work together to achieve the Sustainable Development Goals, including Goal 8, which promotes “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” and Goal 16, which emphasizes justice and inclusiveness for all (United Nations, 2015). Although some organizations (e.g., Wayside and Days Inn) implemented CSR initiatives with great success, many other organizations may be hesitant to hire applicants experiencing houselessness due to various reasons, including stereotyping and stigmatization (Zhang et al., 2021). However, by
engaging in CSR initiatives such as this, organizations may elicit more customer satisfaction and business (Marin et al., 2009; Morgan and Rego, 2006; Pérez and del Bosque, 2015; Saeidi et al., 2015; Salmones et al., 2009; Walsh and Bartikowski, 2013). Indeed, CSR perceptions are directly and positively associated with customer-company identification (Pérez and del Bosque, 2015). For example, Martínez and del Bosque (2013) found, using a survey of Spanish hotel consumers, that customer loyalty was influenced by their perceived CSR; moreover, they found that trust, customer-company identification, and satisfaction mediated the relationship.

Unfortunately, existing research on CSR with respect to hiring houseless individuals has not been explored in the hospitality and tourism literature. In this paper, we argue that employing those experiencing houselessness is mutually beneficial for both the organization and potential employees because doing so will likely increase CSR perceptions among potential consumers.

In this research, we examine this phenomenon in a service context by experimentally manipulating the housing status of a front desk agent in a hypothetical scenario. In particular, we measure individuals’ perceptions of the agent’s performance, intentions to engage in positive behaviors with respect to the hotel (e.g., staying there, recommending it to others), and perceptions of the hotel’s CSR engagement. Using organizational legitimacy theory (Dowling and Pfeffer, 1975), we examine CSR perceptions as a potential explanatory mechanism between houselessness and customers’ reactions. Furthermore, we explore if these outcomes can be influenced by hotel quality or agent gender.

This study contributes to the relevant research in several important ways. First, although the hospitality and tourism literature has explored CSR and its outcomes, most hospitality and tourism scholars have focused on CSR in general (e.g., Martínez et al., 2014; Kim et al., 2017). Although some studies have investigated specific aspects or dimensions of CSR, such as human
rights (e.g., Lovelock, 2008; Baum and Hai, 2020; Baum *et al*., 2020), carbon emissions (Zhang and Zhang, 2018; Debbage and Debbage, 2019) or animal welfare (e.g., Winter, 2020; Nataraajan, 2020), among others, little attention has been paid to customers’ responses to houseless employees (Seo *et al*., 2021). This is a noteworthy gap given hotel organizations’ primary business strategy involves providing sleeping accommodations to customers and many hotel jobs are accessible with little experience or education, as exemplified by the participant in our opening quote (Batha, 2019). This paper provides a novel view on houselessness in the hospitality context by studying whether it shapes customers’ attitudes and behavioral intentions, including patronage and positive word of mouth. Second, through empirically examining the customers’ perceptions of CSR as a mediational mechanism, this paper explains why hiring houseless employees influences customers’ attitudes and behavioral intentions based on organizational legitimacy theory (Dowling and Pfeffer, 1975). Third, methodologically, to our best knowledge, this research marks one of the first attempts in hospitality research outlets to use experimental design with audio recordings of the encounter to study employing the houseless in the hospitality industry. The key practical contribution of this study is its inquiry to the CSR practice of hiring people experiencing houselessness, and the resulting benefits for individuals and organizations.

**Literature Review**

**CSR and Hiring Houseless Employees as a CSR Initiative**

A perceived expectation that companies should dedicate time and resources to local and global communities has been defined as CSR (Crane *et al*., 2013). Previously called social responsibility (SR), CSR has been frequently studied over the past century (Barnett *et al*., 2020; Carroll, 2008). One of the most frequently used theoretical frameworks is Carroll’s (1979) CSR
model that delineates a firm’s economic, legal, ethical, and discretionary responsibilities. Simultaneously, many organizations have integrated CSR into their mission statements and they have increased their engagement in CSR by implementing interventions designed to improve the lives of their employees, external community members, and the environments in which they do business (Bohdanowicz and Zientara, 2008).

Findings suggest that CSR not only positively impacts the communities surrounding the organization, but also the organization itself (Carroll and Shabana, 2010). Indeed, managers and organizational leaders are beginning to recognize that CSR initiatives are moral imperatives with built-in, positive organizational outcomes (Bhattacharya and Sen, 2004). Positive outcomes previously identified include increased positivity towards the organization from external sources (Mohr and Webb, 2005), positive employee outcomes (Choi and Choi, 2021; Ramus and Steger, 2000), increased earnings and financial performance (Orlitzky et al., 2003), positive moral capital and increased shareholder wealth (Godfrey, 2005), positive customer evaluations of the company (Sen and Bhattacharya, 2001), customer satisfaction (Luo and Bhattacharya, 2006), and customer purchasing intentions (Mohr and Webb, 2005).

Organizational legitimacy theory (Dowling and Pfeffer, 1975), regarding social values and social acceptance of the organization and their actions, can effectively help explain the positive relation between CSR and customers’ evaluations. Despite the divergent definitions of organizational legitimacy conceptualized by researchers, Suchman (1995, p.571) defines legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.” Generally, when an organization initiates a socially conscious CSR practice, customers respond positively towards the organization and perceive it as a legitimate
organization (Malik, 2015). Through CSR, companies provide customers a positive image by demonstrating their social value (Green and Peloza, 2011). Some common exercises for hotel companies to reveal their CSR activities are by reporting on the company websites, annual reports, or social media (Holcomb et al., 2007). In these ways, hotel customers can perceive the company’s CSR values through the CSR practices. Thus, the initiation of CSR activities will increase organizational legitimacy and customers’ positive attitudes towards the organization.

