

# **PREDICTING FACTORS OF ETHICAL AND DISCRETIONARY DIMENSIONS OF CORPORATE SOCIAL RESPONSIBILITY AND EMPLOYEES' JOB SATISFACTION IN A MALAYSIAN PUBLIC UNIVERSITY**

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## **ABSTRACT**

This study aimed to examine the relationship between ethical and discretionary corporate social responsibility (CSR) dimensions with job satisfaction of employees in a Malaysian public university. A quantitative (survey) method was employed in this study, whereby questionnaires were distributed to 464 UPM staff (academic and non-academic) through multistage sampling, but with only 285 valid responses received. The data were then analysed using Pearson's Product-Moment Correlation and Multiple Regression tests using the stepwise method through the *Statistical Package of Social Science* (SPSS) version 22.0. Based on the findings, human rights, labour rights, environmental stewardship under ethical dimension and community driven, which categorised under discretionary dimension has positive and moderate relationships with job satisfaction. However, social reporting under the ethical dimension has a positive, but weak correlation with the job satisfaction. Besides, multiple regression analysis showed that only labour rights from the ethical dimension and community driven from the discretionary dimension were the significant predicting factors for job satisfaction. Conclusion, limitations of the study, implications of the findings, and suggestions for future study are also discussed.

**Keywords:** Ethical responsibility; Discretionary responsibility; Employees; Job satisfaction; Higher education institution

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## **1. INTRODUCTION**

CSR initiatives have cut across all sectors, in particular, there is a growing interest of CSR among higher education institutions (HEIs) (Ahmad, 2012; Carroll, 2015; Chan & Mohd Hasan, 2018). Thus, HEIs in the global have begun to encompass sustainability and engross the efforts in campuses and communities. This will help to gain the integrity and ethical values in the organisations and help to strengthen their relationship with stakeholders (Wigmore-Álvarez & Ruiz-Lozano, 2012).

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The focus towards improved CSR initiatives has set a trend among Malaysian HEIs as there are greater demand and supply by the stakeholders and society. In Malaysia, the function of HEIs has been stated clearly in the National Higher Education Strategic Plan (NHESP). The aims of higher education in Malaysia is set as a pivotal tool for nation-building purposes, such as promoting national unity, bridging the gaps of social disparity, and focus on the knowledge-based economy (Arokiasamy, 2011; MoHE, 2015), where this have congruent with the 17 Sustainable Development Goals (SDGs) to end poverty, protect the planet, and ensure prosperity for all by the year 2030 (UN Sustainable Development Goals, n. d.). Hence, this has called for a higher education transformation to produce a holistic human capital to achieve the nation's goals.

Malaysian public education sectors are generally non-profit in nature when compared to the private education institutions. However, with the expanding of global rivals and commercialisation of education, HEIs nowadays are expected to sustain their services by reducing the dependency on the government's funding and grants. As the lack of budget due to diversification is one of the major issues in Malaysian HEI market orientation. Hence, it has become important for Malaysian public HEIs to secure their resources as well as improve the performance to gain funding from the government (Ahmad, Farley, & Kim, 2013; Evangelinos, Jones, & Panoriou, 2009). In addition, other challenges such as standardisation issues, retention of staff, and competitive within the other global workforce (Ferrer-Balas, *et al.*, 2008; Chopra & Marriya, 2013) that may influence a university's image and reputation (Bebbington, Larrinaga-González, & Moneva, 2008), whereby this have caused the university to foster CSR practices.

However, before the goal can be a success, stakeholders of the university need to share a mutual understanding of the CSR concepts (Wright, 2010). This is because Ramasamy and Hung's (2004) study argued that the awareness and understanding of CSR in developing country like Malaysia is still at the minimal stage. Thus, this scenario has urged active commitment from various parties to make CSR a sustainable practices in the near future (Lo & Yap, 2011).

In Malaysia, employees of public HEIs are all governed with the schemes and standards provided by the Malaysian Public Service Department, MoHE's policy on hiring, and universities acts (Ahmad *et al.*, 2013; StudyMalaysia.com, 2015), but with the transformation of public HEI, the employees are requires to achieve high rankings and to fulfil their Key Performance Indicators (KPIs) for the purpose of promotion and appraisal, where this have caused disparity between the workload of the employees and the benefits they receive (Basarudin, Yeon, Yaccob, & Abd Rahman, 2016). Hence, this have caused work dissatisfaction among the employees.

