

# EXPLORING CORPORATE SOCIAL RESPONSIBILITY AND ORGANISATIONAL COMMITMENT WITHIN A RETAIL ORGANISATION

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## Abstract

Organisations have difficulty retaining employees who have the necessary talent, skills and knowledge to give the company a competitive edge in a global market, thus emphasising the need for organisational commitment. The objective of the study was to explore the relationship between corporate social responsibility and organisational commitment within a South African retail organisation. Corporate social responsibility has a positive influence on consumer behaviour and can contribute to corporate success because CSR activities enhance an organisation's image. Research has indicated that corporate social responsibility is related to an employee's commitment. The Corporate Social Responsibility Scale and the Organisational Commitment Scale were administered to a non-probability sample of 171 employees from a population of 268 employees in the human resources department of a retail company. Person's correlation analysis was used to determine the relationship between corporate social responsibility and organisational commitment. This study provided insight into the corporate social responsibility of the organisation. Managers and practitioners in the human resources may use these findings for the development of corporate social responsibility policies and practices in order to build employee commitment.

**Keywords:** Corporate Social Responsibility (CSR), Social and Non-Social Stakeholders, Organisational Commitment

## 1. INTRODUCTION

Globalisation increases the speed of change as more suppliers of goods and services produce an intensely competitive economy, placing a high premium on innovation (Kanter, 2011). South African organisations are therefore required to compete within the national market and international markets to ensure success and survival in the economy (Wood & Glaister, 2008). Ali, Rehman, Ali, Yousaf and Zia (2010, p. 2796) state "the concept of increasing corporate wealth is now vanishing against the broader concept of organisational success". "Today the most important matter for corporations is sustainable growth, especially in the era of global recession" (Ali et al., 2010). Organisations constantly need to be aware of their long term survival, and it is suggested that survival will also depend on the organisation's capacity to confront environmental and community issues through their socially responsible behaviour (Collier & Rafael, 2007).

In recent years, the term corporate social responsibility (CSR) has emerged as an inclusive and global concept to embrace corporate social performance, responsiveness, and the entire spectrum of socially beneficial activities of businesses. Hence corporate social responsibility is becoming an increasingly important part of doing business around the world. Giuli and Kostovetsky

(2014) indicate that globally companies are allocating significant portions of their expense budgets to CSR amounting to \$28 billion on sustainability and 15 billion on corporate philanthropy.

In terms of the background of corporate social responsibility in South Africa, the 2002 World Summit on Sustainable Development held in Johannesburg challenged the business community to take cognisance of a plethora of environmental and social issues it overlooked. Freemantle and Rockey (2004) highlighted that the King II's corporate governance recommendations that business needs to implement social responsibility initiatives, encouraged business executives to put more effort in this area. Most South African companies have taken the lead in social responsibility programmes and in 2014 the total money spent on SCR initiatives amounted to R8,2 billion.

With the amount of money and attention that organisations locally and internationally are giving to CSR, it is important to understand the rationale for CSR. Jensen (2002) argues that spending on CSR may be financially profitable to organisation to its branding/reputation effects, customers, employees and investors. Numerous studies have investigated the link between CSR and financial performance through theoretical and empirical lenses (Collier & Rafael, 2007; Cheng, Ioannou & Serafeim, 2013).

Most research findings seem to confirm that CSR initiatives do have a positive impact on the financial performance of an organisation.

Despite this large amount of attention, a fundamental question remains unanswered: does CSR have an effect on employees' performance, attitudes and retention within the organisation? There is a gap in terms of the extant research available to give a definitive answer to this question in a South African context. In this paper the focus is therefore on the benefits of CSR initiatives in improving employees' attitudes towards their organisations, especially their commitment to the organisation. It is against this background that the quest of this article is to contribute to this emerging literature that investigates the relation between corporate social responsibility and organisational commitment in a South African retail organisation. Unlike prior studies that mainly focused only the financial performance of organisations with CSR initiatives.

