

## BRAND IDENTITY MANAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY: AN ANALYSIS FROM EMPLOYEES' PERSPECTIVE IN THE BANKING SECTOR

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**Abstract.** Brand identity management and corporate social responsibility have increased importance in both managerial practice and academic research. However, only a small number of studies have examined how these strategic tools influence employees' attitudes and behaviours. The aim of this paper is, therefore, to analyse how employees' perceptions of brand identity management and corporate social responsibility affect their attitudes and behaviours. An empirical study was undertaken among a sample of 297 front line employees working in the UK banking sector. Hypotheses were tested using partial least square regression. The results show that employees' perceptions of brand identity management and corporate social responsibility determine their commitment towards their organisations, both directly and indirectly through perceived external prestige. Organisational commitment explains employees' brand performance and brand citizenship behaviour. Age differences indicate higher impact of brand identity management on older employees, and higher effects of perceived corporate social responsibility in younger employees. The results extend existing knowledge and are informative for bank managers.

**Keywords:** brand identity management, corporate social responsibility, perceived external prestige, organisational commitment, employees, banking sector.

**JEL Classification:** M31.

### Introduction

Over the last decades, researchers and practitioners have acknowledged the role of brand identity management (BIM) and corporate social responsibility (CSR) as critical success factors influencing stakeholders' attitudes and behaviours. They are also recognised as effective tools organisations can use to favourably influence corporate images and, therefore, increase their competitive advantage and overall performance.

Consequently, both BIM and CSR have been included in business excellence models (Cornelius *et al.* 2007).

The financial crisis of 2008 led many organisations to rethink their BIM to meet stakeholders' evolving needs, rebuild their trust and forge strong relationships. However, with some recent exceptions (Bravo *et al.* 2015a, 2015b; Coleman *et al.* 2015), empirical insights into BIM effects are limited and still lack empirical evidence. Likewise, despite being common practice in many organisations, CSR programs effects on stakeholders' behaviour are not always clear. In a recent survey, 37% of CEOs could not see a clear link between CSR actions and business value. This percentage was twice the number who had cited the failure to identify such a link in 2007 (Financial Times 2014). It is important, therefore, to obtain a better understanding of BIM and CSR effects.

BIM and CSR research have often explored the perceptions, attitudes and behaviours of consumers. By contrast, a relatively small number of studies have examined how BIM and CSR affect employees (e.g. Lee *et al.* 2013; Bravo *et al.* 2015a, 2015b; Coleman *et al.* 2015; Slack *et al.* 2015). Internal stakeholders are an important source of competitive advantage, especially in the services sector. Despite the study of employees' perceptions of BIM programs and CSR activities has recently gained more attention, there is a dearth of studies that analyse the effects of both BIM and CSR simultaneously from the employees' perspective (Arendt, Brettel 2010).

The main goal of this research is, therefore, to provide additional insights into the effects of employees' perceptions of BIM and CSR. Specifically, we explore how perceived BIM and CSR influence perceived external prestige and organisational commitment. In turn, the research examines the impact of organisational commitment on brand performance and brand citizenship behaviour. In addition, it investigates the moderating role of employees' age on the effects of perceived BIM and CSR.

This research contributes to a better understanding of the relative impact of perceived BIM and CSR from the internal stakeholders' perceptions. Specifically, this study connects and complements insights from previous academic research in the areas of BIM and CSR. For practitioners this work could enhance their knowledge of the benefits of BIM and CSR in terms of employees' responses, and it may help to measure and control these effects.

This study focuses on the banking sector in the UK. Banking institutions have shown an increasing interest in developing strong corporate identities (Bravo *et al.* 2015a). Likewise, banks have traditionally invested in CSR initiatives (Wallace 2015). However, this sector has been held at least partly responsible for the economic crisis and its image has been seriously damaged. The decrease in trust and credibility in banking institutions has fostered scepticism towards their brand management initiatives in general, and towards their CSR actions in particular. To restore consumers' confidence, there is a need to rethink the BIM and to analyse the impact of corporate actions on stakeholders. As employees play a key role to rebuild trust and forge strong relationships with consumers, investigating the effects of perceived BIM and CSR on employees' responses in this setting is timely.

