The Impact of Perceived Internal Corporate Social Responsibility on Organizational Citizenship Behavior: A Micro-Perspective Analysis

Iffat Rasool¹, Ansir Rajput²

Abstract

In the last few years, the trend of research on corporate social responsibility (CSR) has increased, but the question of how employees perceive internal CSR is ignored. The extent of CSR literature has mainly focused on macro concepts rather than micro concepts. The objective of this study was to investigate the impact of internal corporate social responsibility on employees' behavior through their attitude as micro analysis. Therefore, the present study has explored the indirect mechanism of perceived internal corporate social responsibility and organizational citizenship behavior through sequential mediation of perceived organizational support and organizational trust that helps in attaining the desired organizational goals as organizational citizenship behavior.

Keywords: Perceived internal CSR, trust, perceived organizational support, Organizational citizenship behavior

1. Introduction

Recently, concern has increased on establishing a strategy for organizations’ corporate social responsibility in order to achieve a high level of competitive advantage (Doda, 2015). Almost 93% of leading organizations formally report on CSR (KPMG, 2013). The literature on corporate social responsibility suggests embedding corporate social responsibility in the organizational core strategy (Prutina & Sehic, 2016) because the organizations with corporate social responsibility in their strategy are more attractive to talented and committed employees (Brammer, Millington, & Rayton, 2007). However, despite the compliance on the strategic importance of corporate social responsibility for organizational performance (Servaes & Tamayo, 2013), work place (Abd-Elmotaleb, Saha, & Hamoudahb, 2015), and involvement in the strategy

¹ PhD Scholar, Capital University of Science and Technology, Islamabad. Email: iffatrasool23@gmail.com
² Associate Professor, Capital University of Science and Technology, Islamabad. Email: dr.ansir.rajput@gmail.com

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of every major organization, the research on corporate social responsibility related to employees remains deficient (Glavas, 2016; Kolk, Vock, & Dolen, 2015). According to the literature reviewed by Glavas and Kelly (2014) on corporate social responsibility more than half of the peer-reviewed articles have been published during the last decade, but the employees as stakeholders are ignored.

Observing the importance of internal corporate social responsibility, a number of studies (Glavas, 2016; Sheel & Vohra, 2016; Newman, Nielsen, & Miao, 2015; Glavas & Kelly 2014; De Roeck, Marique, Stinglhamber, & Swaen, 2014) have attempted to explore the micro CSR in relation to internal corporate social responsibility and investigated how the corporate social responsibility affects employee attitudes and behaviors (Rupp & Mallory, 2015). Similarly, the study of Abd-Elmotaleb et al. (2015) suggests that employee relations with internal CSR are the strongest among other relations of employee and CSR segments. However, most of these studies ignore the exact nature of the relationship of employees’ perceptions of internal CSR. Therefore, the present study has investigated these gaps. First, there is a lack of deep investigations of internal corporate social responsibility as empirical and confirmatory studies (Mory, Wirtz, & Gottel, 2016). Second, internal corporate social responsibility is less explored through social exchange for employees’ behaviors. Third, the mechanism for how employee perception of internal corporate social responsibility affects their behavior is also a neglected area of research (Glavas & Kelly, 2014). Fourth, the observed literature has also revealed that by and large, research on corporate social responsibility has been conducted in the western perspective (Jones Willness, & Madey, 2014). Fifth, the investigation of internal corporate social responsibility in developing countries has not been explored fully (Abd-Elmotaleb et al., 2015); therefore, the study of Rupp, Shao, Thornton, and Skarlicki. (2013) advocated for contextualizing corporate social responsibility in other regions.