On the other hand, the arising theoretical argument has suggested that the attributes of job satisfaction, such as payment or compensation, career opportunities/advancement, workload, supervision, social relations with co-workers, and working conditions are significant with CSR. Although the job satisfaction attributes showed that most of the job satisfaction attributes are on the extrinsic (hygiene) factors, however, numerous past studies done in a Malaysian setting argued that there is a need to include intrinsic (motivation) satisfaction attributes together with the extrinsic (hygiene) satisfaction attributes as a set of determinants in order to improve the overall job satisfaction of employees (Wan Yusoff, Tan, & Mohammed Idris, 2013; Mohd Hasan, Chan, & Bidin, 2018).

A classic study on CSR and the effects on employees' attitudes and behaviours was mainly focused on a four-dimensional pyramid model in which Carroll (1979) emphasised that CSR is comprised of economic, legal, ethical, and philanthropic responsibilities (Hsieh & Chan, 2012; Rego, Leal, & Cunha, 2011). However, CSR dimensions that explore wider categories of CSR, and focus specific items relevant to the Malaysian context, such as 1) human rights; 2) labour rights; 3) environmental stewardship; 4) social reporting; 5) compliance with certified international standards; 6) financial necessity; and 7) community driven required further extension of study (Mohd Hasan, 2013). Most importantly, Mohd Hasan (2013) suggested that these items are pertinent in Malaysia because the items were compiled and collated from existing global CSR best practices as well as local standards. Therefore, the current study sought to fill those research voids by expanding the understanding of CSR practices on employees' perspectives by examining the relationship between the dimensions of CSR and job satisfaction of employees in one of the public HEI by applying the Carroll's (2004) revised pyramid of global CSR and performance model with the best CSR practices that collated by Mohd Hasan (2013). Hence, the research objectives are 1) To ascertain the relationship between ethical dimension of CSR (human rights, labour rights, environmental stewardship, and social reporting) and job satisfaction of employees; 2) To ascertain the relationship between discretionary dimension of CSR (community driven) and job satisfaction of employees; and 3) To find out the predicting factors of ethical and discretionary dimensions of CSR practices and job satisfaction of employees.

## 2. LITERATURE REVIEW

### 2.1. *CSR in Higher Education Institutions*

Mohd Hasan (2017) carried out a study to explore on the current standards of CSR initiatives in a Malaysian public university corporate website to access which areas of CSR are being highlighted when measured against the best standards for developing economy. The findings of the study showed that human rights and anti-corruption was the least being highlighted on the university's corporate website, however, the community driven is a major CSR practices that being practice and prioritise by the university.

In addition, Chan and Mohd Hasan (2018) investigated CSR practices based on the viewpoint of employees in a Malaysian public university. The findings show that respondents have a high level of understanding about CSR and the three (3) specific dimensions, namely human rights, community driven, and labour rights have shown to be the CSR practices that perceived prominent by the employees in the public university.

Mohaiyadin *et al.*, (2018) aimed to come out a framework of dimensions of sustainability practices of a Malaysian public university. The findings of the study identified nine dimensions of sustainability practices which include: (1) Corporate governance, (2) Students, (3) Staff, (4) Societal, (5) Environment, (6) Companies, (7) Health and well-being, (8) Economic and wealth, and (9) Continuous improvement. The study urged the particular research to be expanded for the creation of a sustainability index as KPIs assessment.

Based on the discussion above, it can be concluded that universities in society had evolved to become a general practice in near future. Hence, universities as part of HEIs are not just focusing on education and research that granted academic degrees in the various fields of study, but

universities have a more significant role in training and nurturing the human capital, creating knowledge, and help to solve societal issues and problems in order to be a good citizen future (Owens & Legere, 2015).

