

The Effect of CSR Participation of Employee on Employee Attitudes and Behaviors: The Moderating Role of Conscientiousness

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Abstract—Although much research has been conducted to explore how Corporate Social Responsibility (CSR) influences organizational outcomes, research attention to its effects on employee attitudes and behaviors are still limited. To fulfill this research gap, this study examines the relationship between CSR participation of employee and employee attitudes and behaviors. Furthermore, this paper investigates the moderating role of Conscientiousness in the relationship between CSR participation of employee and employee attitudes and behaviors. Drawing on data collected from 230 employees in 11 Korean firms, results demonstrate that Conscientiousness fully moderates the relationship between CSR participation of employee and two sub-dimensions of OCB (Organizational Citizenship Behavior to Individual, Organizational Citizenship Behavior to Organization). This study discusses theoretical and practical implications of these findings and offers research ideas for future studies.

Keywords—Business Ethic; Conscientiousness; Corporate Social Responsibility (CSR); Employee Attitudes; Organizational Citizenship Behavior (OCB).

Abbreviations—Common Method Variance (CMV); Corporate Social Responsibility (CSR); International Organization for Standardization (ISO); Organizational Citizenship Behavior (OCB); Socially Responsible Investment (SRI).

I. INTRODUCTION

THERE has been increasing interest in Corporate Social Responsibility (CSR) on the basis of the need for social needs. Under the great influence of a firm, business activities carried out a variety of environmental issues and social problems. As a result, a community has asked a firm to act responsibly against possible social problems resulting from business activities. A firm also carried out CSR activities based on a clear recognition of the need for CSR [Abigail & Donald, 2].

In addition, there are two factors being blamed for promote a firm's CSR activities. First, International Organization for Standardization (ISO) introduced the international standard ISO 26000 published November 1, 2011 on CSR. Second, the use of Socially Responsible Investment (SRI) fund is extending steadily. SRI calculates the evaluation index of the CSR activities level in a firm and takes advantage of index by investing in high CSR activities level. Therefore, socially responsible investors encourage a firm practices that promote environmental stewardship, consumer protection, human rights, and diversity.

CSR is generally recognized not related to the profits of the business activities. But actually a firm's revenue growth can be expected because the CSR activities improved reliability and customer satisfaction. Due to this expectation, many researchers have studied about CSR's usefulness in the organizational level. But there are little studies about CSR in the individual level owing to gap of levels of analysis between the organization level and the individual level. Also there is no study about relationship between Organizational Citizenship Behavior and the individual level of CSR. Thus it is very difficult to understand how CSR activities performed by a firm affect to members of the organization. So, this study discusses theoretical and practical implications of these findings and offers research ideas for future studies.

II. LITERATURE REVIEW AND HYPOTHESES

2.1. Corporate Social Responsibility (CSR) and Participation of Employee

A firm has been building ties with a community. In this relationship, a firm seeks not only own profits but also social

benefits, and this emerged as Corporate Social Responsibility (CSR). In Carroll's seminal paper [4], he classified CSR as four sub-dimensions: economic responsibility, legal responsibility, ethical responsibility, and discretionary responsibility. These four basic dimensions reflect a view of social responsibility that is related to some of the definitions offered earlier but that categorizes the social responsibilities of businesses in a more exhaustive manner. Out of these, discretionary responsibility was changed into philanthropic responsibility in Carroll [5].

Table 1: Dimensions of CSR [Carroll, 5]

CSR	Definition
Economic responsibility	Be profitable. The foundation upon which all others rest.
Legal responsibility	Obey the law. Law is society's codification of right and wrong. Play by the rules of the game.
Ethical responsibility	Be ethical. Obligation to do what is right, just, and fair. Avoid harm.
Philanthropic responsibility	Be a good corporate citizen. Contribute resources to the community; improve quality of life.

Peterson (2004) argued that the relationship between corporate citizenship and organizational commitment was stronger among employees who believe highly in the importance of the CSR. The results also indicated that the ethical measure of corporate citizenship was a stronger predictor of organization commitment. In addition, Raman & Zboja [12] founded that where a firm donated money for a charity, organizational commitment was higher for their employees. There are more research results that support the relationship between CSR participation and employee attitudes [Gilder et al., 7; Lewin, 8].

Despite CSR participation of employee is increasing recently, an empirical study about CSR participation of employee remains limited. Therefore, on the basis of the above discussion, it requires empirical study on CSR participation of employee.