## 2. LITERATURE REVIEW

### 2.1. Corporate Social Responsibility (CSR)

Recent research on corporate social responsibility (CSR) has persuaded organisations to assign substantial resources to the welfare of the community (Ali et al., 2010). Collier and Rafael (2007) argue that society and stakeholders of the organisation consider CSR to be important in alleviating social and environmental problems. CSR is beneficial for society since its fundamental actions are focused on creating positive social change such as ensuring the equality of employees within an organisation, reducing the organisation's negative impact on the environment, and supporting people or communities in need (Aguilera, Rupp, Williams & Ganapathi, 2007). CSR also shows that an economic advantage can be considered an important motivator (Turker, 2009a). Organisations which engage in CSR increase their competitive advantage, as their investments in CSR benefit them by attracting the best talent which, in turn, leads to the organisation's greater success (Orlitzky, Siegal & Waldman, 2011).

According to Aguilera et al. (2007), organisations should guarantee that the wealth they produce will be used to help the less fortunate in society. Collier and Rafael (2007) further explain that the employee's perceptions of CSR largely depend on the CSR being visibly socially responsible and ethical so as to achieve positive social outcomes. Following this reasoning, it seems plausible to suggest that if an employee is committed to an organisation, the employee will exert all efforts to match the organisation's values such as CSR. Then CSR investments will in turn be rewarded by organisational success, which, turning full circle, will provide rewards to the employee. CSR also has the influence to strengthen its relationships with different stakeholders, including investors, government, customers, suppliers, and employees (Turker, 2009b). While committed employees are critical for success, as they are the building blocks of any organisation, it is the perceptions of CSR held by stakeholders within the organisation that's could arguably be considered most relevant, since

stakeholders will ultimately be affected by an organisation's CSR practices (Dawkins & Ngunjiri, 2008; Turker, 2009a). The stakeholder theory is utilised as a means through which organisations may identify the different groups that they are responsible to (Moir, 2001). Therefore the perceptions that employees have of the organisation's CSR are likely to affect the attitudes of those employees toward matters such as retention and organisational commitment. According to Turker (2009b), stakeholders of CSR can be grouped into four categories, namely social and non-social stakeholders, employees, customers, and government.

### 2.2. Organisational Commitment (OC)

Meyer and Allen's (1991, p. 67) attitudinal definition views organisational commitment as "a psychological state that (a) characterises the employee's relationship with the organisation, and (b) has implications for the decision to continue membership in the organisation". Porter, Steers, Mowday and Boulian (1974), as well as Rashid, Sambasivan and Johari (2003), support this view that organisational commitment is not just about a positive attitude which will result in greater effort being exerted by the employee on behalf of the organisation, but will also result in the employee wanting to remain at and be involved in that organisation.

Meyer and Herscovitch (2001) define commitment as a energy that connects an employee to an action plan that is important to achieving a particular goal. Commitment encourages related behaviours that will result in positive goal outcomes, the benefits of these outcomes will then come full circle to reinforce employee commitment to the organisation. Over the last decade, research on commitment has established two findings (a) that commitment can adopt various forms and (b) that commitment can be focussed towards various aims such as task, team, customer, etc. (Meyer et al., 2004).

Luthans (2008) concurs, stating that employees are committed to an organisation if they have a strong aspiration to stay on as a member of that specific organisation, a motivation to exert high levels of effort the organisation's behalf, a definite belief in, and acceptance of, the goals and values deemed important within the organisation. The common factors in the definition of organisational commitment are that it is an attitude which employees hold which affects their behaviour in the organisation. It can result in the acceptance of the organisation's goals, missions and values, which in turn make the employees want to exert effort in order to achieve those goals. Meyer and Allen's (1991) definition of organisational commitment was used as the basis for this study and identifies feelings of identification, attachment and loyalty to the organisation.

The model of organisational commitment is based on a definition which consists of affective, normative and continuance commitment (Meyer 1997). These three dimensions describe different ways in which organisational commitment develops, as well as the implications for employee behaviour. The model has received considerable empirical

support (Meyer, Stanley, Herscovitch & Topolnytsky, 2002). Affective commitment represents an employee's emotional attachment to, identification with and participation in the organisation (Meyer & Allen, 1997). Continuance commitment refers to the employee's awareness of the costs that are associated with leaving the organisation (Meyer & Allen, 1997). Normative commitment reflects the feeling of obligation to stay with an organisation (Meyer & Allen, 1997).

### 2.3. Theoretical Link Between Corporate Social Responsibility and Organisational Commitment

There appears to be a relationship between corporate social responsibility and organisational commitment in particular circumstances, and this study was conducted to establish if there is a relationship between corporate social responsibility and organisational commitment in a South African retail organisation. Sufficient research is available on the effects of corporate social responsibility on employee organisational commitment in South Africa (Ali et al., 2010).