This paper is organised as follows. In the next section, we provide a brief, general discussion of BIM and CSR. In addition, we develop the conceptual framework and the research hypotheses. In the following section we describe the methodology used in the study. We then present the empirical findings. Finally, we outline the conclusions, implications, limitations, and future research directions.

## **1. Theoretical framework and hypotheses development**

### **1.1. BIM and CSR**

Brand identity has been defined in several ways. The identity of a brand is usually based on its distinctive and durable core attributes. Aaker (1996: 68) defines this concept as “*a unique set of brand associations that the brand strategist aspires to create or maintain*”. This construct was initially constrained to the visual elements of the brand, such as its symbols or the logo. However, current perspectives also include aspects related to corporate culture, strategy, structure, communications and behaviour (Suvatjits *et al.* 2012). Following Simoes *et al.* (2005), BIM can be defined as activities implemented intentionally by the organisation to improve its image among both its external and internal audiences.

The literature on CSR also provides several definitions of this concept. In the 1950s, CSR was mainly considered as a “social obligation”. Following the stakeholders theory, during the 1990s, researchers considered that the main goal of CSR was to respond to the different needs of their main stakeholders. This perspective was also criticised, arguing that it mainly adopted a reactive approach (Garriga, Melé 2004). By contrast, CSR can also be seen as a proactive and voluntary attitude. In this line, Moir (2001: 18) defines CSR as “*the continuing commitment by business to behave ethically and contribute to economic developments while improving the quality of life of the workforce and their families as well as the local community and society at large*”.

BIM and CSR have points in common. Previous models of corporate identity refer to outcomes that can also be determined or partially affected by CSR, such as corporate image or reputation (Christensen, Askergaard 2001). The study by Arendt and Brettel (2010), for instance, empirically shows that CSR and BIM have effects on outcomes such as corporate image attractiveness or employee-company identification. In addition, as noted earlier, BIM includes those activities implemented by organisations to improve their image among audiences. Therefore, from this general perspective, CSR could be considered as part of these activities. However, although CSR can be connected to the identity of a brand or an organisation (e.g. The Body Shop), as Powell (2011: 1370) points out, organisations “*which provide mission and values statements with an ethical and/or sustainable orientation, or which promote themselves as ethical/sustainable through their corporate brand, do not necessarily have an underpinning ethical identity*”. In other words, CSR actions developed by organisations may not always be rooted in their identity (e.g. CSR could be merely implemented to comply with regulations). Thus, previous conceptual frameworks and empirical studies focused on the analysis and measurement of BIM do not refer explicitly to CSR as a component (e.g. Simoes *et al.* 2005; Arendt, Brettel 2010; Coleman *et al.* 2011). Accordingly, the effects of BIM and CSR are individually explored in the next section.

## 1.2. Hypotheses development

Figure 1 presents the conceptual framework underlying this research.