Due to these outlined gaps in research, the objective of the present study is twofold: first, to develop the mechanism that examines the relationship between perceived internal CSR and employee behavior; second, to uncover the impact of perceived internal CSR on behavior through several intervening attitudes of social exchange. Internal CSR can be defined as an ethical behavior of an organization toward employees because the behavior of an organization can be better perceived through internal marketing and the practices of internal corporate social responsibility (Mory et al., 2016). Thus, the authors have linked the perceived internal corporate social responsibility with attitudes and behaviors under social exchange in the lens of the explored literature of Newman et al. (2015), Shen and Benson (2014), and Agunis and Glavas (2012) by contributing a theoretical model with two intervening constructs: (1) the perceived organizational support (2) trust in relations to perceived internal CSR.
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and organizational citizenship behavior in Pakistan in the telecom industry, which can help developing the level of perception of management researchers, academicians, policy makers, and the managers who are interested in the improvement of employee-related issues. Further, the perceived model answers the question, “What motivates employees to go into an extra role as OCB?” The relation of two intervening variables—perceived organizational support and trust as attitude—are used to suggest the relationship of employees’ motivations for OCB as a social exchange process. The social exchange theory suggests that several transactions and exchanges are staged on organizational platforms. Most of the previous research has overlooked the construct of trust in social exchange and focused on only perceived organizational support and ignored the role of trust; whereas trust is the outcome of perceived organizational support (Wong et al., 2012). However, perceived organizational support emerges from internal CSR practices (Rhoades & Eisenberger, 2002a).

2. Literature Review

Corporate social responsibility is a diverse and emerging concept (Hansen, Dunford, Boss, Boss, & Angermeier, 2012). There is no universal agreement on the definition of CSR (Dahlsrud, 2008). The literature proves that the earliest classical concept of CSR is limited to only philanthropic activities; later, its definition spreads to other areas as well. Overall, CSR is a multidisciplinary approach beyond the legal standards and complies with a moral obligation of market and nonmarket stakeholders at large (Ismail, 2011). In general, CSR has two considerations: (1) the “business case”, or the ethical behavior of firms, (2) the role of government while framing the agenda for CSR through legislation (Ward & Smith, 2015). Further, Green paper of the European Commission (2001) has classified corporate social responsibility as external and internal CSR. Internal CSR deals with the physiological and psychological working environment of internal stakeholders—especially employees—while external CSR is associated with external stakeholders such as NGOs’ community, environment, etc. (Ferreira & Real de Oliveira, 2014)

2.1 Perceived Internal CSR

Perception is an individual’s psychological drive that leads to the development of one’s behavior (Shin, Hur, & Kang, 2016). However, perception linked to internal corporate social responsibility is cognition for practices and polices related to the physiological and psychological wellbeing of employees (Hameed, Riaz, Arain, & Farooq, 2016; Azim, M. T., Diyab, & Al-Sabaan., 2014). These practices have significant roles in employee behavior at work (Cable & Judge, 1996). Perception as a cognitive process of individuals is unique among employees. These differences can have an effect on employees’ behavior through their attitudes (Rupp, Ganapathi, Aguilera, & Williams,
2006). Perceived internal CSR has been viewed in the literature of corporate social responsibility through several viewpoints such as organizational citizenship behavior (Newman, Nielsen, & Miao, 2015), commitment (Hofman & Newman, 2014), and identification (Kim, Lee, Lee, & Kim, 2010). However, employee perception of corporate social responsibility has not been investigated adequately (Parker et al., 2003). According to Aguilera, Rupp, Williams, and Ganapathi, (2007), an organization's social practices signal the employees to evaluate the behavior of the organization toward employees. Therefore, employees' perceptions about organizational action may lead to a change in employees' attitudes and behaviors (Aguilera, et al., 2007) and as a result, the management can reap long-term advantages (Prutina & Sehic, 2016). Employee perceptions of CSR have great importance in their attachment to the organization (Lee, Song, Lee, Lee, & Bernhard 2013). Employee perception in a work environment has been observed in several studies (Glavas & Kelly, 2014; Shin et al., 2016; Prutina & Sehic, 2016).

2.2 Perceived Organizational Support

Perceived organizational support is the outcome of organizational activities toward employees. Employees evaluate the perceived organizational support against the care of organization shown for employees. A formal concept of perceived organizational support was not determined until 1980 (Beheshtifar & Herat, 2013) and formally it is discussed by Eisenberger, Huntington, Hutchinson, & Sowa (1986) as perception of employees' about their wellbeing. The management with strong authority for managing activities has a stronger impact of perceived organizational support than a weaker one (Eisenberger, Aselage, Sucharski, & Jones, 2004). Perceived organizational support is observed with several commitment variables in the study of Kim, Esienberger, and Baik (2016), with commitment and retention in Vardaman et al. (2016), and as a moderator with person-organization fit and organizational citizenship behavior in Chung, (2015). The level of organizational support can be better judged with the concept of employee perception (Wayne, Shore, & Liden, 1997), while organizational support through the care they receive from the organization. The employees who find high levels of perceived organizational support reciprocate through positive behavior, which helps the organizations meet their goals and achieve set targets (Eisenberger et al., 1986). The employees with greater perceived organizational support are more satisfied (Rhoadas & Eisenberger, 2002), regular, efficient, and are less likely to quit their jobs (Allen, Peltokorpi, & Rubenstein, 2016) and go beyond their duties.