The following discussion of the link between corporate social responsibility and commitment is based on international rather than local research. Research suggests that corporate social responsibility enhances employee commitment levels within the organisation, because CSR interventions include activities focusing on the welfare of employees and their families. Other studies, including those by Moskowitz (1972), Greening and Turban (2000), Peterson (2004), and Dawkins (2004), have established that corporate social involvement has a two-fold benefit firstly attracting motivated prospective employees and secondly improving the commitment level of existing employees. Brammer et al. (2007) argue that CSR increases employee organisational commitment. Showing that organisations can enhance their employees' organisational commitments by promoting social activities such as, working towards an improved environment, recognising the needs of the community and satisfying them, becoming concerned about employee welfare, providing and producing high quality service/products for customers, and complying with government policies and regulations whilst adhering to the legal framework (Brammer et al., 2007). According to the social identity theory, expectations may be placed on CSR to contribute confidently towards the recruitment, retention and motivation of employees, as employees identify strongly with positive organisational values (Peterson, 2004).

Organisational commitment can therefore be developed by perceptions from employees, and not exclusively by organisational objectives such as the corporate social performance. Knox and Maklan (2006) indicate that CSR initiatives decrease employee turnover and thus promote organisational commitment. The benefits of CSR and its impact on organisational commitment were marked in a study by Peterson (2004), which highlighted the fact that CSR and commitment are related. The relationship is considered to be more significant for employees who deem CSR to be important. It may be argued that turnover is the opposite of organisational commitment; therefore, high levels of commitment

are associated with low turnover intention and, consequently, high intention to stay (Peterson, 2004).

The future holds many challenges for the overall retail industry as resource shortages, climate change, demographic change, new technologies, and systemic shifts in the global economy affect business, customers and the world in ways businesses find hard to anticipate, let alone prepare for (Anderson, 2010). Anderson (2010) states that all areas of energetic industries in the various regions will be affected, from suppliers of raw materials to manufacturers and even designers, and right through to big brands and niche retail outlets. These insightful changes will eventually question the well-known business models used by organisations (Anderson, 2010). While the retail industry supplies great benefits to consumers, going further than just fashion to express identity, create comfort, embrace creativity and connecting global shopping, reasonably every industry also has a negative impact; within retail particularly such as exploiting factory workers, generating cast-off fashion or even wasting resources and promoting unsustainable consumption (Anderson, 2010). Anderson (2010, p. 4) therefore challenges organisations "to look beyond immediate benefits and use their collective power to work to create the kind of positive world we'd all like to be living in by 2025".

The research objective of this study was to explore the relationship between corporate social responsibility and organisational commitment within a retail organisation. With the above considerations as a basis, this research study aims to add value not only to the South African retail organisation but to the international literature in this area as follows:

- Providing an exploratory view of the organisation's HR employees' commitments as well as their perceptions of the retail organisation corporate social responsibility initiatives.
- Using this information, to improve the retail organisation's development and implementation plans for motivating employees by driving its CSR programmes and thereby influencing organisational commitment for staff retention purposes.

## 3. RESEARCH DESIGN AND METHOD

### 3.1. Research Approach

A quantitative, cross-sectional survey design was used. A cross-sectional survey design gathers data at one point in time from one sample in order to represent the larger population (Hall, 2008).

### 3.2. Population and Sample

A sample of 286 HR professional employees, who are permanent staff members, was selected to participate in the online survey. The online survey link was personally administered via email at a retail organisation's head office in South Africa. A non-probability sample of 171 employees responded to the survey, yielding a response rate of 59.8%. The total population of this study consisted of 286 respondents in the HR department. The researcher belonged to this department in the retail organisation, therefore was able to obtain

permission to conduct the research with this specific group. Table 1 reflects the respondents' biographical details.