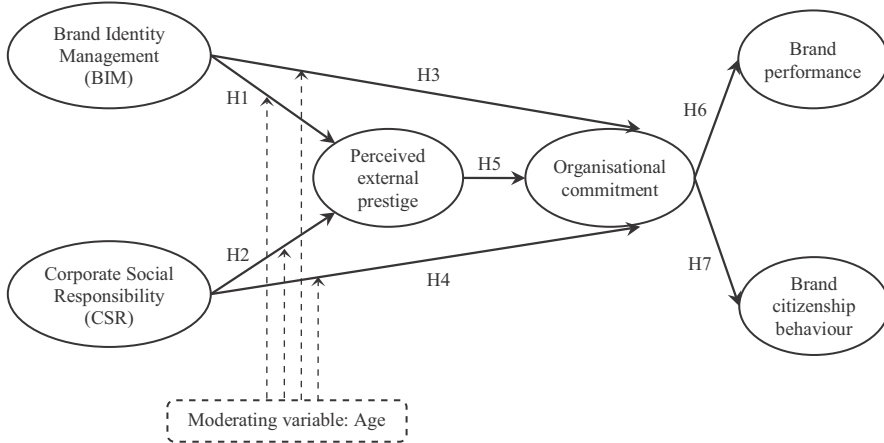


Fig. 1. Proposed model

The influence of perceived BIM and CSR on perceived external prestige is first explored. This concept, also known as construed external image, represents employees' beliefs about how outsiders see their organisation (Smidts *et al.* 2001). BIM programs and CSR initiatives, as other actions implemented by the organisations to increase their reputation and to communicate themselves to external audiences, are susceptible to affecting perceived external prestige.

A well managed brand identity may result in positive employees' perceptions of how prestigious their organisation is in the eyes of external stakeholders. However, the influence of BIM on perceived external prestige has received little attention. At an organisational level, corporate identity is the central element upon which communications' policies are developed, reputation is built and image is formed (Balmer 2008). Therefore, when organisations develop their brand identity and communicate it to the different external and internal stakeholders, a good reputation can be obtained. Arendt and Brettel (2010) empirically showed that internal brand management exerts positive effects on a similar concept, corporate image attractiveness, which refers to the employees' perceptions of the company. Therefore, it could be expected that a positive perception of the brand identity and its management may help develop positive employees' beliefs about how others view their organisation.

The impact of CSR on perceived external prestige has also received little attention. Kim *et al.* (2010) were the first to empirically explore this relationship. These authors found that CSR associations (i.e. employees' perceptions of the company identity regarding important societal matters) exert a significant impact on perceived external prestige. Similarly, de Roeck and Delobbe (2012) found that employees' perceptions of environ-

mental CSR positively influence perceived external prestige. Previous research shows that CSR initiatives are an effective tool to strength organisations' reputation (Fombrun *et al.* 2000). Thus, employees may appreciate being affiliated with an organisation that “looks good” ethically and which is seen by outsiders as socially responsible. Therefore, we propose:

**H1:** Perceived BIM has a positive effect on perceived external prestige.

**H2:** Perceived CSR has a positive effect on perceived external prestige.

Perceived BIM and CSR also affect employees' commitment to their organisation. The affective dimension of commitment, considered the main determinant of employees' attitudes and behaviours (Bloemer, Odekerken-Schröder 2006), is explored.

Social identity theory is generally used to explain the effects of perceived BIM and CSR on organisational commitment (Tajfel, Turner 1979; Mael, Ashforth 1992). Based on this theory, an individual's self-concept may be composed of different identities which evolve from social groups, such as the workplace. Therefore, when employees' beliefs about their organisation become self-referential, their degree of identification and commitment is enhanced.

Positive employees' perceptions of brand identity and its management lead to stronger bonds with the organisation and a greater sense of pride and belonging to the firm (Dukerich *et al.* 2002). They also result in higher levels of employees' brand knowledge and a deeper understanding of brand strategies and decisions, as well as the brand values and promises (King, Grace 2010). This, in turn, can foster employees' commitment to the organisation (Aurand *et al.* 2005). Specifically, previous internal branding literature has demonstrated the positive link between some of the dimensions that underlie the BIM construct and employees' commitment (Burmam *et al.* 2009; Arendt, Brettel 2010; Punjaisri, Wilson 2011; Bravo *et al.* 2015b).

Similarly, several studies have confirmed a positive relationship between CSR and organisational commitment. Peterson (2004), for instance, demonstrated that favourable perceptions of corporate citizenship were associated with higher organisational commitment. Brammer *et al.* (2007) also confirmed this result, whereas Turker (2009) found that CSR to social and non-social stakeholders, employees and customers were significant predictors of organisational commitment. CSR initiatives enhance the likelihood of employees' pride of being members of a socially responsible company. Likewise, CSR increases employees' identification with the organisation. This, in turn, results in a higher commitment to the organisation.

