

Comparing the Effects of CEO Sociopolitical Activism and Corporate Political Advocacy on Employer Attractiveness: The Mediating Role of Authenticity and Value Congruence

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Master's degree

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Purpose/Motivation: Organizations and their CEOs face growing pressure to publicly take stances on sociopolitical issues (e.g., the 2025 withdrawal of Rossmann and Vorwerk from the lobby association Die Familienunternehmer). While prior research on CEO Sociopolitical Activism (CSA) and Corporate Political Advocacy (CPA) has predominantly examined consumer and investor reactions, the perspective of potential employees has been largely neglected, despite human capital being widely recognized as a central driver of organizational performance. Moreover, CSA and CPA have not yet been examined simultaneously within a single research design. The central research question is: How do CSA and CPA differently affect employer attractiveness, and to what extent are these effects mediated by perceived authenticity and value congruence?

Theories/Hypotheses: Drawing on signaling theory (Spence, 1973; Connelly et al., 2011), CSA and CPA are conceptualized as costly and visible signals that reduce information asymmetries between organizations and job seekers. Both forms of political engagement are hypothesized to positively affect employer attractiveness (H1a, H1b), with this relationship partially mediated by perceived authenticity and value congruence (H2a, H2b). Additionally, the relative effect sizes of CSA and CPA are examined exploratively.

Approach/Methodology: A 2×2 between-subjects vignette experiment (online survey via Qualtrics, December 2025–January 2026) randomly assigned 139 participants to one of four conditions: control, CEO statement only (CSA), corporate statement only (CPA), or both combined (CSA+CPA). The treatment consisted of a fictitious LinkedIn post from the company "Helios Services" addressing Germany's Self-Determination Act. Measures included employer attractiveness (Highhouse et al., 2003), organizational authenticity (Eldor, 2025), CEO authenticity (Neider & Schriesheim, 2011), and value congruence (Cable & DeRue, 2002). Analysis relied on OLS regression and SEM-based mediation models with bootstrapping (5,000 replications).

Findings: Both CSA ($\beta = 0.44$, $p < .05$) and CPA ($\beta = 0.70$, $p < .001$) significantly increased employer attractiveness, with no significant difference between the two. Unexpectedly, a

significant negative interaction effect emerged ($\beta = -1.13$, $p < .001$): combining both signals eliminated their individual positive effects. The CPA effect was fully mediated by value congruence and organizational authenticity, whereas the CSA effect was fully mediated exclusively through value congruence, with no mediation through CEO authenticity. Supplementary analyses further showed that the positive effect of CPA was significantly stronger among women than among men.

Research Limitations: CEO authenticity could not be directly tested against the control group, as it was measured only in conditions with a CEO statement. The mechanism underlying the negative interaction effect remains unclear; the post hoc explanations offered (persuasion knowledge, reactance, "too-much-of-a-good-thing") were not directly measured. The study is also limited to a single topic (diversity) and a single cultural context (Germany), constraining generalizability.

Research Implications: The study extends signaling theory by examining potential employees as signal receivers and provides initial empirical evidence that identical signals from different senders (CEO and organization) can neutralize rather than reinforce each other. The differing mediation patterns for CSA and CPA further show that individual- and organizational-level political signals undergo distinct evaluative processes, contributing to the Person-Organization Fit literature.

Practical Implications: Political engagement can be an effective tool in the competition for talent, but should be deployed thoughtfully: simultaneously combining CEO and corporate statements on the same issue can fully cancel out their positive effect. Organizations should also consider the demographic composition of their target talent pool, as CPA is particularly effective at attracting women.

Contribution: This is the first study to simultaneously compare CSA and CPA within a single research design, focusing on potential employees as the target audience. It uncovers a signal interference effect that illuminates an underexplored aspect of signaling theory.

Paper type: empirical

Further readings: Connelly, B. L., Certo, S. T., Ireland, R. D., & Reutzel, C. R. (2011). Signaling theory: A review and assessment. *Journal of Management*, 37(1), 39–67.
Hambrick, D. C., & Wowak, A. J. (2021). CEO sociopolitical activism: A stakeholder alignment model. *Academy of Management Review*, 46(1), 33–59.