2.3 Trust

Trust (among employees and trust in an organization as a whole is considered to be similar to trust in interpersonal relationships. Organizational trust has been
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studied in sociology, psychology, and management (Yildiz & Öncer, 2012) and has a great significance in organizational behavior. Trust, however, has no common definition. Normally it is considered as an honest and trustworthy behavior (Güçer, & Demirdağ, 2014), and expected moral confidence in someone. Organizational trust as component of trust is an assessment how the employees perceive the organization as trustworthy (Rusu & Babos, 2015). An employee who has trust in an organization performs confidently and displays organizational citizenship behavior.

Organizational trust impacts organizational performance. If the organization practices its policies with justice, the employees receive a message of trust. Organizational trust also helps in developing the psychological state which provides a feedback of employees’ perception about endangering situations that the organization may face (Vanhala, Heilmann, & Salminen, 2016). Brown, Gray, McHardy, and Taylor (2015) explored the relationship of employee trust at workplace and found a positive correlation. The relationship of corporate social responsibility and trust is found positively significant in the study of Lee et al. (2013). The study of Goergen, Chahine, Brewster, and Wood (2013) studied trust with firm performance and found a positive relation between them. Ethical leadership and organizational trust are also observed in the study of Xu, Loi, and Ngo (2016).

2.4 Organizational Citizenship Behavior

Organizational citizenship behavior is a discretionary behavior and is not concerned with a formal job description. This is an expectation of responsible and extra role behavior of employee such as helping a new co-worker or an individual with a heavy workload, voluntary participation in office meetings, paying attention to self-development to become resourceful, and not complaining about minor problems (Podsakoff, Whiting, Podsakoff, & Blume, 2009). Katz (1964) regarded the organizational citizenship behavior as “innovative and spontaneous behaviors,” that are not a part of the job description for organizational performance. Organ (1988) defined it as individual behavior 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. Many of the researchers relate social exchange theory to organizational citizenship behavior, as it is a reverse behavior.

3. Theoretical Framework

The significance of internal CSR is inevitable for the organizational performance. The efficiency of employees is based upon the treatment they receive by the management of the organization. Based on social exchange theory, the perceived organizational support and trust reciprocates the positive outcome behavior. Howev-
er, if the reciprocate process of the social exchange process is not fulfilled then these factors may elicit differences and stress. However, Cropanzano, and Mitchell (2005) suggest that reciprocity varies among the individuals and those who have high levels of reciprocity return high levels of performance and positive behaviors. Therefore, following the social exchange theory, we propose a model as shown in Figure 1 to answer the calls discussed as study gaps.

![Figure 1. Theoretical Perceived Model](image)

**H 1 :** Perceived internal CSR positively influences the perceived organizational support.

The level of perceived organizational support can be better evaluated with a mean of employee perception (Wayne et al., 1997). It shows the quality of the relations between employees and the organization (Konijnenburg, 2010) and develops the employee behavior (Ali, Rehman, Yilmaz, Nazir, & Ali, 2010). The employees identify the perceived organizational support through the respect and care they receive from the organization (Krishhan & Mary, 2012). Perceived organizational support is a measuring tool on the micro level of employee attitudes toward employers and observes how much the employee perceives about their authorities (Shore & Wayne, 1993). Perceived organizational support is an element of Blau’s (1964) social exchange theory where the
recipients of perceived organizational support are obliged with its positive attitude and return a positive attitude to the organization as trust. When the organization supports and cares the employees beyond its legal obligations, it obliges the employees to return against the provided care as trust. Both perceived organizational support and trust are the components of social exchange where the trust is the result of favorable exchange. When employees feel that they are being treated ethically they start developing their trust in organization (Wech, 2002). According to Shoss, Eisenberger, Restubog, and Zagenczyk, (2013), the lower the perceived organizational support, the lower the trust of employee on organization. The results of study of Simsarian Webber, Bishop, and O’Neill (2012) find that perceived organizational support significantly and positively relates to the trust of employees in an organization.

