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# Study of The Economic Consequences of SCR Hypocrisy Behavior

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The company assumes that social responsibility is the highest embodiment of the value of the company, and when the company assumes the responsibility of the enterprise. Because of some subjective and objective factors, the company will lead to deviating from the original good behavior, showing a situation of different words and deeds, that is, to obtain the value increase brought by the social responsibility, and without bearing any form of expenses. So this paper is divided into three parts. First of all, the background of SCR's hypocrisy behavior is introduced, and then we further define the hypocrisy behavior of enterprises and the motivation and harm of hypocrisy behavior. Finally, through the two perspectives of the government and society, the corresponding supervision and management measures are put forward. It provides a theoretical basis for society and the masses to discover the hypocritical behavior of enterprises in time.

**Keywords:** Shareholder Pledge, Economic Consequences, Motive

#### I. INTRODUCTION

With the continuous development of the time economy, countries evaluate the value of enterprises and the longterm development of enterprises from various perspectives. One of the common indicators is the corporate social responsibility of enterprises. In the process of operation, enterprises should not only see how many jobs are added, how much the employment problem of employees is solved, how much tax is paid, and how much fiscal revenue is increased. At the same time, we should pay more attention to the social responsibility of enterprises. How to give full play to the social responsibility of enterprises, and link the responsibility with the employees, shareholders, bondholders, the environment and so on. This evaluation standard has gradually become an important index of the social value evaluation of enterprises. At the same time, in the current society has had to put him into the company's development strategy. The corporate social responsibility has taken the lead in attracting attention in the theoretical field. With the continuous deepening of scholars, the research on corporate social responsibility is becoming more and more extensive, and the social responsibility is gradually applied to the development of the company in the industry, and the practical theoretical research is gradually verified in the enterprise. Explore whether the social responsibility of enterprises is conducive to the short-term and long-term impact of enterprises. Liu Zhonghua (2022) believes that the inconsistency of social responsibility will affect the work enthusiasm of the employees within the company, which may affect the quality of the products produced by the company, and then affect the consumers. Fan Shuai (2020) also came to the same conclusion.

However, as companies around the world begin to implement social responsibility, and after the implementation of social responsibility, the reputation of the enterprise has been well responded to, which is more conducive to the increase of the sales of the company, and then increase the economic interests of the enterprise, increase the social value of the enterprise, and enhance the sense of social responsibility of the enterprise. But it has also exposed some drawbacks. Some companies are relatively short-sighted, only to see the implementation of social responsibility, will only increase the long-term expenditure of enterprises, and for the invisible, indirect income is not observed, the lack of long-term development of the vision. Or managers in order to better increase the income of the enterprise, so that the company's financial statements are more beautiful. Nominally, the company is following the national policy, efforts to implement corporate social responsibility. But in the performance process or still follow the normal process to do. There is no psychology of giving back to the society. For example, the occurrence of SCR hypocrisy, such as "making a penny

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and donating a penny" and "Starbucks 'unfair trade practice", have also caused many considerations from the people, the government and the public to the company's hypocritical behavior.

At present, domestic and foreign enterprises have conducted more in-depth research on corporate social responsibility, while the research on SCR hypocrisy behavior is still in the early stage. Only from the perspective of the concept and motivation of SCR hypocrisy behavior and so on. Chen Hua and Sun Han (2020) divided SCR hypocrisy behavior into initiative and passive type.fanshuai, Sky Dragon, etc. (2014) scholars divided hypocritical behavior into ideal, sincere and hypocritical type according to the intention and driving factors of enterprises. Therefore, based on the relevant research of social responsibility, this paper first summarizes the research of SCR hypocrisy behavior at the present stage, further analyzes the motivation of hypocrisy behavior, and finally puts forward the regulatory measures of SCR hypocrisy behavior, and puts forward the future outlook, which lays a foundation for the subsequent research.

#### II. RESEARCH METHOD

There are many research methods, such as empirical analysis method, normative research, case analysis and so on. Through theoretical analysis, normative research, reference to a large number of theoretical literature of SCR hypocrisy behavior at home and abroad, and further expand and discuss on this basis, in order to use a more complete theory for research. The results show that the enterprise hypocrisy behavior in all aspects are not conducive to the long-term development of the enterprise, and even damage the value of the company, is not only conducive to damage the company's internal reputation, reduce the performance of the company, for the outside world will also cause the public aversion, play the opposite effect, not only is not conducive to the company's operating income will reduce profit margins.

