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Perception of CSR and Its Consequences

A Literature Review

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Abstract—**Employees' perception of corporate social responsibility (CSR) has an important impact on the attitudes and behaviors of the employees, one of the most important stakeholders in the enterprises. According to the model proposed by Gond et al. (2017), this paper systematically reviewed the relationship between employees' perception of CSR and its consequences. Results show that perception of CSR are positively related to employees' positive attitudes and behaviors, and negatively related to their negative attitudes and behaviors.**

Keywords—perception of CSR; attitude; behavior

I. INTRODUCTION

In recent years, more and more enterprises engage in corporate social responsibility (CSR) activities to serve their multi-stakeholder. However, the enterprises face many challenges when they plan to carry out CSR activities. In particular, as one of the most important stakeholders of enterprise, how employees can be affected after they witness the CSR campaigns performed by their enterprise? How this effect can be measured? These are still the important issues the enterprises are facing.

In fact, the impact of employees' perception of CSR on their attitudes and behaviors has been confirmed by many studies (Brown & Dacin, 1997; Rupp et al., 2006). However, researchers received inconsistent conclusions.

Therefore, to further explore the relationship between employees' perception of CSR on their attitudes and behaviors, this study aims to summary the consequences of perceived CSR with a detailed literature review.

II. PROPOSITIONS

A. Perception of CSR and Positive Attitudinal Consequences

Through the engagement of the CSR activities, enterprises will build their social image which will further influence the evaluations of others outside of the organization. And employees' perception of external prestige will be enhanced when the external stakeholders, such as investors, consumers, suppliers, and the public, have a positive evaluation of the corporation with good social performance. Therefore, employees' perception of CSR will lead to the perception of external prestige.

Employees' perception of organizational support depends largely on how the organization treats them (Shore & Wayne, 1993). Companies with good social performance tend to treat all stakeholders in a more positive way, especially one of the most important stakeholders-employees. Therefore, employees' perception of CSR will lead to the perception of organizational support.

Proposition 1 Employees' perception of CSR positively predicts their perception of external prestige and organizational support.

The responsible behaviors of the company provide a sense of pride for the employees, and offer employees higher expectations that can be achieved in the organization, which attracts the employees to a great extent (Aguinis & Glavas, 2013). And employees in the company with good social performance will achieve the meaning of life and fulfillment of value, which further deepens their organizational identification. In addition, employees can enhance their organizational identification through the fit of their own values and the values of the organization. And they tend to integrate the values and concepts of organization highly prestigious and distinctive with that of themselves, and subsequently form a strong sense of organizational identification (Shin, Hur, & Kang, 2016).

In the organizational environment, trust can be understood as employees' expectation on the organization, since they wish the behavior and decision of the organization can take their interests and benefits into consideration (Lee et al., 2012). Therefore, employees' trust on the organization comes from their judgment of the positive behaviors that the organization offers to them. Besides, good social performance of the company sends some positive signals to the employees, such as the ethical position and moral value of the organization, according to which the employees can determine how much the organization trust them (Rupp et al., 2006; De Roeck & Delobbe, 2012).

Proposition 2 Employees' perception of CSR positively predicts organizational identification and organizational trust.

Some scholars believe that employees' organizational commitment will be affected by the perception of CSR, since the CSR practice brings pleasure and pride to the employees

(Glavas & Kelley, 2014). In addition, companies with good social performance will create a fair environment for the employees, and also send signals to employees that the company will concern about the demand of them, which encourages them to be more loyal, and committed to the organization (Ali et al., 2010; Ali et al., 2013). Therefore, when the employees find themselves working for a responsible company, they will have a sense of pride and belonging, which will finally promote their organizational commitment (Azim, 2016).

On the basis of the concept of fairness, De Roeck et al., (2014) proposed that employees can clearly determine whether they are treated fairly in the organization (Cropanzano, et al., 1994). Specifically, employees' perception of internal CSR (i.e., corporate social responsibility toward the employees, including to respect, concern about, and provide fair treatment to the employees), will directly lead to employees' perception of organizational justice. Besides, employees' perception of external CSR (i.e., corporate social responsibility toward the external stakeholders) will also affect the perception of organizational justice. The employees will judge how the organization treat them by focusing on whether the external stakeholders are treated fairly in the organization, since they believe the organization will treat them with the way these external stakeholders being treated (De Roeck & Maon, 2016).

Proposition 3 Employees' perception of CSR positively predicts organizational commitment and organizational justice.

Once perceiving the good social performance of the company, employees will feel a sense of meaningfulness in the work since they believe they are not only working to make a living, but also to serve the society, and to a certain extent make the world a better place (Azim, 2016). According to the research on work meaning and work engagement, employees who can find meaning in their work will be more committed to their work (Kahn, 1990; May et al, 2004). Therefore, employees' perception of CSR is positively associated with employees' work engagement.