Finally, it is proposed that employees' commitment to the organisation will be higher when companies are perceived to be prestigious. Perceived external prestige has been found to facilitate identification with the organisation (e.g. Smidts *et al.* 2001; Carmeli 2005). Mayer and Schoorman (1998) also confirmed that employees' commitment increases when they believe that their organisation is held in high regard by others outside the firm. Working in a prestigious organisation reinforces employees' self-esteem and self-enhancement (Farooq *et al.* 2014), encouraging employees' commitment to their organisation. Thus, we postulate:

**H3:** Perceived BIM has a positive effect on organisational commitment.

**H4:** Perceived CSR has a positive effect on organisational commitment.

**H5:** Perceived external prestige has a positive effect on organisational commitment.

The effect of organisational commitment on brand performance and brand citizenship behaviours is next explored. Brand performance refers to the extent to which an employee performs his/her role, including the brand promise delivery, based on the brand standards (Punjaisri *et al.* 2009). Brand citizenship behaviours, on the other hand, include extra-role activities aimed at strengthening the brand identity and reaching the brand goals (Burmam, Zeplin 2005). These individual behaviours are above and beyond the norm, yet are consistent with the organisation's values (King, Grace 2012).

Social exchange theory is helpful to understand employees' in-role and extra-role behaviours. Following this theory, individuals search for reciprocal and fair exchanges (Searle 1990). When a company treats their employees fairly, employees will be satisfied and will respond with fair and reciprocal behaviours. In addition, if employees perceive their company is responsive, providing extra resources to employees, they will be more likely to reciprocate with more effort in their work.

Prior research has found a positive but moderate correlation between employees' commitment and brand performance (Riketta 2002). The qualitative findings of Punjaisri and Wilson's (2011) work suggest that employees' commitment is an important factor explaining the delivery of brand promises. However, in the quantitative part of their study, they could not find support for this relationship. Factors, such as the lack of access to resources or employees' abilities and skills, may explain this result. Despite this, past research has found that employees who feel attached to their organisations and highly identify with their companies will deliver a higher performance (Riketta 2002). Extant research also suggests that employees' brand performance will be greater when their commitment is high (de Chernatony, Segal-Horn 2003).

Employees' commitment also has a positive effect on brand citizenship behaviours (Burmam, Zeplin 2005; Shaari *et al.* 2012). Employees are more motivated to engage in brand citizenship behaviours when they are committed to their organisations (Barroso-Castro *et al.* 2005; Burmam *et al.* 2009). Employees who feel committed to their organisations will have a more positive attitude towards their jobs and this can result in a greater acknowledgement of the effort made by the company towards them. Consequently, they may be more willing to undertake more than their job descriptions (King, Grace 2012). Therefore, we propose:

**H6:** Organisational commitment has a positive effect on employees' brand performance.

**H7:** Organisational commitment has a positive effect on employees' brand citizenship behaviours.

Perceived BIM and CSR may not affect perceived external prestige and organisational commitment in the same way. Employees' age, one of the most analysed variables in the literature (Diamantopoulos *et al.* 2003), can moderate these relationships.

It is difficult to foresee the role of employees' age on the effects of perceived BIM. Older employees have been more exposed to BIM programs. This experience could lead them to be more aware of their benefits. Therefore, one could expect a stronger effect of perceived BIM on perceived external prestige and organisational commitment for older employees. By contrast, an inverse relationship between age and perceived CSR orientations could be expected. Younger individuals are usually considered to be more sensitive to CSR concerns. They also like to work for socially responsible companies and value their social actions. Therefore, one could expect a stronger effect of perceived CSR on perceived external prestige and organisational commitment for younger employees. However, given the lack of consensus in prior studies, this part of the research is regarded as exploratory, and no hypotheses are postulated.