#### III. DISCUSSION

#### 3.1 SCR Hypocrisy Behavior Related Concepts

The SCR hypocrisy behavior initially begins with moral hypocrisy. In a literal sense, what is "hypocrisy", called disguised kindness, is not from the heart, but also said to do a thing. Although in the beginning, previous research on hypocrisy is mainly focused on people, and the scope of research is individuals. With the deepening of research, this "hypocritical behavior" began to be applied to enterprises. Corporate social responsibility refers to that the enterprise actively assumes its due social responsibility, giving back to the public and the society. And SCR hypocrisy is to use its good reputation to gain more social attention and gain more benefits, but it fails to fulfill its due social responsibilities. This paper uses the three evolution processes of moral hypocrisy, organizational hypocrisy and enterprise hypocrisy.

## 3.1.1 Moral Hypocrisy

Moral hypocrisy is the study of people who have kindness without good virtue, just say that they have done a lot of good things, but in the real life of the lack of any pay. From the beginning of some psychologists' relatively simple life experiments, whether or not to pay, will be the same material or spiritual incentives, people will be more inclined to choose to pay or not to pay. That is, they even want to get the relevant benefits, and they do not want to pay the relevant cost. With the continuous deepening of the research. Bian (2020) has made a relevant research study so that social morality can reduce personal hypocrisy to some extent, but this situation does not apply to immoral strangers.

# 3.1.2 The Organization Of Hypocrisy

The essence of organizational hypocrisy is also human hypocrisy. In the organizational behavior theory, the "organizational hypocrisy" behavior is the difference between the existing concepts and behaviors of the managers and the employees of the enterprise. That is to say, the enterprise managers issued the relevant action guidelines. But the employees did the opposite of the plan.

Since such a problem, what means should be used to avoid inconsistent words and deeds? Different scholars have different research views on organizational hypocrisy. Some scholars believe that the hypocrisy of the organization will seriously affect the work enthusiasm of employees, affect their work enthusiasm, and increase the turnover rate of employees. However, some scholars believe that everyone is selfish and will strive for too much benefits for themselves as much as possible. Pseudalism can promote mutual supervision among internal employees and achieve reasonable allocation of resources, so as to improve the relationship between employees in the enterprise.

#### 3.1.3 Enterprise Hypocrisy

Social psychologists believe that people from different perspectives and in different fields of research have different perspectives on corporate hypocrisy (Wagner, 2020). However, at the present stage, the definition of corporate hypocrisy behavior adopts the view of the scholar Wagner, that is, the social responsibility of enterprises is inconsistent with the actual behavior of enterprises. The scholar mainly studies the relevant corporate hypocrisy behavior through multiple dimensions, mainly including the concept of corporate hypocrisy, the motivation of corporate hypocrisy behavior, and so on.

## 3.2 SCR Hypocritical Behavior Motives

#### 3.2.1 Proactive Hypocrisy

The so-called initiative hypocrisy refers to the enterprise actively fails to perform the plan and strategy of corporate responsibility, by actively exaggerating the company's social responsibility of the company, but passively implement the enterprise behavior, consciously increase the goodwill in the hearts of consumers, consciously make the decision and behavior inconsistent to achieve the real purpose of the enterprise.

Fassin (2011) research shows that the company hypocrisy behavior motivation mainly to the pressure of corporate shareholders, enterprise shareholders can only through short-term profit statements, in short-term interests, unable to see the value of the enterprise, and managers under the pressure of shareholders, forced to short-term behavior, eventually symbolic CSR strategy. For example, making false propaganda. Chen Huan (2021) also believes that, in order to pursue good corporate performance, the enterprise will only confuse stakeholders, confuse shareholders through hypocritical behavior, deceive creditors, consumers, and obtain additional social resources and other factors are the subjective motivation of the enterprise.