Previous research focused on CSR and customer reactions in the hospitality and tourism context has suggested that organizations that engage in CSR can improve customer perceptions of the organization’s legitimacy (e.g., Li et al., 2019; Martínez and del Bosque, 2013). Specifically, customers who observe a company engaging in CSR may perceive that their own values overlap with the company’s values (Salmones et al., 2009), increasing positive regard for the company.

There are a variety of ways that organizations can engage in CSR. Organizations often target CSR initiatives that focus on improving the surrounding community, environment, health and wellness, sustainability, and diversity (Smith and Alexander, 2013) by ways of community outreach or charitable donations (Jamali and Mirshak, 2010). Although creating hiring initiatives is a less common form of CSR, a hiring initiative targeted at hiring those experiencing houselessness could mutually benefit both the organization and the surrounding population experiencing houselessness. Adopting a justice framework, Rupp et al. (2006) argue that a company’s CSR is considered to be an important component of organizational justice, which dictates how employees are treated within the company. Previous research shows that ethical employment policies (e.g., fair treatment) are among the CSR initiatives that can have positive outcomes for employees such as enhancing employees’ quality of work life and combating stigmatization (Kim et al., 2020; Kim et al., 2017; O’Reilly and Sixsmith, 2012).
Certainly, individuals experiencing houselessness in the community would benefit from CSR programs meant to provide employment considering a leading cause of houselessness is lack of gainful employment (NCDSV, 2016). Additionally, hiring initiatives may help mitigate the many barriers to employment those experiencing houselessness may face including stigmatization, lack of experience, physical or mental health barriers, or barriers related to entering the workforce after hospitalization or incarceration (National Alliance to End Homelessness, 2013). Thus, hospitality and tourism organizations are in a crucial position to help remediate houselessness through successfully integrating individuals experiencing houselessness in the workforce.

Organizations can also benefit from programs targeted at hiring individuals experiencing houselessness. With respect to employing individuals experiencing houselessness, resources exist for companies wishing to do so, including financial resources (e.g., tax credits) to hire such individuals and community-based organizations that assist those experiencing houselessness with vocational training and placement. Organizations that partner with these resources could positively impact the lives of individuals experiencing houselessness by providing them a reliable source of income, along with the communities in which they live by helping alleviate social services resources. More broadly, these hiring programs may benefit the organization by improving customer perceptions of the organization’s legitimacy as well as influencing customer behavior.

**Hypotheses Development**

Initiatives such as treating employees fairly and hiring a diverse group of employees are important components of CSR and are proposed to have positive implications for a company’s image (Gupta and Pirsch, 2008). Maintaining this image is associated with organizational
legitimacy theory—the constant need for an organization to be aware of the society it operates in and to fulfill the expectations of stakeholders in that society (Giacomini et al., 2021). Organizations implement CSR initiatives to establish legitimacy and strengthen their reputational capital, eliciting customers’ positive perceptions of CSR engagement (Giacomini et al., 2021).

In the hospitality industry, charitable donations and diversity policies are the most reported CSR initiatives by the top ten hotel companies (Holcomb et al., 2007). Research on hospitality and tourism employees shows that a company’s CSR initiatives have an impact on employees’ quality of working life and organizational citizenship behaviors, which can further influence employee job performance and customer perceived service quality (Kim et al., 2017; Rupp et al., 2006; Yoon and Suh, 2003). Hospitality firms can especially benefit from CSR initiatives directed towards employees because of the important role that employees play connecting customers and companies (Kim et al., 2018). For example, hospitality companies employing CSR initiatives towards employees can attain employee satisfaction and retention, which in turn benefits their stock market performance (Rhou and Singal, 2020).

Hiring less privileged individuals such as those who are houseless, elderly, and people with disabilities is not only an increasing demand from the society to combat stigmatization, but also an effective organizational strategy to foster corporate social responsibility (Dovidio et al., 2011; Gould et al., 2020; Iezzoni et al., 2019). Such diversification is particularly crucial for the company’s recruitment, marketing, and relationship management with the customers, employees, and communities (Moore et al., 2017). In the hospitality industry, diversity and inclusion initiatives can be a competitive advantage in improving productivity, loyalty, workplace safety, and lowering turnover (Kalargyrou, 2014). Therefore, creating a diversified corporate culture by
including houseless employees can be effective in signaling a company’s CSR competitiveness, which in turn benefits the business.

Organizations may be particularly hesitant to employ individuals experiencing houselessness due to stigmatization and concerns that customers and guests may react negatively. However, this contradicts the research that shows the positive perceptions that engaging in CSR activities elicit from customers (Lee and Heo, 2009; Peloza and Shang, 2010). Based on organizational legitimacy theory (Dowling and Pf effer, 1975), we propose that CSR initiatives will positively impact customers’ CSR perceptions of the company.

**Hypothesis 1:** Employees depicted as being houseless will elicit more positive perceptions of hotel CSR engagement than employees not depicted as being houseless.