## **2. Methodology**

An empirical study was carried out during January and February 2013 to test the proposed model. The study focused on bank employees in the United Kingdom, and the sample was gathered from a UK database. A questionnaire was administered online, and the final sample consisted of 297 individuals. Respondents came from the following banking institutions in the UK: Barclays (20.2% of respondents), Lloyds TSB (12.8%), HSBC (10.8%), RBS (8.1%), Natwest (8.1%), Halifax (6.7%), Santander UK (6.7%), Bank of Scotland (4.0%), and others (22.6%). Characteristics of the sample are shown in Table 1.

Table 1. Sample composition

<i>Gender</i>	
Men	46.8%
Women	53.2%
<i>Age</i>	
From 18 to 24	7.1%
From 25 to 34	35%
From 35 to 44	34%
From 45 to 67	23.9%
<i>Tenure</i>	
Full time	84.5%
Part time	15.5%
<i>Years in the bank</i>	
From 1 to 5 years	41%
From 6 to 10 years	21%
From 11 to 20 years	20%
More than 20 years	18%

Well-established scales were employed to measure the constructs (see Appendix). In all cases, seven-point Likert scales were used (1 = “strongly disagree” to 7 = “strongly agree”). BIM was measured using the five dimensional scale developed by Coleman et al. (2011). Perceived CSR was assessed following Lichtenstein et al’s (2004) scale. Perceived external prestige was measured adapting the items used by Kim et al. (2010). Organisational commitment was measured using items adapted from the work by King and Grace (2010). Brand performance was measured using items based on Punjaisri and Wilson’s (2011) work. Finally, the scale of brand citizenship behaviour was derived from the works by Burmann and Zeplin (2005) and King and Grace (2010).

To avoid problems in relation to common method bias, the recommendations by Podsakoff et al. (2003) were followed. Respondents were encouraged to provide their honest opinions by guaranteeing the confidentiality and anonymity of the responses. A Harman’s one-factor test was also conducted by means of confirmatory factor analysis using EQS 6.2. This test showed that the goodness of fit for a measurement model in which all the variables loaded on a single factor was substantially lower than the goodness of fit for a model where every item loaded on its corresponding latent variable. Thus, there is no evidence to suggest the presence of common method bias.

### 3. Results

To test the hypotheses, partial least squares (PLS) with SMART-PLS 2.0 software was used. First, the validity and reliability of the constructs was assessed. Due to the multi-dimensional nature of BIM, this construct was operationalised as a second-order factor model following a two-step approximation method (Chin 2010). Measurement model results are shown in Table 2. All factor loadings were above 0.5 and statistically significant, which suggests the convergent validity of the scales. Cronbach’s Alpha, composite reliability (CR) and Average Variance Extracted (AVE) values were above the recommended thresholds of 0.8, 0.7 and 0.5, respectively, providing support for the reliability of the scales. Finally, discriminant validity was supported, since all the constructs’ AVE values are greater than the squared estimated correlations for all pairs of constructs.

Table 2. Results of the reliability and convergent validity analyses

	Indicator	Lambda	Cronbach Alpha	Composite Reliability	AVE
Brand Identity Management (BIM)	<i>EC</i>	0.85*	0.89	0.92	0.69
	<i>VI</i>	0.81*			
	<i>PER</i>	0.87*			
	<i>COM</i>	0.88*			
	<i>HR</i>	0.76*			
Corporate Social Responsibility (CSR)	<i>CSR1</i>	0.92*	0.90	0.94	0.84
	<i>CSR2</i>	0.91*			
	<i>CSR3</i>	0.92*			



End of Table 2

Perceived external prestige	PEP1	0.93*	0.93	0.96	0.88
	PEP2	0.95*			
	PEP3	0.93*			
Organisational commitment	OC1	0.95*	0.94	0.96	0.90
	OC2	0.94*			
	OC3	0.96*			
Brand performance	BP1	0.89*	0.92	0.94	0.81
	BP2	0.93*			
	BP3	0.91*			
	BP4	0.86*			
Brand citizenship behaviour	BCB1	0.84*	0.93	0.95	0.75
	BCB2	0.89*			
	BCB3	0.87*			
	BCB4	0.87*			
	BCB5	0.91*			
	BCB6	0.79*			

Note: \* = significant at  $p < 0.05$ .