### 3.2.2 Passive Hypocrisy

In contrast to initiative hypocrisy, passive hypocrisy is the absence of any motive. Instead, it actively performs its due social responsibilities, but due to the objective reasons of the outside world, the company's remarks are inconsistent with the actual behavior, thus forming the hypocritical behavior of corporate social responsibility. For example, during the period of social intensive publicity period, the social responsibility of companies, but perhaps too concentrated publicity, too many times in front of the public will lead to doubts about the social responsibility of corporate publicity, and greatly weaken the positive attitude of corporate social responsibility (zhao, 2020). Xiao Hongjun (2013) Consumers' different perceptions of corporate social responsibilities will also produce perceived hypocrisy. This leads to negative effects. According to Skarmeas and Leonidou (2013), consumers subconsciously believe that enterprises fulfill their social responsibilities to gain additional value and pursue their own benefits. Therefore, the passive hypocrisy motive comes from the purpose of consumers' social responsibility to the enterprise, and is it attributed to the value-driven responsibility or the social responsibility of the enterprise itself.

#### 3.2 SCR Hypocritical Behavior Harm

Enterprises are an important driving force to promote social and economic development, and play an important role in the society. Their behavior will cause the influence in all aspects. This paragraph mainly explores the crisis of enterprise hypocrisy behavior through the micro and macro aspects.

#### 3.2.1 Micro Aspects

In the enterprise in the face of the public commitment, and as the company propaganda, but when the company's managers and employees can't completely do in accordance with the propaganda, make propaganda and implement a little gap, will make the outside world for the execution of the company psychological gap, and produce negative emotions, affect the company's reputation. The company originally wanted to establish a good image for the company by assuming social responsibility. However, because of some deviations in the process of implementation, the opposite effect of the company's social responsibility is questioned, and then the company's reputation is damaged, the brand is damaged, and the sales volume is reduced. There was a terrible mess.

It can be seen that the hypocrisy of the enterprise reduces the reputation of the enterprise, hinders the development of the company, and may be more unwilling to assume social responsibilities in the future development.

# 3.2.2 Macro Aspect

Scholar Zhou Yanfeng (2007) believes that companies are actively implementing corporate social responsibility because the ultimate beneficiaries are the companies themselves and the consumers who pay for their actions. At the same time, the positive response of consumers has also caused enterprises to more actively exercise their social responsibilities. However, when enterprises are excessively addicted to the Gospel brought by the implementation of social responsibility and thus ignore the attention to the quality of production products, when the rate of product quality problems occur frequently. Still social responsibility may not be favored by consumers. Therefore, enterprises should examine themselves, when there is not enough funds to support enterprises to implement social responsibility, do not excessively follow the trend, do their own products, with high-quality products to return to the society is not to assume a social responsibility!

#### IV. CONCLUSION

Nowadays, the hypocrisy of enterprises often occurs, in addition to receiving the attention of the outside media, and has not formed a complete set of restraint system. When the enterprise has a hypocritical behavior, except for the public without authority, who will supervise, judge and sanction the hypocritical behavior of the enterprise? This paper puts forward the governance method from the following aspects, and constructs the external governance system.

In addition to the normal moral restraint mechanism, a more authoritative legal restraint mechanism should be established. In the enterprise hypocrisy behavior is caused by both subjective and objective factors, accompanied by great uncertainty. Therefore, when the legislature makes the relevant rules and rules, it should clearly point out which acts are hypocritical acts. After the legislature determines the enterprise hypocritical behavior, what kind of behavior can be investigated for criminal responsibility.

Consumers, as beneficiaries of corporate social responsibility and contributors, play such a dual identity. It plays an important role in the hypocrisy of enterprises. The implementation of social responsibility for enterprises can only be obtained through the official statements and planning reports. If corporate hypocrisy does not spread to consumers, then they can only passively become victims. Therefore, a consumer participation mechanism should be established, which can not only protect the personal interests of consumers, but also supervise the enterprises to better implement the corporate social responsibility. It is better to say that enterprises should appropriately seek individual consumer participation in the implementation of social responsibilities, which can not only make enterprises fulfill their social responsibilities more open and just, but also protect the personal interests of consumers.

However, the construction of the consumer participation mechanism is full of uncertainty, which not only requires the joint efforts of consumers and enterprises, but also requires the coordination of enterprises. If one party fails, then the construction of the mechanism cannot be realized. At the same time, we need to constantly explore and establish a variety of efficient governance mechanisms.

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