2.2. Organizational Citizenship Behavior (OCB)

Organizational Citizenship Behavior (OCB) is not in-role behavior, but extra-role behavior. Organ [9] defined OCB as individual behaviors that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization [Dyne et al., 6; Organ, 10]. 'Discretionary' mean that the behavior is not an enforceable requirement of the role or the job description, but a matter of personal choice. Kim & Moon [1] also defined OCB as discretionary, spontaneous individual behaviors contributed to the effectiveness of the organization. Desirable actions behaved though they couldn't rewarded according to formal rewards system [Bolino et al., 3; Podsakoff et al., 11].

Organ [9] classified OCB as five sub-dimensions: altruism, conscientiousness, sportsmanship, courtesy, civic virtue. Dimensions of OCB are described concretely in table 2.

Table 2: Dimensions of OCB [Organ, 9]

OCB	Definition
Altruism	Voluntary actions that help another person with a work problem-instructing a new hire on how to use equipment, helping a coworker catch up with a backlog of work, fetching materials that a colleague needs and cannot procure on his own
Conscientiousness	A pattern of going well beyond minimally required levels of attendance, punctuality, housekeeping, conserving resources, and related matters of internal maintenance
Sportsmanship	A citizen-like posture of tolerating the inevitable inconveniences and impositions of work without whining and grievances
Courtesy	Subsumes all of those foresightful gestures that help someone else prevent a problem-touching base with people before committing to actions that will affect them, providing advance notice to someone who needs to know to schedule work
Civic virtue	Responsible, constructive involvement in the political process of the organization, including not just expressing opinions but reading one's mail, attending meetings, and keeping abreast of larger issues involving the organization

Williams & Anderson [13] also divided OCB into two dimensions of OCBI and OCBO. They used a criterion that depends on the target of OCB. OCBI is the behavior which has the target to individual, and OCBO is for organization. Since, Williams & Anderson's two dimensions are more simple and useful to our research, so we use theirs.

2.3. Hypotheses

The main purpose of this study is to examine the relationship between CSR participation of employee and OCB. Thus, the moderating role of conscientiousness and attitude or behavior change of employee by CSR participation was verified empirically. A model of this study and hypotheses are suggested as follows in Figure 1.

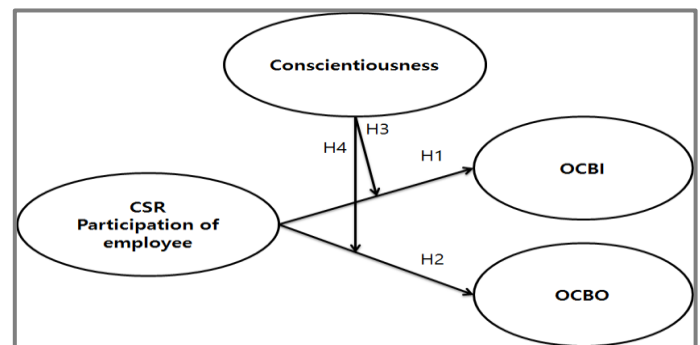


Figure 1: Theoretical Model

Hypothesis 1. CSR participation of employee is positively related to OCBI.

Hypothesis 2. CSR participation of employee is positively related to OCBO.

Hypothesis 3. Conscientiousness has moderating effect on the relationship between CSR participation and OCBI.

Hypothesis 4. Conscientiousness has moderating effect on the relationship between CSR participation and OCBO.

III. METHOD

Data for this study were collected from firms to perform CSR activities in Korea: Samsung, Hyundai, Hanjin, Daegu bank, AIG, Amorepacific. All of surveys were composed of a self-report form. Surveys were distributed to 300 employees, of these, 242 surveys were returned. Of the employees who responded, 53.8% were men and 46.2 were women. Except for missing data and dual central tendency, 230 surveys were used in analysis. All of data were distributed and collected in 2013-2014. And single-factor test was conducted to solve Common Method Variance (CMV) problem.

IV. RESULT

Cronbach Alpha values of the used variables are ranged from 0.615 to 0.893. Considering that the social science theory should meet 0.6 Alpha value at least, all variables are appropriate. Then, we eliminate the statements involved in CSR and OCBO variables through the factor analysis because of the low regression weight under 0.4. Two statements are eliminated in each variable.

Table 3 reports the means, standard deviations, and correlations for the variables in our study. It is showed that OCBI has high correlation with OCBO and Conscientiousness but low with CSR participation. All correlations are positive and significant. OCBO has low correlations with CSR participation and Conscientiousness

but they are positive, and there is low correlation between CSR participation and Conscientiousness.