Customer perceptions of CSR have been found to be linked to customer intentions to purchase and loyalty (Salmones et al., 2009), and customers who observe companies engaging in CSR are likely to have higher satisfaction with the organization (Saeidi et al., 2015) as well as increased positive emotions towards the organization (Pérez and del Bosque, 2015). Additionally, customer perceptions of CSR have been positively linked to customer loyalty through positive customer evaluations of an organization (Marin et al., 2009). Furthermore, Creyer and Ross (1997) also found that consumers’ intentions to purchase a company’s product have been shown to be positively correlated with customer perceptions of the company’s CSR and ethical behavior.

Beyond customer purchase intentions and loyalty, customer perceptions of CSR also have an impact on their behaviors by increasing the likelihood of customer recommendations. Customers who observe organizations engaging in CSR are likely to continue doing business with that organization as well as recommend that organization to a friend (Pérez and del Bosque, 2015), thereby promoting the organization through its customers. Therefore, organizations can
see an increased competitive advantage through being perceived as being a socially responsible organization (Rupp and Mallory, 2015) and tapping into a potentially dedicated and appreciative source of labor. Taken together, these findings demonstrate that an organization’s engagement in CSR has positive impacts on customer behavior, strengthening the argument that organizations should participate in CSR. We propose that CSR initiatives will positively impact their behavioral intentions including patronage and positive word of mouth.

*Hypothesis 2:* Customers’ CSR perceptions will be positively related to their behavioral intentions towards the hotel.

According to organizational legitimacy theory (Dowling and Pfeffer, 1975), when organizations initiate socially conscious CSR practices, they provide customers a positive image by demonstrating their social value, which can establish legitimacy and strengthen their reputational capital, eliciting customers’ positive perceptions of CSR engagement and reactions (Giacomini et al., 2021; Malik, 2015). Thus, based on organizational legitimacy theory and Hypotheses 1 and 2, we propose that CSR initiatives will positively impact customers’ CSR perceptions of the company, which in turn, will impact their behavioral intentions including patronage and positive word of mouth. We examine CSR perceptions as a potential explanatory mechanism between employee housing status and customer reactions and hypothesize the following:

*Hypothesis 3:* There will be an indirect effect of employee housing status on customers’ behavioral intentions through customers’ perceived CSR.

The theoretical model examined here appears in Figure 1.

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**Study 1**

**Method**
Participants and procedures. We recruited participants using Amazon’s Mechanical Turk (MTurk), an electronic crowdsourcing marketplace in which requestors can post tasks for workers and which is regularly used by social scientists to recruit participants in a manner that can provide experimental control in a more naturalistic setting (Landers and Behrend, 2015; Lu et al., 2022). A total of 178 adults were recruited in the U.S. Eleven percent of participants were flagged as careless responders (as per Meade and Craig, 2012), and 12% failed to pass manipulation checks. The final sample included 139 participants. Of these, approximately 50% identified as women. In terms of race/ethnicity, approximately 76% identified as White, 8% identified as Black/African American, 7% identified as Hispanic/Latino/a, 7% identified as Asian, 1% identified as Pacific Islander, and 2% identified as other race/ethnicity. The average age of participants was 35.89 years old ($SD = 10.85$), the average duration of employment history was 14.67 years ($SD = 13.47$), and 96% of participants responded that they stayed in hotels at least one to two times per year.

In this study, we utilized a between-subjects experimental design with vignettes. We considered best practices in constructing the experimental vignettes in order to enhance confidence in internal validity while also strengthening external validity (e.g., Aguinis and Bradley, 2014; Aguinis et al., 2021; Highhouse, 2009; Viglia and Dolnicar, 2020). In particular, we controlled and standardized aspects of the vignettes while also enhancing experimental realism. Participants were told that a hotel company asked a group of researchers to help evaluate a recently implemented program and were randomly assigned to learn that the purpose of the program was to either “hire people” (control condition) or “hire houseless people” in the hotel (houselessness condition). Participants were then told they would be asked for feedback on the effectiveness of the program after listening to a recording of a hotel check-in customer service
encounter (see Appendix A for the message and manipulations). We chose to use audio recordings of the encounter in order to increase the level of realism and immersion (Aguinis and Bradley, 2014).

The audio recordings presented to the participants were based on a previously published vignette study on the outcomes of an interaction between a hotel front desk agent and guest [redacted for blind review]. Participants were randomly assigned to hear one of two actors read a script as the “agent,” but the actor playing the “guest” was the same in both conditions. By including multiple actors, this method reduced the risk that results would be confounded by the effects of actor idiosyncrasies (in line with recommendations by Highhouse, 2009). Moreover, the script was identical in both conditions. Additionally, we controlled for the gender (male), race (White), and nationality (U.S.) of actors in the recordings. Finally, we framed the agent-guest interaction as neutral in valence to reduce the risk that our results would be confounded by particularly strong, affective reactions to the agent. Specifically, the employee’s performance in the check-in scenario was briefly interrupted after which the employee was able to resolve the guest’s request (see Appendix B for a transcript of the scenario). Participants were then prompted to respond to a series of questions regarding perceptions of both the hotel front desk agent and the hotel.

**Measures.** Hotel CSR perceptions ($\alpha = .95$) were measured using a 7-point likert scale with three items from Wagner et al.’s (2009) CSR beliefs scale. All items were adapted to refer to the hotel (e.g., “The hotel is a socially responsible company”).

Customer behavioral intentions ($\alpha = .97$) were measured on a 7-point likert scale using five questions from Wirtz and Mattila’s (2004) service encounter scale regarding behavioral intentions, such as patronage and positive word of mouth, after a service encounter. All items
were adapted to refer to the hotel (e.g., “Given the interaction you listened to between the front desk agent and the guest, please rate the likelihood that you would encourage friends and relatives to do business with the hotel”).