The proposed model was then tested (see Table 3). To assess the significance of the path coefficients, a bootstrap resampling technique with 5 000 subsamples was used. Results revealed that all the factorial loadings were significant at 5%. The Stone-Geisser test criterion ( $Q^2$ ) exceeded the threshold of 0 for all the dependent variables, supporting the predictive relevance of the model. Finally, the  $R^2$  values of the dependent variables were also above the common threshold of 10%.

Table 3. Results of the structural model

Hypotheses	$\beta$	t-value	$Q^2$	$R^2$
H1: BIM → Perceived external prestige	0.59	9.65*	PEP = 0.43	PEP = 0.51
H2: CSR → Perceived external prestige	0.17	2.33*		
H3: BIM → Organisational commitment	0.37	5.60*	OC = 0.59	OC = 0.67
H4: CSR → Organisational commitment	0.16	2.74*		
H5: Perceived external prestige → Organisational commitment	0.39	6.91*		
H6: Organisational commitment → Brand performance	0.56	11.12*	BP = 0.24	BP = 0.32
H7: Organisational commitment → Brand citizenship behaviour	0.70	22.03*	BCB = 0.35	BCB = 0.93

Note: \* = significant at  $p < 0.05$ .

In line with findings from previous studies (Arendt, Brettel 2010; Kim et al. 2010; de Roeck, Delobee 2012), perceived BIM ( $\beta = 0.59, p < 0.05$ ) and CSR ( $\beta = 0.17, p < 0.05$ ) are related positively and significantly to perceived external prestige, which supports H1 and H2. Perceived BIM ( $\beta = 0.37, p < 0.05$ ) and CSR ( $\beta = 0.16, p < 0.05$ ) also exert significant direct effects on organisational commitment. These findings are consistent with previous studies (e.g. Peterson 2004; Brammer et al. 2007; Burmann et al. 2009; Turker 2009; Arendt, Brettel 2010; Punjaisri, Wilson 2011; Bravo et al. 2015b). In addition, perceived external prestige has a positive and significant influence on organisational commitment ( $\beta = 0.39, p < 0.05$ ). Therefore, H3, H4 and H5 are supported. While extant literature identifies a positive but moderate relationship between employees' commitment and brand performance (Ricketta 2002; Punjaisri, Wilson 2011), results show that organisational commitment has a positive and significant effect on this variable ( $\beta = 0.56, p < 0.05$ ). Finally, as anticipated, and supporting previous findings (Burmann, Zeplin 2005; Shaari et al. 2012), results confirm a positive relationship between organisational commitment and brand citizenship behaviours ( $\beta = 0.70, p < 0.05$ ). Thus hypotheses H6 and H7 are supported.

A multi-sample analysis explored whether employees' age moderates the effects of perceived BIM and CSR on perceived external prestige and organisational commitment (see Table 4). Results show that the effects of BIM on perceived external prestige are statistically different (t-value = 4.76,  $p < 0.05$ ) between the younger ( $\beta_{\text{youngers}} = 0.29^*$ ) and the older subsample ( $\beta_{\text{olders}} = 0.81^*$ ). On the other hand, the relationship between perceived CSR and perceived external prestige is statistically significant different (t-value = 6.00,  $p < 0.05$ ) between "youngers" employees ( $\beta_{\text{youngers}} = 0.55^*$ ) and "olders" ( $\beta_{\text{olders}} = -0.16$ ). Similarly, the relationship between perceived CSR and organisational commitment is stronger for the group of "youngers" ( $\beta_{\text{youngers}} = 0.24^*$ ) than for the group of "olders" ( $\beta_{\text{olders}} = 0.00$ ).