## **2.2. Theoretical Underpinning**

First, this study is based on Carroll's (2004) revised pyramid of global CSR and performance model that consists of four (4) pillars, economic (to be profitable), legal (to obey the law), ethical (to be ethical) and philanthropic (to be a good corporate citizen) to suit the transnational CSR practice of accommodating global stakeholders. In addition, the study's foundation is also rooted on the CSR best practices and their relevance in the Malaysian context as suggested by Mohd Hasan (2013), wherein she highlighted such CSR determinants, for instance, economic dimension (financial necessity); legal dimension (compliance with international certified standards); ethical dimension (human rights, labour rights, environmental stewardship, social reporting); and discretionary dimension (community driven) are significant in Malaysia, given that the items were compiled and collated from existing global CSR best practices and local standards. The best CSR practice guidelines coupled with Carroll's revised pyramid of global CSR and performance model serve as a holistic CSR model that needs further exploration in Malaysia as a developing nation.

In addition, the environmental dimension was missing from Carroll's dimension where Dhanesh (2014) argued that environmental aspect should be included in the ethical and philanthropy CSR dimensions coined by Carroll, to adapt to the changing landscape of societal norms and stakeholders' expectations. Thus, environmental stewardship elements were included in the current study. CSR initiatives are not merely focusing on the maximisation of profit as a goal of the organisation (Al-Mershid, 1999 in ALshbiel and Al-Awawdeh, 2011). Based on the supporting statement above, therefore, this study focuses on the ethical and discretionary dimensions proposed by Carroll's (2004) and integrates his dimensions with the elements of CSR as highlighted by Mohd Hasan (2013).

Further to this notion, the theoretical links between CSR and the job satisfaction have also been identified, which are payment and compensation, nature of work, career opportunities/advancement, supervision, workload, relationship between co-workers, and working conditions (Asrar-ul-Haq, Kuchinke, & Iqbal, 2017; Sousa-Poza & Sousa-Poza, 2000; Tamm, Eamets, & Mõstmee, 2010) which showed the relevance of using the Herzberg's two-factor theory to guide the CSR research (Crowther & Aras, 2008). Although the elements suggested from the past studies highlighted hygiene factors as more prominent factors, however, the findings of Wan Yusoff *et al.* (2013), Benrazavi (2011), and Mohd Hasan *et al.*, (2018) suggested that motivation factors (intrinsic) and hygiene factors (extrinsic) need to be considered as a set of determinants to improve the overall job satisfaction of employees.

## **2.3. CSR and Employees' Organisational Outcomes**

Dhanesh (2012) examined the significance of CSR dimensions as a predictor of organisational commitment based on employees' perspective. The findings of the study revealed that ethical and legal CSR dimension is the significant predictors to the organisational commitment. However, economic and discretionary CSR dimensions are not the factors. Based on the discussion, perceptions of employees as the key internal publics on CSR are important as it potentially

contributes to the organisational commitment and will help to increase the employee morale and loyalty in return. Hence, managers of the organisations should highlight the ethical-legal CSR dimension in the recruitment communication campaign to attract prospective employees.

In the same vein, Dhanesh (2014) also examined CSR as a relationship management strategy to strengthen the relationship between organisations and employees. The results revealed that strong and positive relationship between CSR dimension (legal, ethical, discretionary) and organisation-employee relationships. Based on the discussion, CSR acts as a tool in employee relations management strategy because ethical CSR helps to incite the employees' trust toward the organisation. In addition, employees' commitment and their satisfaction with work were strongly related to the law and regulations in which the organisations operate, whereby this was aligned with the practice of corporate governance parameters.

In addition, Closos, Leys, and Hellemans (2015) examined the perceptions of CSR with organisational commitment and job satisfaction. The results indicated that job satisfaction is positively influenced by ethical-legal and philanthropy CSR practices. Furthermore, the results also revealed that the ethical and legal CSR practices significantly influence the affective organisational commitment.

Bashir, Hassan, and Cheema (2012) tried to examine the impact of CSR activities (employee commitment, job satisfaction, and belongingness) based on the employees' perceived satisfaction with organisation CSR activities in Karachi organisations, Pakistan. The result revealed that employees' perceived organisations that had engaged in CSR activities have positive impacts on employees' feelings on the work commitment level, job satisfaction performance, and belongingness to stay with the organisations for the long term.

Based on the above literature, it can be concluded that employees are likely to engage with organisations that highly involved in CSR initiatives. Employees' perceptions towards organisation's social ethics and services that have an influence on employees' attitudes and job performance by enhancing the belongingness of the employees toward the organisations.