H₂: Perceived organizational support positively influences organizational trust.

Trust in an organization is the innate faith of employees that an organization will not trespass their interests (Robinson, 1996). Trust is a basic factor that generates the organizational citizenship behavior. Organizational citizenship is a discretionary behavior and gets developed according to an individual’s own perception and trust. The study of Altuntas and Bylcal (2010) found the relation of trust and organizational citizenship behavior, and stated that employees who trust their organization show high levels of citizenship behavior. The study of Yildiz and Öncer (2012) also found the positive relation between trust and organizational citizenship behavior. Therefore:

H₃: Trust positively influences organizational citizenship behavior.

A wide variety of literature supports the importance and influence of corporate social responsibility on employees’ attitudes and behaviors toward the organization. The perceived internal corporate social responsibility serves as a signal to employees about their care and respect. The ethical culture of a work environment boosts the positive behavior of employees (Valentine & Barnett, 2003). Internal CSR satisfies the psychological needs of employees within the organization (Aguilera et al., 2007). Employees’ perception of an organization as supportive, ethical, just, and fair may have a positive effect on their behavior. When employees find that their organization involved in ethical behavior, they also start feeling positively, which most likely results as an increased organizational citizenship behavior (Hansen, 2011). Internal CSR is getting attention from diverse research backgrounds as well (Ismail, 2011). Therefore:

H₄: Perceived internal corporate social responsibility positively influences the organizational citizenship behavior.

The employee receiving perceived organizational support feels honored, acknowledged, and protected (Malhotra & Singh, 2015) therefore organization need to take
supportive action for employees. The positive actions of an organization as internal CSR may develop trust for organization (Eisenberg et al., 1986) and as a result, employees respond positively (Rhoades & Eisenberger, 2002). Similarly, the studies of Driks and Ferrin, (2002) and Wong, Wong, and Ngo, (2012) support the positive relation of perceived organizational support and organizational trust. Several studies have found that trust in an organization positively related to organizational citizenship behavior (Aryee, Budhwar, & Chen, 2002) and mediated between perceived organizational support and organizational citizenship behavior (Singh and Sirvatasa, 2016). Further, the results in the study of Chen, Eisenberger, Johnson, Sucharski, and Aselage, (2009) show trust as a mediator between perceived organizational support and organizational citizenship behavior. Thus:

$H_5$: Perceived organizational support and trust sequentially mediate the relationship of perceived internal corporate social responsibility and organizational citizenship behavior.

4. Methodology

Since the objective of the research was to examine the impact of perceived internal CSR on organizational citizenship behavior, the employees of the telecom industry were selected as a respondent because it is one of the industries heavily involved in CSR practices in Pakistan (Ali et al., 2010). The sample of 1,013 employees was used. The data was collected through a cross-sectional survey. The questionnaire method was approached for the survey. The great advantage of using a questionnaire tool is that it has the capacity of measuring the perceptions, reactions, and attitudes of the targeted sample (Johnson & Christenson, 2004). The data was collected from multiple ages, education levels from different cities nationwide as shown in Table 1.

4.1 Measures

To measure the independent variable, perceived internal CSR, six items were adopted from the Turker (2009) study. Mediating variables, the perceived organizational support was based on eight items from the Eisenberger et al. (1986) study and trust was based on six items from the Podskoff, MacKenzie, Morrman, and Fetter, (1990) study. The dependent variable OCB was measured against nine items from Smith, Organ, and Near, (1983). The questionnaire was designed in two parts. The first part was demographic details of participants and the second part was the five-point Likert scale from (1 = “Strongly Agree” to 5 = “Strongly Disagree”) to measure the data of variables.
Table 1: Demographics