Table 4. Multisample analysis

	Youngers	Olders	t-statistics (p-value)
BIM → Perceived external prestige	0.29*	0.81*	4.76 ( $p < 0.05$ )
BIM → Organisational commitment	0.36*	0.51*	-1.02 (n.s.)
CSR → Perceived external prestige	0.55*	-0.16	6.00 ( $p < 0.05$ )
CSR → Organisational commitment	0.24*	0.00	1.81 ( $p < 0.1$ )

Note: \* = significant at  $p < 0.05$

## Conclusions

This research has examined how employees' perceptions of BIM and CSR affect their attitudes and behaviours. Several theoretical implications can be drawn from the empirical results. First, this research complements prior studies in the BIM and CSR literature and helps fill several gaps in both areas of research. Second, this paper explores the perspective of employees, which has received less attention in the literature.

Specifically, the results suggest that a positive perception of BIM and CSR initiatives among employees may result in greater organisational commitment. Extant research has highlighted the importance of employees' commitment as a key driver of success and differentiation for both the brand and the organisation itself. These findings confirm that, among the different ways to achieve a high level of commitment, positive perceptions of BIM and CSR can reinforce bonds between employees and their organisation.

In addition, employees' perceptions of BIM and CSR also affect organisational commitment indirectly through perceived external prestige. Employees appreciate BIM and CSR initiatives because these actions may help develop a prestigious corporate brand in the eyes of external stakeholders. As such, when employees believe outsiders see their organisation in a favourable way, their commitment with their organisation will also be greater.

The findings also suggest that committed employees will be more likely to undertake brand citizenship behaviours which help their company and will have a higher brand performance. As employees are the link between the organisation and the consumers, increasing their commitment to encourage these positive outcomes will be a critical challenge.

Finally, this research offers some insights into the moderating effects of age. First, older employees' perceptions of how well the brand identity is being managed is more important to explain their perceived external prestige than is the case of younger employees. The higher experience of older workers with BIM can explained this result. Findings also confirm that the effects of CSR perceptions are higher among younger workers than older workers. This can be explained by the higher sensitivity to CSR concerns that is attributed to younger cohorts in comparison with older generations.

The findings of this study also provide several managerial implications. First, many service organisations and financial institutions have not paid enough attention to branding issues. Specifically, within financial services, there is a lack of top-down organisational understanding of the importance, value and meaning of brand management. The current research confirms that BIM has important benefits. Therefore, banks and organisations in general, should take into account this relevant concept. This should imply focusing on tangible aspects of brand identity, such as visual identity and dimensions that are most directly related to employees, such as human resources initiatives. In addition, organisations should pay attention to both the consumers' and employees' needs and develop a strong and favourable brand personality. Finally, companies should set up a coherent and controlled process for its corporate communication.

Second, previous research has questioned the positive effects of CSR in controversial sectors, as CSR claims in these contexts are susceptible to social scepticism, being perceived as a mere response to clean the reputation. The responsibility of the financial sector for the crisis and its consequences could have contributed to growing stakeholders' scepticism of CSR actions and raised suspicions about the reasons that lead banks to implement these policies. However, in line with other studies testing controversial sectors, our study suggests that CSR initiatives can be used to improve employees' positive attitudes and behaviours.

The current research has shown that both BIM and CSR are useful tools to foster a strong bond between employees and their organisation and increase the perceived external prestige, which in turn will also contribute to enhance the commitment of employees. Therefore, when analysing the positive externalities of BIM and CSR programs, managers should take into account not only the responses of consumers and other external stakeholders to these actions, but also pay attention to all the outcomes dealing with internal stakeholders, such as employees. Banks should also encourage their participation in the management of their brand identity and the development and implementation of CSR initiatives.