A study conducted in China, where You *et al.* (2013) investigated the relationship between business investment in CSR on job satisfaction and organisational commitment. The result showed that investment in social responsibility had a significant impact on job satisfaction and organisational commitment of the employees. Based on the discussion above, it has shown that the employees have high job satisfaction and organisational commitment. The research emphasised that the employees will sustain long-term recognition with an organisation.

In addition, Asrar-ul-Haq *et al.* (2017) investigated the relationship between CSR, job satisfaction and organisational commitment in Pakistani universities. The findings indicated that the perceived CSR has a significant relationship with job satisfaction and organisational commitment. However, discretionary and legal aspects of CSR were found insignificant with job satisfaction.

Based on the above explanation, it can be concluded that organisations should try their best to keep their employees satisfy and engaged them in CSR practices to create a shared valued for the society. For instance, the organisation should develop policies in order to satisfy their employees' needs to ensure they feel the organisation as home. Besides, the organisation should also communicate more

frequently and transparency to employees in order to understand the condition of employees' attitudes, commitment, and citizenship behaviour.

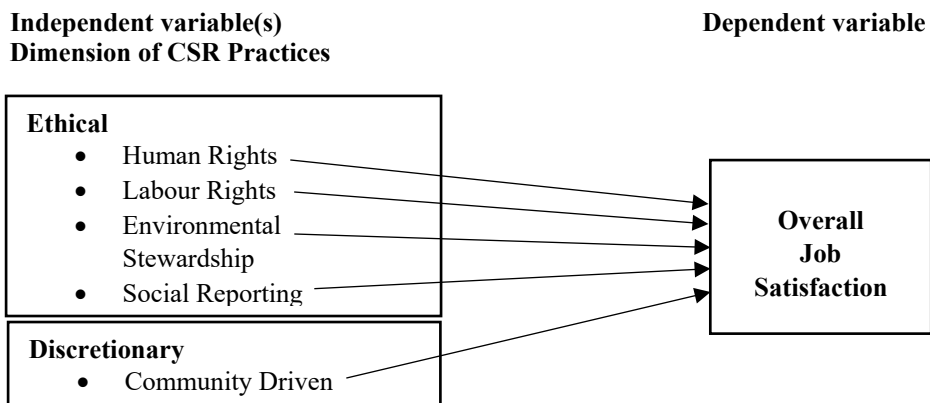
Another study by Khan, Rizwan, Arshad, and Anwar (2013) to examine the relationship between CSR (internal and external) and rewards (internal and external) towards job satisfaction, mediating by employee motivation. The findings indicated that there is a significant impact on external CSR towards the employee motivation. The results further revealed that the extrinsic rewards also have a significant impact on the motivation of employees. However, employee motivation was found to be directly related to job satisfaction.

Vinerean, Cetina, and Dumitrescu (2013) examined CSR practices as a strategic tool in fostering employees' satisfaction to attract and retain the talented employees in 10 multinational companies. The findings revealed that CSR practices are positively associated with employees' satisfaction. In addition, employee retention and attention also found positively related to CSR and employee satisfaction. Based on the discussion, the study suggests that to enhance the employee satisfaction, sustainable practices (environmental) of co-creation value creation should be emphasised.

In the Malaysian context, Low (2015), and Low & Ong (2015) carried out a research on internal CSR practices of Small Medium Enterprises (SMEs) in the Klang Valley by looking from the viewpoint of employees as an internal stakeholder. The results of the study showed that there is a positive relationship of internal CSR towards the employees' organisational commitment and job satisfaction. Furthermore, the results indicated that internal CSR can help to reduce the turnover intention of employees.

In summary, based on the past research above, organisations should embed CSR initiatives as part of their strategy to achieve sustainability. This is because social responsibility initiatives will help to gain competitive advantage for the development of the stakeholders and the organisations in the long term. This will have a significant impact on attracting prospective employees as well as retaining the current employees. However, the past literature majority discussed the context based on various types of corporate industries. Thus, it gives an insight for the researchers to look into the CSR in the education industry by focusing on a Malaysian public HEI.

**Figure 1: Conceptual Framework**



**H<sub>1</sub>:** There is a positive relationship between ethical dimension of CSR and job satisfaction of employees.

H<sub>1a</sub>: There is a positive relationship between human rights and job satisfaction of employees.