Descriptive data such as skewness was examined to determine whether the distribution is symmetrical or asymmetrical, while kurtosis was considered to examine the nature of the data (Huck, 2009). The data set was found to be valid within the given parameters of skewness and kurtosis of +1.00 and -1.00 (Huck, 2009). The sample consisted of

33.3% (n = 57) men and 66.7% (n = 114) women. Of the respondents, 35.7% (n = 61) consisted of black African respondents with coloured people representing 24.6% (n = 42); Indians 27.5% (n = 47), and 12.3% (n = 21) white respondents. Table 1 also indicates that most of the respondents, 77.8% (n = 133), were above 31 years of age; 17% (n = 30) were between the ages of 26 and 30 years; and 4.7% (n = 8) were between the ages of 18 and 25 years.

**Table 1.** Respondents' biographical details (n = 171)

| Variable                      | N   | %    |
|-------------------------------|-----|------|
| <b>Gender</b>                 |     |      |
| Male                          | 57  | 33.3 |
| Female                        | 114 | 66.7 |
| <b>Ethnicity</b>              |     |      |
| Black African                 | 61  | 35.7 |
| Coloured                      | 42  | 24.6 |
| Indian                        | 47  | 27.5 |
| White European                | 21  | 12.3 |
| <b>Age</b>                    |     |      |
| 18-25 years                   | 8   | 4.7  |
| 26-30 years                   | 30  | 17.5 |
| 31 years plus                 | 133 | 77.8 |
| <b>Tenure at Organisation</b> |     |      |
| Between 2-5 years             | 61  | 35.7 |
| Less than 2 years             | 20  | 11.7 |
| More than 5 years             | 90  | 52.6 |

Finally, Table 1 shows that 52.6% (n = 90) of the respondents had worked for the organisation from one to five years; 35.7% (n = 61) had two to five years working experience; and 11% (n = 20) had been with the organisation less than two years.

**3.3. Research Questionnaires**

The instrument to measure employees' perceptions of the CSR actions of the organisation was developed by Turker (2009b) and is called the Corporate Social Responsibility Scale (CSRS). The scale contains 17 items and includes almost every characteristic of CSR, including responsibility to social and non-social stakeholders, employees, customers, and government. The instrument is a five-point Likert scale (1 Strongly Disagree and 5 for Strongly Agree). Turker (2009b) developed the scale from multiple viewpoints including legal, environment, employee and ethics which has been adapted and applied in the data analysis. Turker (2009b) used an exploratory survey to create items for the CSR scale; these items were then refined through group discussion, and a second pilot survey was then utilised to observe the validity of the scale. Thus an adaptation of Turker's (2009b) scale is used as it presents a multidimensional representation of CSR, namely the organisation's stakeholders, and specifically its social and non-social stakeholders, employees, customers, and government.

Meyer and Allen's (1997) Organisational Commitment Scale (OCS) measures the three components of organisational commitment, namely affective, continuance and normative. OCS has 24 structured items or statements, with eight dimensions measuring each type of commitment. A seven-point Likert-type scale is used to measure the commitment dimensions. Meyer and Allen (1997)

found the internal consistencies vary between 0.85 for affective, 0.79 for continuance and 0.73 for normative. The overall reliability exceeds 0.70 (Meyer & Allen, 1997). The construct validity of the OCS is based on the fact that the dimensions correlate as predicted with proposed antecedent variables, such as personality, experience and demographic factors, and situational variables such as task interdependence, job involvement and work group attachment (Meyer & Allen, 1997).

The organisation's Executive Manager of Learning & Organisational Effectiveness was consulted in order to obtain permission to conduct the study with the HR group. Further permission was obtained in writing from the HR executive to do the study with the HR group at the South African head office. Both questionnaires were administered in the form of an online survey. A survey link was then sent to each member of the HR group along with information about the purpose of the study, and also covered ethical considerations including confidentiality and anonymity of responses. Both the CSR and OCS are self-administered questionnaires and could therefore be completed online without supervision. An informed consent page was built into the online survey and respondents had to click "yes" to consent in order to start the survey.

**3.4. Statistical Analysis**

The reliability of the questionnaires used was assessed using Cronbach's alpha coefficient. The Cronbach's alpha coefficient measures internal consistency, which indicates the degree to which the measuring instrument items are consistent in the construct it is attempting to measure. Bryman and Bell (2007) propose that once Cronbach's alpha has been computed, it will produce a value that varies

between 1 (representing perfect internal reliability) and 0 (representing no internal consistency). The values 0.80 and 0.70 are typically used as a cut-off point for a good level of internal reliability. In this study, a score of 0.70 was used as a cut-off score. Descriptive statistics in the form of frequencies, means and standard deviations were used to analyse the data. The mean was identified for each dimension of the corporate social responsibility and organisational commitment questionnaires. According to Blanche, Durrheim and Painter (2007), the mean is the arithmetic average of all the numbers. A correlation analysis was done to determine any possible relationships between corporate social responsibility and organisational commitment.