<table>
<thead>
<tr>
<th>Demographic Variables</th>
<th>Codes</th>
<th>Frequency</th>
<th>% Total Sample</th>
<th>Mean</th>
<th>S.D</th>
<th>Skewness</th>
<th>Kurtosis</th>
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<td>31.2</td>
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<td>.36</td>
<td>-.13</td>
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<td>Below 20</td>
<td>38</td>
<td>3.7</td>
<td></td>
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<tr>
<td>21-25</td>
<td>21-25</td>
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<td>26-30</td>
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<td>36-40</td>
<td>48</td>
<td>2.8</td>
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<tr>
<td>Education (in years)</td>
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<td>2.3</td>
<td>.61</td>
<td>.49</td>
<td>.20</td>
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<tr>
<td>Below 14</td>
<td>Below 14</td>
<td>43</td>
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<td>612</td>
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<td>16</td>
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<td>Above 16</td>
<td>34</td>
<td>3.3</td>
<td></td>
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<tr>
<td>Experience (in years)</td>
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<td>23.5</td>
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<td>5-10</td>
<td>5-10</td>
<td>471</td>
<td>46.4</td>
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<td>10-15</td>
<td>10-15</td>
<td>279</td>
<td>27.5</td>
<td></td>
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<tr>
<td>15-20</td>
<td>15-20</td>
<td>23</td>
<td>2.3</td>
<td></td>
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<tr>
<td>Above20</td>
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<td>3</td>
<td>.3</td>
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</tbody>
</table>

4.2. Confirmatory Factor Analysis

The study used Structural Equation Modeling for measuring the good fit of the model and data analysis that underwent several phases. Confirmatory factor analysis was used to exclude the low factor loaded items. The elimination of low factor loading items was based on Nunnally and Bernstein (1994). This study has four latent variables (i.e. PICSR, POS, TRUST, and OCB). Four items of perceived internal CSR, four items of POS, three items of trust, and four items of OCB were finalized after deleting the factor loading items. The correlations, means, and standard deviations of all continuous variables in the study have been presented in Table 2. All the variables correlate with each other significantly.

4.3. Model fit for Measurement Model

Before moving to measurement model fit, the study validates the convergent and discriminate validity analysis. According to Hair, Black, Babin, and Anderson, (2010), factor loading, average variance extracted, and composite reliability are the
Table 2: Descriptive and Correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>Means</th>
<th>SDs</th>
<th>PICSR</th>
<th>POS</th>
<th>TRUST</th>
<th>OCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>PICSR</td>
<td>2.2</td>
<td>.59</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>2.0</td>
<td>.66</td>
<td>0.42**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRUST</td>
<td>2.1</td>
<td>.67</td>
<td>0.23**</td>
<td>0.43**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>2.1</td>
<td>.72</td>
<td>0.55**</td>
<td>0.40**</td>
<td>0.51**</td>
<td>1</td>
</tr>
</tbody>
</table>

Correlation is significant at the 0.01 level (2-tailed) PICSR= Perceived internal corporate social responsibility, POS= Perceived organizational support, OCB= Organizational citizenship behavior

key factors to approach the convergent validity of constructs. Table 3 shows that composite reliability (CR) ranges from 0.8 to 0.9, which is exceeding 0.7 the required range suggested by Fornell and Larcker (1981). However, average variance extracted (AVE) ranges from 0.5 to 0.6, which is acceptable at a minimum of 0.5 (Fornell & Larcker, 1981).

Table 3: Convergent and Discriminate Validity Analysis

<table>
<thead>
<tr>
<th>S.N</th>
<th>Latent Variables Retained items of latent variable</th>
<th>SMC Range</th>
<th>St. Factor Loading</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PICSR (with 4 items) C1, C2, C3, C4</td>
<td>.54-.83</td>
<td>.30-.68</td>
<td>0.8</td>
<td>0.5</td>
</tr>
<tr>
<td>2</td>
<td>POS (with 4 items) P2, P5, P6, P7</td>
<td>.62-.76</td>
<td>.39-.58</td>
<td>0.8</td>
<td>0.5</td>
</tr>
<tr>
<td>3</td>
<td>TRUST (with 3 items) T1, T2, T3</td>
<td>.54-.89</td>
<td>.29-.80</td>
<td>0.8</td>
<td>0.6</td>
</tr>
<tr>
<td>4</td>
<td>OCB (with 4 items) OC1, OC2, OC4, OC5</td>
<td>.72-.99</td>
<td>.52-.98</td>
<td>0.9</td>
<td>0.6</td>
</tr>
</tbody>
</table>

PICSR= Perceived internal corporate social responsibility, POS= Perceived organizational support, OCB= Organizational citizenship behavior, TRUST= Organizational trust