Results

Descriptive statistics, reliabilities, and correlations of all Study 1 variables are shown in Table 1. Hypothesis 1 stated that housing status would be related to CSR perceptions. In support of this, the results demonstrated that participants in the houseless condition ($M = 5.78, SD = 1.12$) reported higher perceptions of hotel CSR than those in the control condition ($M = 4.32, SD = 1.61$), $F(1, 137) = 38.13, p < .001, \eta^2 = .22$ (see Table 2). In addition, CSR perceptions were significantly related to behavioral intentions, $r = .54, p < .001$, in support of Hypothesis 2. To test Hypothesis 3, we used Hayes’ (2013) PROCESS Macro in SPSS to conduct a test of the indirect effect. We entered housing status as the IV, customer behavioral intentions as the DV and customer CSR perceptions as the mediator. The indirect effect of housing status on customer intentions through CSR perceptions was significant, $ab = 0.68, SE = 0.13, 95\% CI [0.45, 0.98]$, supporting Hypothesis 3 (see Table 3).

Discussion

The results from Study 1 suggest that customers who observe hotels participating in hiring initiatives as a form of CSR are likely to continue doing business with the hotel as well as recommend the hotel to a friend. Although these results support the argument that organizations should hire those experiencing houselessness, they may have been influenced by confounding variables. Possible confounding variables include gender as an individual characteristic and hotel
quality as an organizational characteristic. People tend to show more sympathy for stigmatized women (Gibbons et al., 1980), and there are stronger social norms for men to obtain and maintain employment than there are for women. Thus, men experiencing houselessness may be punished more harshly and deemed less suitable for employment than women experiencing houselessness.

Hotel quality might also impact customers’ CSR perceptions because customers expect well-trained employees to provide high quality service in a high-end hotel (Xu and Li, 2016). Stereotypes about houselessness include the (often erroneous) assumption that people experiencing houselessness are unsuitable for work, which directly conflicts with expectations of high-quality service in high-end establishments. To further understand the possible impact of gender and hotel quality, a second study was conducted with hotel quality and employee gender moderating the mediation between the interaction with an employee experiencing houselessness and perceptions of CSR.

Additionally, previous research suggests that CSR not only impacts customer behavior and intentions, but also their satisfaction with the organization (Saeidi et al., 2015). To determine if a hiring initiative targeted at hiring those who are experiencing houselessness also impacts customer satisfaction, we also evaluated customer perceptions of the hotel and customer perceptions of the front desk agent in Study 2. As such, in Study 2 we expand our work by exploring the effects of an individual characteristic (the gender of the agent) and an organizational characteristic (the quality of the hotel) and examine other potential outcomes including satisfaction with the agent and evaluations of the hotel in general in an attempt to replicate our results in Study 1 and establish the robustness of our findings.
Based on the exploratory nature on the moderating roles of gender and hotel quality, we pose the following.

*Research Question 1:* Do gender and hotel quality moderate the indirect effect of employee housing status on customers’ satisfaction, hotel evaluations and behavioral intentions through customers’ perceived CSR?

The theoretical model we examine in Study 2 appears in Figure 2.

--- Insert Figure 2 about here ---

**Study 2**

**Method**

**Participants and procedures.** A total of another 406 U.S. adults were recruited from MTurk. Nine percent of participants were flagged as careless responders (with the same technique as Study 1) and 13% failed the manipulation checks. The final sample included 321 participants. Of these, 56% identified as women. In terms of race/ethnicity, approximately 75% identified as White, 8% identified as Black/African American, 7% identified as Hispanic/Latino/a, 6% identified as Asian, and 4% identified as some other race/ethnicity. Participants were an average of 37.32 years old (SD = 11.76), had been employed for an average of 15.23 years (SD = 11.53), and 98% of participants indicated that they stayed in hotels at least one to two times per year.

To understand the effect hotel front desk agent gender and hotel quality had on the customer’s perception of CSR and subsequent outcomes, we used a 2 (Houselessness: Control, Houseless) x 2 (Agent Gender: Woman, Man) x 2 (Hotel quality: Economy, Upscale) between-subjects factorial design, such that participants were randomly assigned to one of eight experimental vignettes. Specifically, participants were presented with the same scenario as in Study 1, except hotel quality was manipulated by referring to the hotel as either “a(n)
budget/economy hotel” or “a(n) upscale/high end hotel.” Additionally, to manipulate agent
gender we used the same recordings from Study 1 for the male condition and two female actors
provided the voices for the role of the “agent” in the female condition. The agent’s name, Sam,
was held constant as it is gender neutral. The recordings for the role of the “guest” were the same
as used in Study 1.

**Measures.** Hotel CSR perceptions (CSR; $\alpha = .96$), and behavioral intentions ($\alpha = .97$)
were measured with the same items as in Study 1.

Employees were evaluated with two scales: employee rating and agent satisfaction.
Employee ratings ($\alpha = .95$) were measured on a 7-point Likert scale with four items from
Madera, Hebl, and Martin’s (2009) scale to measure employee effectiveness. All items were
adapted to fit the scenario (e.g., “This is an effective employee”). Additionally, we measured
agent satisfaction ($\alpha = .96$) on a 7-point scale with four items from Oliver and Swan’s (1989)
satisfaction scale. All items were adapted to reference to the front desk agent (e.g., “Very
satisfied with”).