Table 3: Variable Means, Standard Deviations, and Correlations

	M	SD	1	2	3	4
1. OCBI	3.63	.627	1.00			
2. OCBO	3.64	.447	.507**	1.00		
3. CSR	2.57	.856	.296**	.241**	1.00	
4. Conscientiousness	3.65	.692	.425**	.394**	.241**	1.00

**: $p < .01$, *: $p < .05$, $N=236$

We also examine the values of control variables that Gender has no significant correlations, but age and position are positively related to OCB and Conscientiousness. Tenure is positively related to all latent variables. So, this research model needs to be under the control.

To test our hypotheses, we conduct the hierarchical regression analysis. First step, the effects of the control variables to dependent variables, OCBI and OCBO, are analyzed. Second step, we analyze the effects of the control variables and independent variables to OCBI and OCBO. Finally, Conscientiousness which is moderating variables is added to prior step and we examine the effects

It is likely that there is multicollinearity when the interactive terms are inserted into the regression model. It could make us get confused, all variables except the control variables are modified by the mean centering in advance. Then, all VIF values are under 10 and there is no problem about multicollinearity.

The result of regression analysis to test hypotheses is showed on Table 4.

Table 4: Summary of Regression Analysis Result

Variable	OCBI			OCBO		
	Step 1	Step 2	Step 3	Step 1	Step 2	Step 3
CSR		.175**	-.054		.129**	.197*
Conscientiousness			.040			.397***
CSR* Conscientiousness			.361**			-.166
F	1.230	2.261**	5.227***	1.444	1.867*	4.291***
R ²	.026	.056	.156	.030	.047	.131
ΔR^2	.005	.031	.126	.009	.022	.101

***: $p < .001$, **: $p < .01$, *: $p < .05$, $N=236$, Standardized regression coefficient

The control variables are not significantly related to both dependent variables, OCBI and OCBO. This result is considered effect of the mean centering process that is performed to eliminate the multicollinearity. Step 2 shows that CSR participation are positively related to OCBI($\beta = 0.175$, $t=2.692$, $p=0.008$) and OCBO($\beta = 0.129$, $t=1.973$, $p=0.050$). Thus Hypothesis 1, 2 are supported. Step 3 indicates the moderating effect of Conscientiousness. Interactive term of CSR participation and Conscientiousness significantly has positive relationship with OCBI($\beta = 0.361$, $t=2.438$, $p=0.016$). So, hypothesis 3 that Conscientiousness has the moderating effect is supported. In contrast, interactive term is not significantly related to OCBO($\beta = -0.166$, $t= -1.104$,

$p=0.271$), but Conscientiousness is solely related to OCBO. Thus, hypothesis 4 is not supported.

The result indicates that CSR participation has significant effect to both OCBI and OCBO. That is, the more employee experiences CSR participation, the more OCB is performed by them. So, it is beneficial to inform employees about chance to participate CSR activities and it is likely to contribute to organizational performance through OCB. Since, OCB is Non-task behavior that has positive effects involving enhancement of organizational productivity, stability, and ability of adaptation to environmental change. In the other hand, Conscientiousness moderate the relationship between CSR participation and OCBI, but it has

no effect to another relationship in research model. This is because that Conscientiousness construct is closed to individual level.

Finally, Table 5 summarizes research results.

Table 5: Summary of Research Results

Hypothesis 1	Hypothesis 1. CSR participation of employee is positively related to OCBI	Supported
Hypothesis 2	Hypothesis 2. CSR participation of employee is positively related to OCBO	Supported
Hypothesis 3	Hypothesis 3. Conscientiousness has moderating effect on the relationship between CSR participation and OCBI	Supported
Hypothesis 4	Hypothesis 4. Conscientiousness has moderating effect on the relationship between CSR participation and OCBO	Not Supported

V. CONCLUSION

While CSR activities are macroscopic, attitudes and behaviors of employee are microscopic. So, despite of an increase in CSR participation of employee recently, an empirical study about CSR participation of employee remains limited. However, if we substitute corporate citizen for CSR, we know that CSR have many similarities with OCB. For examples, both CSR and OCB are discretionary, spontaneous individual behaviors contributed to the effectiveness of the organization, and there are no formal rewards. So, we expected that CSR was positively related to the OCB.

This study discussed theoretical and practical implications of the relationship between CSR and the OCB. And we offer some research ideas for future studies. Although many studies consider CSR as macroscopic concept, microscopic results of CSR activities are very interesting field of studies, too. In this way, if the study of CSR is extended to individual level, the field of CSR is more rich and significant.

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