Next, model fit for measurement was estimated and results were satisfactory and all four indices values showed acceptable fitness (i.e. CMIN/DF= 3.0, GFI= 0.96, AGFI= 0.95, NFI= 0.97, CFI= 0.98, and RMSEA= 0.04). Thompson (2000) suggests two elements in SEM, namely CFI and RMSEA, as indicators of best model fit

4.5. Testing Hypothesized Model through Structural Modeling

4.5.1 Direct effects

The relationship of paths between independent and dependent variables of the hypothesized model was analyzed on SEM. The acceptability of the hypothesis is based
on P value that should be less than .05 (Shaffer, 1995). The study tested the direct
effect of four variables as a path analysis from PICSR to OCB and found significant
positive effects. The standard regression weight obtained in the results shows the
direct effects of variables in the path in Figure 2 shown below.

The hypothesized structural model produced a very good fit with the data CMIN/
df = 3.8, GFI = 0.95, NFI = 0.95, and CFI = 0.97, RMSEA = 0.05. The result did not
suggest any subtraction of paths. Thus, the hypothesis H.1.H.2, H.3, and H.4 were
accepted as shown in Figure 2.

4.5.2 Mediation effects

Mediation helps in explaining why and how an independent variable impacts the
outcome dependent variable. This study has used the structural equation modeling
framework for mediation analysis, as it is more suitable inference framework for
mediation analysis of attitudes and behavior types (Gunzler, Chen, Wu, & Zhang,
2013). Therefore, following other studies (e.g. Iacobucci, Saldanha, & Deng, 2007),
we checked the mediation through SEM. Mediation analysis was made on AMOS
with bootstrapping of 5000 with 95% biased corrected percentile method based on
methodology recommended by Meeker and Escobar (1998). The results in Table 4
show the significant relation among the variables defined.
Table 4. Regression Weights

<table>
<thead>
<tr>
<th>Variables</th>
<th>Estimate</th>
<th>S.E.</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPOS ← MPICSR</td>
<td>.40</td>
<td>.032</td>
<td>***</td>
</tr>
<tr>
<td>MTRUST ← MPOS</td>
<td>.09</td>
<td>.031</td>
<td>.005</td>
</tr>
<tr>
<td>MOCB ← MPICSR</td>
<td>.56</td>
<td>.034</td>
<td>***</td>
</tr>
<tr>
<td>MOCB ← MTRUST</td>
<td>.13</td>
<td>.030</td>
<td>***</td>
</tr>
</tbody>
</table>

MPICSR= Mean of perceived internal corporate social responsibility, MPOS= Mean of perceived organizational support, MOCB= Mean of organizational citizenship behavior, MTRUST= Mean of organizational trust

All the direct and indirect relations are found significant (P<.01) and both POS and trust partially mediate the relationship between perceived internal CSR and OCB, and total effect is below than <0.05 as shown in Table 5.

Table 5: Total Effect

<table>
<thead>
<tr>
<th></th>
<th>MPICSR</th>
<th>MPOS</th>
<th>MTRUST</th>
</tr>
</thead>
<tbody>
<tr>
<td>MPOS</td>
<td>.001</td>
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5. Discussion of Results

Although the CSR has achieved the attention of industry, academia, and research in recent years, the micro aspect of CSR is still explored less. To address this gap, the study has offered a model of path analysis through direct and sequential indirect effects that link perceived internal CSR to perceived organizational support, trust, and organizational citizenship behavior. The entire hypotheses received the support of data. When employees perceive that their management either directly through supervisor or through the transparent role of the HR department cares for them, they reciprocate a positive attitude and feel pride at work. Similarly, providing a caring, safe, and friendly work environment develops a sense of perceived support of the organization among the employees so they are likely to stay at the job, thereby study confirms H1.

Perceived organizational support is the feeling of organizational care for employees and trust is an outcome of perceived organizational support; therefore, organizations cannot ignore the trust of employees. Trust is indispensable for creating a healthy environment in the organization (Bruhn, 2001). The organizations’ ethical treatment for employees can affect the relationship between them in terms of sense of security, belongingness, self-esteem, and purpose for work for employees (Bauman & Skitka, 2012) that is consistent with H2.