Hotel evaluations ($\alpha = .97$) were measured on a 7-point scale with four items from Yoon
*et al.*’s (2006) Company Evaluation Scale. Participants evaluated the hotel based on the
following scales: “extremely negative” vs. “extremely positive;” “extremely unfavorable” vs.
“extremely favorable;” “extremely not likable” vs. “extremely likable;” and “extremely bad” vs.
“extremely good.” A company evaluation index was computed with the average of those items.
The word “extremely” was used to anchor all scales to maintain consistency.

**Results and Discussion**

Descriptive statistics, reliabilities, and correlations of all Study 2 variables are shown in
Table 4. In a confirmatory factor analysis, it was found that if items were set to load onto their
respective factors, then there was better fit to the data, $\chi^2(175) = 441.99, p < .001, CFI = .97, TLI = .96, RMSEA = .07$, in comparison with an alternative model that specified a single common factor, $\chi^2(189) = 3978.37, p < .001, CFI = .58, TLI = .53, RMSEA = .26; \Delta \chi^2(14) = 3536.38, p < .001$, lending support for the six factor model (houselessness condition, CSR, employee ratings, agent satisfaction, hotel evaluations, and behavioral intentions).

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We conducted an analysis of variance with housing status, hotel quality, and agent gender as IVs and customer CSR perceptions as the DV. This analysis demonstrated a main effect of housing status, $F(1, 313) = 70.14, p < .001, \eta^2 = .18$, such that houseless front desk agents elicited higher CSR perceptions, again providing support for Hypothesis 1 (see Table 5). There were no significant main effects related to agent gender or hotel quality, nor were there any significant two-way interactions (i.e., houselessness x gender, houselessness x hotel quality, and gender x hotel quality) or three-way interactions (i.e., houselessness x gender x hotel quality).

Once again, CSR perceptions were positively related to behavioral intentions, $r = .66, p < .001$, providing further support for Hypothesis 2. Similarly, CSR perceptions were positively related to employee ratings, $r = .54, p < .001$, agent satisfaction, $r = .45, p < .001$, and hotel evaluations, $r = .53, p < .001$.

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We then used Hayes’ (2013) PROCESS macro to examine our model of indirect effects for customer behavioral intentions and found a significant mediation effect of CSR perceptions, $ab = 0.83, SE = 0.12, 95\% CI [0.61, 1.08]$. Similarly, the mediation tests with employee ratings,
ab = 0.68, SE = 0.10, 95% CI [0.50, 0.91], satisfaction with the agent, ab = 0.44, SE = 0.09, 95% CI [0.29, 0.63], and satisfaction with the hotel, ab = 0.55, SE = 0.10, 95% CI [0.38, 0.77], were significant, supporting Hypothesis 3 (see Table 6). In no cases were these mediational effects significantly impacted by either agent gender or hotel quality or agent gender (no significant 2- or 3-way interactions, no significant index of moderated mediation), addressing Research Question 1.

Overall Discussion

This research aimed to investigate the impact of hiring individuals experiencing houselessness on customers’ behavioral intentions, attitudes toward an organization, and perceptions of CSR actions (Radey and Wilkins, 2010). In Study 1 we found that customers’ CSR perceptions of the hotel and behavioral intentions were more positive when individuals thought the front desk agent was experiencing houselessness than when they were not led to believe this. This is consistent with the findings from previous literature indicating that a company’s CSR practices have a significant impact on customer satisfaction, behavior and intentions (Gao and Mattila, 2014; Hu et al., 2020; Saeidi et al., 2015). Furthermore, we found that perception of the hotel’s CSR engagement was a significant explanatory mechanism in these effects (Pérez and del Bosque, 2015). In Study 2, we explored potential boundary conditions and found that the gender of the front desk agent or the quality of the hotel did not impact these findings. In addition, CSR perceptions mediated the relations between houselessness condition and customer behavioral intentions, satisfaction with the agent, and satisfaction with the hotel. These findings extend previous findings on the customer identification and behavioral intention
towards socially responsible companies (Martinez and Del Bosque, 2013; Pérez and del Bosque, 2015).

Thus, our general conclusion is that employing individuals experiencing houselessness not only results in no negative outcomes for the hotel in the eyes of potential guests (as would be suggested by the negative stereotypes associated with houselessness), but also likely results in various positive outcomes (e.g., more positive attitudes toward the hotel and the agent, and higher intentions to visit the hotel and encourage others to do so) due to CSR perceptions that the hotel is engaging in responsible corporate actions.

**Theoretical Implications**

Our findings have the following theoretical implications. First, the findings contribute to the literature concerning employees experiencing houselessness and the unique challenges they face in the workplace. There are extensive studies on CSR in the hospitality and tourism literature (e.g., Frey and George, 2010; Li et al., 2019; Wells et al., 2015) but the impact and mediating variables of hiring houseless individuals has not been adequately researched. Our results, framed by organizational legitimacy theory, provide evidence that explains both customer responses to CSR efforts in a hotel and the mediating mechanisms of customers’ perceptions of CSR. Accordingly, this is the first research to investigate the potential positive effect of hiring houseless employees on customers’ perceptions on the organization’s legitimacy in the hospitality and tourism industry.