This research study protects all the respondents involved as it does not indirectly or directly harm the respondents or researcher. The participation was voluntary and informed consent by all the respondents was established before the research began. Respondents were not asked to approve data or otherwise do anything beyond completion of the questionnaire. All the information collected remains anonymous, which protects the respondents' confidentiality, as assured during informed consent. There was no compulsion for a respondent to complete the survey, or if after reading the information page they did not wish to participate, this was accepted. Confidentiality was retained throughout the study: the organisation's trading name and the respondents identities were not used in the research project, and nor were any names or details of the respondents released. Informed consent was obtained from the respondents and all data and results were handled confidentially. The online survey was sent directly to

the respondents' work email addresses, and completion of each link was tracked anonymously. Only the sample group could therefore access and complete the questionnaire online, ensuring that the questionnaire was not re-distributed and was completed by the respondent.

Anonymity of the respondents was maintained as they were not asked to fill in any of their personal details on the questionnaire. The research study was solely conducted for the purpose of a master's degree research project. The results obtained were communicated to only the organisation from which the data was collected, and any recommendations made will be for the benefit of the organisation.

#### 4. RESULTS

##### 4.1. Reliability of Measuring Instruments

The reliability of the Corporate Social Responsibility Scale and the Organisational Commitment Scale was determined using Cronbach's alpha coefficient. The results of these measuring instruments are presented in Table 2 and Table 3 respectively.

From Table 2 it can be seen that the alpha coefficients of three subscales or factors range from 0.77 to 0.84, indicating internal consistencies within the recommended range. The overall reliability of the CSRS is 0, 78. CSR Social and Non-Social Stakeholders and CSR Government both had an equally high internal consistency. This indicates that the respondents answered most consistently in their responses for these two scales, giving evidence of their awareness, in the way they answered the questions, of their own confident perceptions of the organisation's CSR.

**Table 2.** Reliability of the Corporate Social Responsibility Scale (CSRS)

| Subscale                               | Cronbach's alpha coefficient | N  |
|--|------------------------------|----|
| CSR Social and Non-Social Stakeholders | 0.84                         | 6  |
| CSR Employees                          | 0.77                         | 6  |
| CSR Customers                          | 0.69                         | 3  |
| CSR Government                         | 0.84                         | 2  |
| OVERALL RELIABILITY                    | 0.78                         | 17 |

However the subscale CSR Customers appears to have a low reliability (0.69). This low value suggests that the items in this scale did not correlate strongly with other items; they therefore have low internal consistency. Considering that internal consistency measures the degree to which the measuring instrument items are consistent in the construct being measured, it can be determined that the respondents did not consistently answer

questions relating to the organisation's CSR customers. Possibly some of the respondents were not aware of the CSR customer actions and were unsure when providing their responses, or they did not understand how to answer the questions. Consequently, the CSR Customer subscale was excluded from further analysis due to its low reliability score.

**Table 3.** Reliability of the Organisational Commitment Scales (OCS)

| Subscale               | Cronbach's alpha coefficient | N  |
|------------------------|------------------------------|----|
| Affective Commitment   | 0.91                         | 8  |
| Continuance Commitment | 0.66                         | 8  |
| Normative Commitment   | 0.80                         | 8  |
| OVERALL RELIABILITY    | 0.79                         | 17 |

In terms of Table 3 above, it can be seen that the alpha coefficients of the two dimensions or subscales ranges from 0.80 to 0.91, indicating internal consistencies within the recommended

range. The overall reliability of the OCS is 0.79. Affective commitment produced the highest internal consistency; this indicates that the respondents answered most consistently at this level of

commitment. However, the subscale's Continuance Commitment appears to have a low reliability (0.66). This low value suggests that the items in these scales did not correlate strongly with other items and therefore has low internal consistency. This could possibly indicate that the respondents did not understand the question or how to respond to the continuance questions. Consequently, the continuance commitment scale was excluded from further analysis due to its low reliability score.