Employees’ trust in an organization develops positive behavior among employees and plays a significant role in maintaining the long-term success of the organization (Mey Werner, & Theron, 2014). Getting fair treatment from an organization impacts the behavior of employees. The intriguing findings of the studies of Dirks and Ferrin, (2002) and Mey et al. (2014) show a positive relationship between trust and OCB. Therefore, H3 is found consistent with the literature observed.

According to the study of Folger, Cropanzano, and Goldman, (2005), the employees gauge the performance of organization based on ethical treatment. When an organization shows care and interest in employees’ needs and wants, the employees develop benevolent attitudes and a positive relationship with the organization (Organ, 1988). When employees find that their organization involved in ethical behaviors, they also start feeling positively, which more likely results as increased OCB (Hansen, et al., 2011). Therefore, H4 is confirmed. Similarly, H5 is also supported by data and is confirmed.

5.1. Theoretical Implications

Internal CSR is an ‘internal marketing’ tool that help in retaining the employees and develop their positive perceptions for the organization (Low, 2016). Employees’
positive perceptions of internal CSR further enhances their perception of organizational support, which leads to trust. As a result, they reciprocate this attitude as positive behavior (Rhodas & Eisenberger, 2002) like organizational citizenship behavior. Most specifically, this study reveals that perceived internal CSR directly and indirectly impacts organizational citizenship behavior.

The relationships explored in this study are unique in nature. Though some relations have been explored in the west, the impact of employee perception through the linkage of sequential mediation of perceived organizational support and trust with organizational citizenship behavior is one-of-a-kind in Pakistan as per the knowledge of the authors of the study. The perceived organizational support and trust is blended for the first time as sequential and multiple mediators between perceived internal CSR and organizational citizenship behavior. Surprisingly, both internal CSR and organizational citizenship behavior are discretionary types found to positively reciprocate each other.

Finally, the study has contributed to the gaps identified in CSR literature by Aguilera (2007), Aguinis and Glavas, (2012); De Roeck et al. (2014), Abd-Elmotaleb et al. (2015), Frederick (2016), and Glavas (2016) who suggested exploring the micro CSR in a bit more complex way.

Similarly, from the theoretical point of view, the explored mediation mechanism will be helpful for managers, future researchers, and academicians to understand why and how the relationship between perceived internal CSR and organizational citizenship behavior subsists. The level of HR practices as internal CSR allows employees to perceive the organizational support and respect the organization. Thus, the results of the study suggest that practicing internal CSR can engender the positive attitude and behavior among employees for the management.

5.2. Managerial Implications

The present study provides the important managerial implications that suggests that the organizations investing on employees through internal CSR can keep long lasting relationships with stakeholders through trust. The results of the study advocate that organizations interested in cultivating citizenship behavior among employees may find directions through the present literature of study. Internal CSR are employee-centered practices that contribute to employee perception for organizational support and organizational trust for their positive behavior. The employees perceiving positive behavior of the organization through internal CSR show less tendency of switching their jobs because they reciprocate the behavior under social exchange. Furthermore, the internal CSR can be used as tool to improve the efficiency of the HR department.
Similarly, the HR department may provide better training, safety, involvement in organizational communication, etc. as organizational support for building employee trust. Finally, internal CSR should be individualized and personal as individuals are unique and they need unique treatment as well.

6. Conclusion, Limitations, and Future Recommendations

Besides several theatrical and managerial implications, several limitations exist in the study. The present study deficits in the qualitative part of research that could provide further the depth of results through interviews of employees that the quantitative study does not reveal. The study can be explored through a longitudinal framework. This study has focused on the telecom industry in Pakistan where the CSR practices are commonly applied. However, the same framework can be applied on other service industries like banking, hospitality, health sectors, and other industries to enhance the generalizability of finding. The present study has explored the employees as stakeholders, while future studies can explore the franchisors as internal stakeholders for internal CSR.

Similarly, internal and external CSR perception can be observed in one model together to see their effect on stakeholders’ behaviors. Further, the internal CSR of different organizations and industries can be compared as well. Though like every study the present study also has some limitations, the present study has explored the worthy consideration for the telecom industry. Further, the study can be applied on other industries and employees like part-time and temporary employees, etc. to better understand the internal CSR practices. Finally, the findings show that the implementation of internal CSR has great positive effects on employees’ discretionary behaviors as organizational citizenship behaviors. Therefore, it is a necessity for management of organizations to champion internal CSR by contributing improved HR practices.

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