The findings also contribute to the large body of research that supports the positive outcomes of CSR. This study supports the growth of “micro” CSR literature, which focuses on how CSR activities can affect individual employees (rather than overall firm performance or external stakeholders). However, the primary outcome of interest has been the impact of
organizational CSR on current employees. Our results uniquely highlight a CSR practice that impacts potential employees who may suffer from prejudice and stigmatization (Zhang et al., 2021). In addition, although the purpose of engaging in CSR activities is (ostensibly) to reduce human suffering and improve the lives of individuals (Margolis and Walsh, 2003), research has not adequately appraised that impact (see Rupp and Mallory, 2015). Our results contribute to this literature by showing the direct impact of CSR on employees who happen to also be the intended recipients of CSR initiatives. These results are particularly novel given the negative stereotypes that most people associate with people experiencing houselessness.

**Practical Implications**

Although emerging hospitality and tourism literature acknowledges the importance of CSR as a strategic imperative for building customer-organization relationships (Fatma et al., 2016; Martínez and del Bosque, 2013), it appears to lack consideration of actual, active engagement with specific CSR issues and activities (Li et al., 2019). Based on the findings from these two experiments, this research suggests practical implications for organizations. Namely, that organizations and those with hiring power should consider utilizing available resources or tax benefits to make a deliberate effort to employ those experiencing houselessness. Stigma of houselessness exists, however, as expressed by a successful tour guide who overcame a history of houselessness: “Just because you’re houseless doesn’t mean you’re a bad person—you still have a good heart” (Batha, 2019). To combat a severe housing crisis, for example, “My Streets Ireland” pays its tour guides an income of €40 an hour to help reintegrate them back into society. This optimistic approach to a social and economic problem is working (The Observers, 2019). Thus, employment, regardless of gender and quality of the hospitality organization, should be a vital tool to achieve economic stability for those who experience houselessness.
Although organizations may be hesitant to hire these applicants because of stereotypes and stigma surrounding houselessness, there are profitable outcomes of hiring those experiencing houselessness (Radey and Wilkins, 2010). First, hiring houseless individuals could signal a company’s CSR efforts. Socially responsible human resource management can help formulate and translate a company’s values into actual managerial practices (Jamali et al., 2015). Recruitment, training, and development of disadvantaged employees can contribute to a company’s CSR missions (Shen and Zhang, 2019; Walker et al., 2017). In addition, successful employment could buffer the harmful, circumstantial consequences of experiencing houselessness for certain individuals. Research suggests that employment prospects are critical for outcomes in many populations, such as recovery among people living with physical or mental illness (Radey and Wilkins, 2010). Job training and career development are essential for houseless employees. Poremski et al. (2014) have advocated for job-related services for people experiencing houselessness; specifically, services that aim for job retention by providing career planning, development, and regular assistance may be the most beneficial for people experiencing houselessness.

Limitations and Future Research Directions

Our study reflects the importance of engaging in CSR by hiring applicants experiencing houselessness. Despite the theoretical and practical implications, our research had a few limitations. For example, to examine the impact of houselessness in an experimental manner and understand the psychological impact of CSR, we relied on hypothetical scenarios for our investigation. Although this provided a strong methodological design, future research should corroborate these findings using data collected from within organizations that have adopted initiatives to employ those experiencing houselessness. Moreover, our use of Mturk samples
could be considered a limitation. For example, concerns exist about demographic constraints, task attentiveness, response bias, and data quality, among other issues (see Lu et al., 2022). As we were aware of such concerns, we used many of the platform setup recommendations suggested by Lu et al. (2022) for improving response quality and engaged in strict data quality checks. Although concerns about MTurk have been raised, we wish to also note that researchers have found that MTurk responses to popular psychological measures are invariant for both student and organizational U.S. samples (Feitosa et al., 2015; see Smith et al., 2015) and meta-analytic evidence has demonstrated that MTurk responses are similar to data gathered using standard methods (Walter et al., 2019). Further, at least 96% of our sample across our studies reported that they had stayed in a hotel at least once per year. Thus, our sample largely represented consumers of the product that they were asked to evaluate. This is similar to how hotel consumers are asked to respond to satisfaction questionnaires at the ends of their stays. Last, although the 7-point Likert scale is a predominant answer format in online surveys, it might undermine the validity and reliability of the conclusions (Dolnicar, 2021). Therefore, future research should assess the benefit-to-cost ratio before using such a format.

Despite the exploratory nature of this research, it is among the first to investigate the potential effect of hiring houseless employees in hospitality and tourism. Future research can extend the existing framework and examine other potential boundary conditions that may affect how customers perceive CSR programs aimed at hiring those experiencing houselessness. Future studies can also use brand image, hotel reputation, or other constructs related to customer choice as the outcomes of hiring houseless employees and consider service quality provided by the employees to further advance brand management knowledge in hospitality and tourism management (Wilkins et al., 2007). Longitudinal studies are needed to understand how
perceptions and feeling about organizational legitimacy change during transitions between unemployment, job seeking, employment, and retention for people experiencing houselessness. Additionally, longitudinal studies and experimental designs are important to establish employment strategies such as establishing social justice initiatives that meet those individuals’ anticipations and needs. Furthermore, the findings are limited to hotels. Future studies can be extended to a wider variety of settings, such as tourist agencies and retailers, to explore the differences among various industry segments and customers’ real behaviors (Dolnicar et al., 2015).
References


Batha, E. (2019). Dublin’s homeless are being retrained as city tour guides. Retrieved from https://www.weforum.org/agenda/2019/03/homeless-dubliners-to-give-tours-with-a-difference-as-tourism-booms?fbclid=IwAR11w1HxBXvLuv2Z3KycOhznXdzVbB1W1y7MH9jnbzwRQbbqwcDcsfAzFg


Appendix A

Introductory message and manipulation

Thank you for agreeing to help us. We are a group of researchers who have been tasked with evaluating the effectiveness of a new program that a major hotel chain has recently implemented. As a consumer who has stayed in hotels, your thoughts and opinions are extremely important in helping us determine the effectiveness of this program.