**4.2. Descriptive Results of Corporate Social Responsibility and Organisational Commitment**

This section discusses the descriptive statistics of the corporate social responsibility and organisational commitment measures. The statistics are presented in Table 4.

**Table 4.** Descriptive Statistics of Corporate Social Responsibility

| Subscale                               | N   | Mean | Std. Deviation | Skewness | Kurtosis |
|--|-----|------|----------------|----------|----------|
| CSR Social and Non-Social Stakeholders | 171 | 3.40 | 3.5            | - 0.47   | 1.25     |
| CSR Employees                          | 171 | 3.30 | 3.9            | - 0.27   | 0.27     |
| CSR Government                         | 171 | 4.01 | 1.4            | - 0.36   | - 0.24   |
| OVERALL                                |     | 3.57 |                |          |          |

The mean was represented on a scale of 1 to 5, with 1 as low, 3 average and 5 high. From Table 4, taking into account the corporate social responsibility subscales that had an acceptable level of reliability, it can be seen that the overall mean score of 3.57 indicates a positive perception. The respondents perceive the organisation to be most socially responsible to government (mean = 4.01). The second highest positive perception of

responsibility belongs to social and non-social stakeholders (mean = 3.40). This subscale is followed by employees (mean = 3.30), indicating a positive perception of the organisation's CSR towards employees. These results indicate that the employees perceived the organisation to be socially responsible in actions towards government, which represents the legal dimension of Carroll's (1991) model.

**Table 5.** Descriptive Statistics of Organisational Commitment

| Subscale             | N   | Mean | Std. Deviation | Skewness | Kurtosis |
|----------------------|-----|------|----------------|----------|----------|
| Affective Commitment | 171 | 3.20 | 7.1            | - 0.38   | - 0.35   |
| Normative Commitment | 171 | 3.04 | 5.4            | - 0.20   | - 0.68   |
| OVERALL              |     | 3.12 |                |          |          |

Based on the dimensions that had an acceptable level of reliability, it can be seen from Table 5 above that the overall mean score for organisational commitment in this organisation is 3.12. This score indicates a fairly positive perception, because the mean was represented on a scale of 1 to 5, with 1 as low, 3 average and 5 high.

The mean scores of the organisational commitment scale indicate that the respondents are committed to the organisation to a moderate level/degree. Their mean scores are interpreted to assume that the sample group of respondents seem to be more affectively committed (m = 3.20) than normative dimensions (m = 3.04). These results indicate that more employees are committed to the organisation because they desire this, instead of feeling an obligation to stay with the organisation.

Skewness is essential to determine if the distribution is symmetrical or asymmetrical, while kurtosis examines the nature of the distribution (Huck, 2009). The standard deviation for this research indicates the range of responses given by the respondents. While the negative skewness of the distribution indicates that the respondents responded more positively (agree) to the scale's questions (from a scale of 1-5, 1 being "strongly disagree" and 5 being "strongly agree"). The kurtosis shows that the distribution was not overly peaked but instead showed a flat shape in a range described as flat, wide or broad.

**4.3. Correlation Between Corporate Social Responsibility and Organisational Commitment**

The relationship between corporate social responsibilities and organisational commitments was determined using the Pearson moment correlations. Results of the relationship between these two variables are presented below in Table 6.

As indicated in Table 6, there seems to be a significant relation between corporate social responsibility and affective commitment. This shows that the employees who have a positive perception of CSR in the organisation seem to be affectively committed to the organisation. This implies that they are inclined to stay or remain employed by this organisation because they desire this. From this evidence Turker's (2009b) findings are supported. These findings show that an employee who is emotionally invested in an organisation that is deemed to be ethical and socially responsible will be proud to be associated with that organisation and will have a greater intention to stay.

Normative commitment shows significant relationships to CSR social and non-social stakeholders and CSR employees. This finding suggests that employees who felt obligated to stay with the organisation perceived their organisation to be very responsible in its approach to the environment and sustainability, as well as the welfare and benefit of its employees. However, there was no correlation between normative commitment and CSR government; signifying that the employees' obligation or duty to stay with the organisation is

not credited to the organisation's legal responsibility. In relation to these findings, Greenberg and Baron (2003) support the results, stating that normatively committed employees are concerned about maintaining a good impression

with their organisation (stakeholders) and their colleagues, and would be worried about what their colleagues (employees) would think if they wanted to leave the organisation.