H<sub>1b</sub>: There is a positive relationship between labour rights and job satisfaction of employees.

H<sub>1c</sub>: There is a positive relationship between environmental stewardship and job satisfaction of employees.

H<sub>1d</sub>: There is a positive relationship between social reporting and job satisfaction of employees.

**H<sub>2</sub>:** There is a positive relationship between discretionary dimension of CSR and job satisfaction of employees.

H<sub>2a</sub>: There is a positive relationship between community driven and job satisfaction of employees.

**H<sub>3</sub>:** Ethical dimension (human rights, labour rights, environmental stewardship, social reporting) and discretionary dimension (community driven) of CSR are the predicting factors that contribute to the job satisfaction of employees.

### 3. METHODOLOGY

#### 3.1. *Research Design*

This research employed a cross-sectional correlational survey design. In this research, a quantitative (survey) method is chosen to examine the research questions and objectives. According to Fink (1995), the survey is a method for collecting information whereby a researcher can ask structured questions. By doing this, the researcher can collect the data that can be used to describe, compare, or explain attitudes, knowledge, or behaviours of the social phenomenon. This is in line with the statement by Pattni (2009), whereby the survey method is mostly to examine the evidence, develops theories, hypotheses, and makes other technical advances.

According to Kelley, Clark, Brown, and Sitzia (2003), the distribution of questionnaires is selected as data collection procedure because it considers a wide range of people or event which eventually generalises a population. This generalisability outlook is supported by Babbie (2015), whereby survey is the best way to measure attitudes and orientations in a large population.

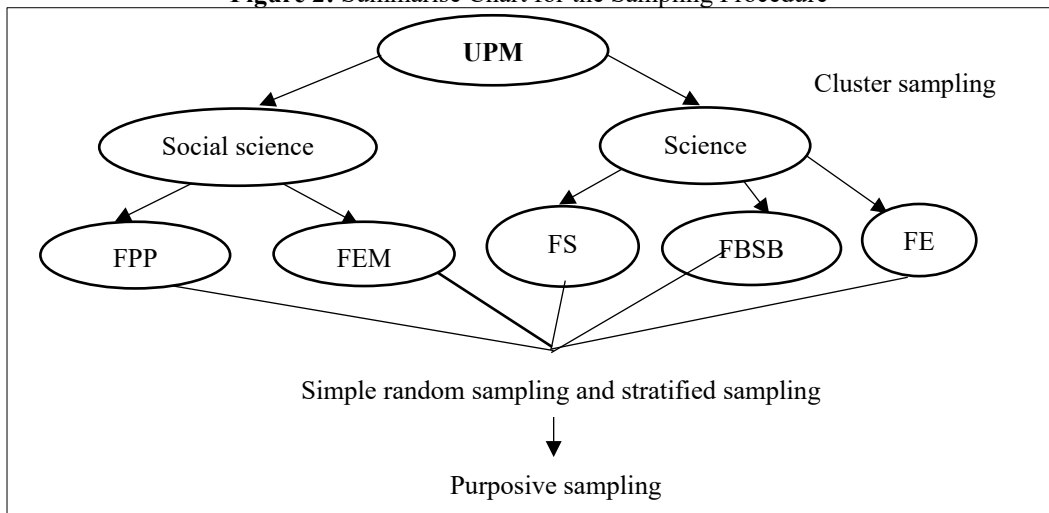
#### 3.2. *Sampling Procedure*

A multistage sampling procedure was applied in this study. Firstly, researchers applied cluster sampling to identify faculties based on the social sciences and science cluster. According to Babbie (2015), cluster sampling is a multistage sampling in which natural groups (clusters) are sampled initially, with the members of each selected group being subsampled afterward. After that, the researchers used a probability sampling (simple random) to get the list of faculty from social science and science cluster, whereby each of the faculties has an equal chance to be selected. However, this study was unable to study all the faculties. Thus, researchers pick a minimum suggested number (should be at least 30%) for each of the clusters and this has been supported by Cohen (1988) and Roscoe (1975). In the current context of the university, the social sciences comprised of four (4) faculties, and the science clusters have 11 faculties. Hence, faculties under

social science cluster that being selected comprised of Faculty of Education Studies (FPP), Faculty of Human Ecology (FEM), whereas for the science cluster consists of Faculty Science (FS), Faculty of Biotechnology and Biomolecular Sciences (FBSB), and Faculty of Engineering (FE).