Our client, a hotel, has recently begun a new system for hiring people in their hotel. (Our client, a hotel, has recently begun a new initiative targeted at reducing homelessness in the community by employing homeless people in their hotel).

We need you to help us by listening to the following interaction between one of these workers hired through this program and a guest. Then answer the questions below to help us evaluate the effectiveness of this program.

Note: the manipulation is presented in italics, where the control condition is presented first (outside of parentheses), followed by the homelessness condition in parentheses.
Appendix B

Script of interaction between the agent and the guest

Sam: Good afternoon, my name is Sam, are you checking in?

Taylor: Yes.

Sam: May I have your name, please?

Taylor: It's Taylor Jones.

Sam: Thank you, please give me a moment to pull up your reservation *pauses for a few moments*. I am having some trouble pulling up your reservation. Did you make your reservation online or over the phone?

Taylor: It was over the phone.

Sam: Could I have the phone number you provided?

Taylor: 344-3363

Sam: Thank you for that. I see the problem, for some reason your reservation was not put in the system correctly, and it looks like all of the types of room that you reserved are not available.

Taylor: *Sounds frustrated* Are there any rooms available at all?

Sam: *Pauses for a few moments*

Please give me one moment. I'm still a little new and I haven't dealt with a problem like this before. Please hold on while I get my manager on the phone for assistance.

*Pauses for a moment*
Hi, I have a guest with a reservation for a king bed room facing the city, but the reservation was put in the system wrong originally and all of those rooms seem to be booked in the system, is there anything I can do?

*Pauses for a moment*

Thank you so much... Yes, I see that... Okay, I clicked on that... Okay, great. Thanks for your help.

Thank you so much for your patience, my manager was able to help me fix your reservation and we were able to find a room available as you requested.

Taylor: That's great news.

Sam: OK, here are your room cards. Your room is 262. You can use these elevators directly behind you, there is a complimentary breakfast from 6 to 9, and you can access the fitness center if you like. May I help you with anything else right now?

Taylor: No, thank you.

Sam: I hope you have a nice stay.
Appendix C
Measures and Items

Hotel CSR Perceptions
1. The hotel is a socially responsible company.
2. The hotel is concerned to improve the well-being of society.
3. The hotel follows high ethical standards.

Customer Behavioral Intentions
1. Say positive things about the hotel to other people.
2. Recommend the hotel to someone who seeks your advice.
3. Encourage friends and relatives to do business with the hotel.
4. More likely choose this hotel in the future.

Employee Rating
1. It was appropriate to hire this employee.
2. This is a “top-notch” employee.
3. This is an effective employee.
4. This is an “excellent” employee.

Agent Satisfaction
1. 1 – “Displeased me” vs. 7 – “Pleased me”
2. 1 – “Disgusted with” vs. 7 – “Contented with”
3. 1 – “Very dissatisfied with” vs. 7 – “Very satisfied with”
4. 1 – “Unhappy with” vs. 7 – “Happy with”

Note. These items were presented on a 1 – 7 scale, such that 1 represented the most negative ratings and 7 represented the most positive ratings.

Hotel evaluations
1. 1 – “extremely negative” vs. 7 – “extremely positive”
2. 1 – “extremely unfavorable” vs. 7 – “extremely favorable”
3. 1 – “extremely not likable” vs. 7 – “extremely likable”
4. 1 – “extremely bad” vs. 7 – “extremely good.”

Note. These items were presented on a 1 – 7 scale, such that 1 represented the most negative ratings and 7 represented the most positive ratings.
Table 1

*Descriptive statistics for Study 1.*

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>Median</th>
<th>SD</th>
<th>Min</th>
<th>Max</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Houselessness</td>
<td>0.48</td>
<td>0.00</td>
<td>0.50</td>
<td>0</td>
<td>1</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. CSR perceptions</td>
<td>5.03</td>
<td>5.33</td>
<td>1.58</td>
<td>1</td>
<td>7</td>
<td>0.47***</td>
<td>0.95</td>
<td></td>
</tr>
<tr>
<td>3. Behavioral intentions</td>
<td>5.42</td>
<td>4.60</td>
<td>1.24</td>
<td>1</td>
<td>7</td>
<td>0.18*</td>
<td>0.54***</td>
<td>0.97</td>
</tr>
</tbody>
</table>

*Note. N = 139; Houselessness (0 = Control; 1 = Houseless). Cronbach’s alphas are presented on the diagonals. *p < .05; ***p < .001.*
Table 2

*ANOVA results for Study 1.*

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>df</th>
<th>error df</th>
<th>$F$</th>
<th>$\eta^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR perceptions</td>
<td>1</td>
<td>137</td>
<td>38.13***</td>
<td>.22</td>
</tr>
</tbody>
</table>

Note: *** $p < .001$
Table 3

*Indirect effect analysis results for Study 1.*

<table>
<thead>
<tr>
<th></th>
<th>Est.MX</th>
<th>Est.YM</th>
<th>Indirect Effects</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Behavioral intentions</td>
<td>1.47*** (0.24)</td>
<td>0.46*** (0.06)</td>
<td>0.68* (0.13)</td>
<td>0.45 0.98</td>
</tr>
</tbody>
</table>

*Note.* Est.MX = estimate of path from houselessness (0 = Control; 1 = Houseless) to CSR perceptions; Est.YM = estimate of path from CSR perceptions to outcomes; bootstrapped standard errors of the estimates appear in parentheses; 5000 bias-corrected bootstrapped samples.