**Table 6.** Correlations: Corporate Social Responsibility and Organisational Commitment

| Variable                                      |  | CSRSNS        | CSRE         | CSRG          | AC            | NC       |
|---|--|---------------|--------------|---------------|---------------|----------|
| CSR Social & Non-Social Stakeholders (CSRSNS) | Person Correlation<br>Sig. (2-tailed)<br>N | 1<br>171      |              |               |               |          |
| CSR Employees (CSRE)                          | Person Correlation<br>Sig. (2-tailed)<br>N | 0.65**<br>171 | 1<br>171     |               |               |          |
| CSR Government (CSRG)                         | Person Correlation<br>Sig. (2-tailed)<br>N | 0.35**<br>171 | 0.42**       | 1<br>171      |               |          |
| Affective Commitment (AC)                     | Person Correlation<br>Sig. (2-tailed)<br>N | 0.39**<br>171 | 0.58**       | 0.39**<br>171 | 1<br>171      |          |
| Normative Commitment (NC)                     | Person Correlation<br>Sig. (2-tailed)<br>N | 0.20**<br>171 | 0.19*<br>171 | 0.53<br>171   | 0.45**<br>171 | 1<br>171 |

\*\* Correlation is significant at the 0.01 level (2-tailed).

\* Correlation is significant at the 0.05 level (2-tailed).

**5. DISCUSSION**

The purpose of this study was to determine the relationship between corporate social responsibility (CSR) and organisational commitment. The results described above have reflected the correlations between CSR and organisational commitment. The results revealed that the measuring instruments used in this study were reliable, except for the CSR Customers subscale and the Continuance Commitment subscale, both of which appeared to have an unacceptably low reliability.

The respondents indicated the strongest CSR influence to be among social and non-social stakeholders, while the second highest perception belonged to CSR employees. Turker (2009b) describes the social and non-social stakeholder of the organisation as individuals who expect organisations to be responsible towards society, the natural environment, future generations and non-governmental organisations. The respondents therefore indicated by their replies that they deem the organisation to be actively exercising this CSR. Some of the item descriptions (Turker, 2009b) of the CSR social and non-social stakeholders give a clearer understanding of the respondents' perceptions of activities. The respondents indicated that they believe that the organisation participates in those activities which aim to protect and improve the quality of the natural environment. The respondents suggested that the organisation does implement special programmes to reduce its negative impact on the natural environment, and targets sustainable development taking into consideration the future generations and the environment.

These findings therefore relate to the sustainability initiatives adopted by the organisation, and links with Pitt's (2012) findings derived from the multiple regression suggesting that both internal and external CSR predicts organisational commitment (= 4.92,  $p < .0001$ ; = 2.64,  $p = 0.0095$  respectively). According to Pitt (2012), the perceptions of external CSR are

concerned with the capability of organisational initiatives aimed at environmental sustainability and assisting communities in need, directly relating to Turker's (2009b) CSRS and the respondents' perceptions in this study.

The research findings also link to Turker's (2009b) study which revealed CSR to social and non-social stakeholders, customers and employees were the noteworthy predictors of organisational commitment. However, contradicting Turker's (2000b) findings, the respondents in this study did not indicate a strong perception of the organisations' social responsibility to its customers, but instead indicated a social responsibility to the government. According to Turker (2009b), a possible reason for his sample group not indicating that CSR government is important may be the fact that they considered compliance with legal requirements such as payment of taxes to be something already done by the organisation; they may therefore not have considered this to be a social responsibility, but rather, a necessity. It is important to note that Turker's (2009b) sample group came from Turkey, a Middle Eastern country, while the respondents in this study were from a South African organisation. It is relevant to this study that we take into consideration South Africa's history and changes in legislation that came into effect only in 1994 (Shongwe, 2008). This could explain why the organisation is actively working to promote CSR government responsibilities as a way to create equality and provide opportunities that had been previously disregarded. In addition, it is suggested that the employees in the survey perceive this to be significant in the organisation.