Weiss et al. (1967) have argued that the moral values of an organization are the most important determinant of employee satisfaction. The CSR activities of the company send a message to employees that they are working for a company with greater social impact. At the same time, the social performance of the company not only satisfies the employees' needs of sense of meaning, but also brings a sense of belonging to employees (Bauman & Skitka, 2012), which will further improve employees' job satisfaction.

Proposition 4 Employees' perception of CSR positively predicts work engagement and job satisfaction.

B. Perception of CSR and Positive Behavioral Consequences

If the company improves its own reputation by obtaining the collective interests at the expense of corporate profits, the employees will be proud of being a member of the organization, and deepen their identification of the organization (Turker, 2009). Once strongly identifying with their organization, employees will pay close attention to the well-being of the organization, and they will be more willing to pay extra efforts to perform their duties and improve their performance (Dutton et al., 1994; Carmeli et al., 2007).

Proposition 5 Employees' perception of CSR positively predicts job performance.

Different from the in-role job performance, the organizational citizenship behavior is not directly rewarded, but it is actually another form of work performance (Hansen et al., 2011). Employees would identify the organization with good social performance since they might find many similarities in value in the organization, and in the other members in the organization. Therefore, they are more willing to be spontaneously engaged in the activities benefiting others, such as increasing more organizational citizenship behavior, not just to satisfy their in-role work target (Bartels et al., 2010). So once CSR practice of the organization are perceived, the employees will trust the organization more and are more motivated to reward their organization through the organizational citizenship behavior (Hansen et al., 2011).

Proposition 6 Employees' perception of CSR positively predicts organizational citizenship behavior.

In the research field of ethics, there is a view that the well-organized ethical environment of the enterprise will promote the positive attitude and behavior of employees in the organization (Baker, et al., 2006). In particular, corporate ethical environment will affect employees' creativity. CSR practice of the company focuses on the interests of all stakeholders, and helps to provide a good ethical environment for the organization, which promotes the creativity of the employees. Therefore, the company with good social performance will provide employees with more innovative and creative work environment, further encouraging employees to involve in more innovative activities and develop more new products and services (Brammer et al., 2015; Glavas & Piderit 2009).

Proposition 7 Employees' perception of CSR positively predicts innovation behavior.

C. Perception of CSR and Negative Attitudinal Consequences

Like other stakeholders, if employees believe that the organization is responsible and caring, they would be more satisfied with the quality of employment, and would not be attracted by other organizations (Hansen et al., 2011). Therefore, employees are more likely to stay in the organization longer when they have perceived the CSR practice of the organization (Kenexa Research Institute, 2010). In addition, employees in companies with good social performance will trust their organizations more, and further decrease their tendency of turnover (Lee et al., 2012).

In general, employees with higher organizational cynicism tend to believe that their organization is not sincere, and they are inclined to be skeptical of the activities of the organization (Dean et al., 1998). However, when CSR

activity was identified, the employees will receive the positive signals from the organization, and be attracted by the organization (Sheel & Vohra, 2016), which further reduces employees' organizational cynicism. At the same time, the CSR practice of the company does not just benefit a particular group, but aims to satisfy the needs of all kinds of stakeholders, which helps to shape a comparably unprejudiced image for the organization, and in turn reduces the possible organizational cynicism of the employees (Evans, el al., 2011).

Proposition 8 Employees' perception of CSR negatively predicts employee turnover and organizational cynicism.

D. Perception of CSR and Negative Behavioral Consequences

Organizational deviation increases when employees have negative evaluations of their work environment and feel that they are not supported by the organization (Colbert, et al., 2004). However, good social performance can help companies establish a good external image, which will influence employees' identification with the organization and enhance their positive evaluations of the organization. The pride in being a part of a prestigious organization would encourage employees to better follow the rules. In addition, the ICSR practice satisfies the needs of employees in the organization, including providing a better working environment for employees, which to a certain extent promotes employees' feeling of being supported, and reduces the possibility of the deviant behavior in workplace.

Proposition 9 Employees' perception of CSR negatively predicts organizational deviation.

III. CONCLUSION

The results show that employees' perception of CSR will positively predict their positive attitudes and behaviors, and negatively predict their negative attitudes and behaviors.

This paper makes great theoretical contribution by reviewing the research on CSR in the individual level, summarizing the relationship between perceived CSR and its consequences, and supplementing exiting theoretical review articles, such as Aguinis and Glavas (2012), Rupp and Mallory (2015), Glavas (2016), and Gond et al. (2017).

This paper also has important practical implications. The enterprises are suggested to coordinate the activities of CSR with that of human resource management in consideration of the important role of perceived CSR on employees' attitudes and behaviors.

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