*p < .05, *** p < .001.*
Table 4

*Descriptive statistics for Study 2.*

<table>
<thead>
<tr>
<th></th>
<th>M</th>
<th>Median</th>
<th>SD</th>
<th>Min</th>
<th>Max</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Houselessness</td>
<td>0.47</td>
<td>0.00</td>
<td>0.50</td>
<td>0</td>
<td>1</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Agent gender</td>
<td>0.52</td>
<td>1.00</td>
<td>0.50</td>
<td>0</td>
<td>1</td>
<td>.02</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Hotel quality</td>
<td>0.52</td>
<td>1.00</td>
<td>0.50</td>
<td>0</td>
<td>1</td>
<td>.00</td>
<td>.01</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. CSR perceptions</td>
<td>5.10</td>
<td>5.33</td>
<td>1.57</td>
<td>1</td>
<td>7</td>
<td>.43***</td>
<td>.07</td>
<td>.01</td>
<td>.96</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Employee ratings</td>
<td>5.54</td>
<td>5.75</td>
<td>1.32</td>
<td>1</td>
<td>7</td>
<td>.12*</td>
<td>.02</td>
<td>-.02</td>
<td>.55***</td>
<td>.95</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Agent satisfaction</td>
<td>6.10</td>
<td>6.25</td>
<td>1.10</td>
<td>1</td>
<td>7</td>
<td>.17**</td>
<td>-.06</td>
<td>-.04</td>
<td>.45***</td>
<td>.68***</td>
<td>.96</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Hotel evaluations</td>
<td>5.72</td>
<td>6.00</td>
<td>1.13</td>
<td>1</td>
<td>7</td>
<td>.13*</td>
<td>-.07</td>
<td>-.01</td>
<td>.52***</td>
<td>.58***</td>
<td>.71***</td>
<td>.97</td>
<td></td>
</tr>
<tr>
<td>8. Behavioral intentions</td>
<td>5.45</td>
<td>5.80</td>
<td>1.32</td>
<td>1</td>
<td>7</td>
<td>.13*</td>
<td>.01</td>
<td>-.05</td>
<td>.66***</td>
<td>.66***</td>
<td>.64***</td>
<td>.74***</td>
<td>.97</td>
</tr>
</tbody>
</table>

*Note.* n = 321; Houselessness (0 = Control; 1 = Houseless); Agent gender (0 = Woman; 1 = Man); Hotel quality (0 = Economy; 1 = Upscale) Cronbach’s alphas are presented on the diagonals. *p < .05, **p < .01, ***p < .001.
Table 5

ANOVA results for Study 2 CSR perceptions.

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>df</th>
<th>error df</th>
<th>F</th>
<th>$\eta^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Status</td>
<td>1</td>
<td>313</td>
<td>70.14***</td>
<td>.18</td>
</tr>
<tr>
<td>Agent Gender</td>
<td>1</td>
<td>313</td>
<td>1.39</td>
<td>.004</td>
</tr>
<tr>
<td>Hotel Quality</td>
<td>1</td>
<td>313</td>
<td>0.02</td>
<td>.000</td>
</tr>
<tr>
<td>Houselessness x Gender</td>
<td>1</td>
<td>313</td>
<td>0.04</td>
<td>.000</td>
</tr>
<tr>
<td>Houselessness x Hotel Quality</td>
<td>1</td>
<td>313</td>
<td>0.36</td>
<td>.001</td>
</tr>
<tr>
<td>Gender x Hotel Quality</td>
<td>1</td>
<td>313</td>
<td>0.09</td>
<td>.000</td>
</tr>
<tr>
<td>Houselessness x Gender x Hotel Quality</td>
<td>1</td>
<td>313</td>
<td>0.23</td>
<td>.001</td>
</tr>
</tbody>
</table>

Note: *** $p < .001$
Table 6

*Indirect effect analyses for Study 2.*

<table>
<thead>
<tr>
<th></th>
<th>Est.MX</th>
<th>Est.YM</th>
<th>Indirect Effects</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee ratings</td>
<td>1.34***</td>
<td>0.51***</td>
<td>0.68* (0.10)</td>
<td>0.50 - 0.91</td>
</tr>
<tr>
<td>Agent satisfaction</td>
<td>1.34***</td>
<td>0.33***</td>
<td>0.44* (0.09)</td>
<td>0.29 - 0.63</td>
</tr>
<tr>
<td>Hotel satisfaction</td>
<td>1.34***</td>
<td>0.41***</td>
<td>0.55* (0.10)</td>
<td>0.38 - 0.77</td>
</tr>
<tr>
<td>Behavioral intentions</td>
<td>1.34***</td>
<td>0.62***</td>
<td>0.83* (0.12)</td>
<td>0.61 - 1.08</td>
</tr>
</tbody>
</table>

*Note.* Est.MX = estimate of path from houselessness (0 = Control; 1 = Homeless) to CSR perceptions; Est.YM = estimate of path from CSR perceptions to outcomes; bootstrapped standard errors of the estimates appear in parentheses; 5000 bias-corrected bootstrapped samples.

* *p < .05, *** *p < .001.
Figure 1.
Conceptual model in Study 1

- Houseless Front Desk Agent
- Customers' Perception of CSR
- Customers' Behavioral Intentions
Figure 2.
Conceptual model in Study 2