The dominant commitment expressed by the respondents was affective commitment. This finding relates to the social identity theory which suggests that the respondents' perceptions of the corporate image of the organisation play a significant role in shaping their identity (Turker, 2009a). The theory also agrees with Turker's (2009b) research which proposes that organisations need to engage in social

activities that are deemed ethical and beneficial to society, so that employees can be proud of their membership of the organisation (Turker, 2009a). These respondents therefore indicated that their commitment is based on their desire to stay with the organisation. Peterson (2004) provided a possible reason for these findings, when he suggested that organisations need to positively invest in attraction, retention and motivation of employees in order to gain corporate social performance, as employees identify strongly with positive organisational values. It is interesting to note that the respondents showed normative commitment to CSR social and non-social stakeholders and employees, while there was no relationship evident with CSR government. This implies that the employees do not feel obligated to remain committed to the organisation based on the CSR government dimension.

With no relationship existing between continuance commitment and CSR, it could be suggested that the organisation does not effectively contribute to encouraging employees to stay by means of benefits and rewards. Turker (2009a) suggests that employee benefits are important to engage organisational commitment as they form part of Maslow's hierarchy needs, which are classified under the high-order needs of esteem and self-actualisation (Daft, 2003, cited in Turker, 2009b). Therefore, it can be argued that the fulfilment of these high-order needs can strongly affect the level of organisational commitment. Given this reasoning, it is possible that because the organisation is not offering rewards and benefits that appeal to employees, the employees do not feel obligated to stay with the organisation.

Finally, the respondents indicated that the organisation does not act in a socially responsible way towards its customers, which may constitute evidence of a non-existent organisational commitment for this CSR dimension. According to Turker (2009a), customers are considered important stakeholders as they contribute to the financial success of the organisation. Hence a healthy relationship must be maintained between the organisation (seller) and the customer (buyer). The consequence of this finding could be that the organisation is not contributing to its organisational success. This statement is supported by Turker (2009b), who emphasises that CSR with customers is significant and can be created by delivering high quality products at competitive prices, thus ensuring the loyalty of the customer to the product and having a constructive effect on the financial performance of the organisation.

According to Turker (2009a), if CSR activities encourage an organisation's image enhancement and create product and service rivalry with its competitors, this could lead to organisational commitment and organisational success. Membership at a favourable and reputable organisation can improve an employee's social identity and persuade affective commitment rather than continuance and normative commitments (Turker, 2009a). The reverse can therefore also be stated, that if an organisation does not invest in building customer social responsibility this could negatively affect the employee's social identity and the employee will not feel proud to be associated

with the organisation. If employees do not feel committed to the organisation the end result will be a reduction in its organisational success.

## **CONCLUSIONS, IMPLICATIONS, LIMITATIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH**

Based on the results of the research, it can be concluded that there is a relationship between corporate social responsibility and organisational commitment within the retail organisation. This implies that when perceive the organisation to be socially responsible to its social and non-social stakeholders they tend to be committed. Hence CSR awareness training should be better promoted, and employee contributions should be strongly encouraged to further reinforce the employee's social identity with the organisation and to maintain affective commitment.

This study had several limitations. The first limitation was related to the population, sampling strategy, and sample group, as convenience sampling was used and all the respondents were from a single organisation. Consequently, the results could not be generalised to the wider population or other retail organisations. In addition to this, some of the scales in the corporate social responsibility scale did not yield reliable results and could not be used in determining the relationship between CSR and organisational commitment. Therefore, the present results are limited to the specific retail organisation and further research would be required in order to generalise to other populations. The survey used was a cross-sectional design, conducted at a single point in time, and therefore causal or longitudinal inferences cannot be made. Another limitation could be that the respondents/employees were not fully educated about CSR in totality or the CSR practices of the organisation. In spite of the limitations, this study made specific recommendations for the retail organisation to address, and for further research. The organisation should communicate the findings of the study to all employees in order to create awareness of corporate social responsibility and organisational commitment. The strengths of CSR social and non-social stakeholders and normative and affective commitment levels should be highlighted. The organisation should address the finding relating to the preferred CSR of social and non-social stakeholders and draw attention to what this means for the organisation.

Further research should be conducted on the relationship between CSR and organisational commitment within other South African consulting organisations to improve the generalisability of the results. Further research should also be conducted with a larger sample to assist in improving the reliability of the results. Moreover, the administration of the questionnaires should be conducted in person in order to ensure respondents understand the questions and the administrator can deal with any questions that may arise. A longitudinal study should be conducted over time to determine the effect of changing organisational culture on organisational commitment.

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