The effects of BIM and CSR differ between younger and older employees. The communications to younger employees should be more focused on the benefits of BIM, with the objective that younger workers perceive the advantages of a suitable BIM program. On the other hand, as older workers are less sensitive to CSR, banks' CSR communications should be specifically directed to these workers.

This research is not without limitations. First, the results need to be interpreted within the context of the UK financial services sector. Replication of the analysis in other sectors and countries could help regarding the generalisation of results. Second, due to the cross-sectional nature of the data, firm conclusions regarding causality cannot be drawn. Additional longitudinal research could provide more insight into probable causation. Third, future research could analyse the perceptions of different stakeholders. For instance, a dyadic perspective where employees' views and those of their clients or managers are analysed could be a suitable complement for this study.

Despite these limitations, the findings reported in this study contribute to understanding the influence of perceived BIM and CSR on front line employees' perceptions, attitudes and behaviours in the banking sector. It is hoped that the results offer some new insights into the effectiveness of brand identity strategies and CSR programmes.

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## APPENDIX

### Composition of the scales

BRAND IDENTITY MANAGEMENT (BIM)	
<i>Employee-client focus (EC)</i>	
EC1	Our top management is committed to providing quality service
EC2	Our bank treats every employee as an essential part of the organisation
EC3	Our employees will help clients in a responsive manner
EC4	Our bank makes an effort to discover our clients' needs
EC5	Our bank responds to our clients' needs
<i>Visual identity (VI)</i>	
VI1	The corporate visual identity is helpful in making our bank recognisable
VI2	The font we use is an important part of our visual identity
VI3	Our logo is an important part of who we are
<i>Brand personality (PER)</i>	
PER1	The associations making up our brand personality are extremely positive
PER2	Our clients have no difficulty describing our brand personality
PER3	Our brand personality has favourable associations
<i>Consistent communications (COM)</i>	
COM1	The people managing our communications programme have a good understanding of the strengths and weaknesses of all major marketing communications tools
COM2	Our bank's advertising, PR and sales promotion all present the same clear consistent message to our stakeholders
<i>Human resource initiatives (HR)</i>	
HR1	Our employee training programmes are designed to develop skills required for acquiring and deepening client relationships
HR2	Our bank regularly monitors employees' performance
CORPORATE SOCIAL RESPONSIBILITY (CSR)	
CSR1	This bank is involved in corporate giving
CSR2	This bank is committed to using a portion of its profits to help not for profit organisations
CSR3	This bank gives back to the communities in which it does business
PERCEIVED EXTERNAL PRESTIGE (PEP)	
PEP1	This bank is considered as one of the best in society
PEP2	People in my community think highly of this bank
PEP3	It is prestigious in the community to be an employee of this bank
ORGANISATIONAL COMMITMENT (OC)	
BC1	I am proud to be part of this bank
BC2	I really care about the fate of this bank



<i>BC3</i>	I feel like I really fit in this bank
BRAND PERFORMANCE (BP)	
<i>BP1</i>	I can successfully fulfil responsibilities specified in my job descriptions
<i>BP2</i>	The quality of the work I do matches brand standards of my bank
<i>BP3</i>	I deliver the promise that my bank's brand has with customers
<i>BP4</i>	I always deliver the required level of service in response to customers' specific requests
BRAND CITIZENSHIP BEHAVIOUR (BCB)	
<i>BCB1</i>	I demonstrate behaviours that are consistent with the brand promise of this bank
<i>BCB2</i>	I am always interested to learn about my bank's brand and what it means for me in my role
<i>BCB3</i>	Before communicating or taking action I consider the impact on my bank's brand
<i>BCB4</i>	If given the opportunity, I pass on my knowledge about my bank's brand to new employees
<i>BCB5</i>	I show extra initiative to ensure that my behaviour remains consistent with the brand promise of this bank
<i>BCB6</i>	I take responsibility for tasks outside of my own area if necessary, e.g. following up on customer requests, etc.

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