The researchers then applied the non-probability (purposive) sampling to collect the data. The reasons for choosing this technique are because the researchers identified the faculties and the employees with a certain criterion. For instance, a professional group for academic (DH41 and above), and for the non-academic/ non-professional group with grade N17 and above who work at the selected faculties (see Figure 2). A total of 464 questionnaires was distributed within the selected faculties from 7 December 2015 until 31 January 2016, however, only 285 valid responses were received.

**Figure 2:** Summarise Chart for the Sampling Procedure



### 3.3. *Research Instrument*

The survey questionnaire used in this study comprised of three (3) main sections which are Section A, Section B, and Section C.

**Section A:** Questions on demographic profile of the respondents (gender, staff, age, race, education, tenure, position, and department).

**Section B:** Questions on five (5) elements of CSR practices pertaining to two dimensions which were human rights, labour rights, environmental stewardship, social reporting, which categorised under ethical dimension, whereas community driven categorised under discretionary dimension. Questions in Section B were adapted from a compilation and collated existing best practice international standards as reviewed in the literature (Chen, Nasongkhla, & Donaldson, 2015; Mohd Hasan, 2013; Montgomery & Stone, 2009; Pham, 2011; Tetřenová & Sabolová, 2010; Turker, 2009).

**Section C:** Questions regard to job satisfaction are based on the short form Minnesota Satisfaction Questionnaire (MSQ) (Weiss, Dawis, England, & Lofquist, 1967) which include organisational



policies, qualities of supervision, interpersonal relations, working conditions, salary, career advancement, personal growth and learning, recognition, responsibility, and achievement.

The research instrument consists of 58 questions (eight questions on the profile of the respondent, 30 questions for the dimensions of CSR practices, and 20 questions for job satisfaction). Estimated time for respondents to answer the questionnaire is 15 to 20 minutes.

### 3.4. Pilot Testing

50 sets of questionnaires were distributed to the employees or staff who work with Faculty of Modern Languages and Communication (FBMK). However, only 30 questionnaires were returned, with an average of 60.0% return rate. The researchers used the drop-and-pick technique, whereby respondents were given flexibility in answering the questionnaires at their own free time. The researchers collected the questionnaires from the respective respondents within the two-week duration.

**Table 1:** Cronbach's Alpha on the Understanding of CSR Practices, Dimensions of CSR Practices by Specific Elements, and Job Satisfaction

Construct/ Items	Number of Items	Cronbach's alpha (Pre-test) n=30	Cronbach's alpha (Post-test) n=285
<u>Section B</u>			
<b>Dimensions of CSR Practices</b>			
<b>Ethical</b>			
Human rights	5	0.82	0.83
Labour rights	6	0.73	0.85
Environmental stewardship	7	0.86	0.90
Social reporting	5	0.81	0.89
<b>Discretionary</b>			
Community driven	7	0.85	0.87
<u>Section C</u>			
<b>Job Satisfaction</b>	20	0.77	0.93

In addition, the data obtained must be achieved a normal distribution. This is because normality is an important requirement in multivariate analysis (Hair, Black, Babin, & Anderson, 2018; Tabachnick & Fidell, 2013). Based on Table 2, the values for skewness for both independent and dependent variables were in the range between -2 to +2, which are considered acceptable in order to prove normal distribution (George & Mallery, 2010; Tabachnick & Fidell, 2013). Hence, it can be concluded that the current data are still normally distributed and the requirements were also met.

**Table 2:** Distribution of Skewness and Kurtosis for Each Item of Independent Variables and Dependent Variable

<b>Item(s)</b>	<b>Maximum</b>	<b>Minimum</b>	<b>Skewness</b>	<b>Kurtosis</b>
<b>Human Rights</b>				
C1	1	5	-0.933	1.084
C2	1	5	-0.634	0.312
C3	1	5	-0.886	1.824
C4	1	5	-0.581	0.191
C5	1	5	-0.472	0.307
<b>Labour Rights</b>				
C6	1	5	-0.486	0.359
C7	1	5	-0.914	1.787
C8	1	5	-0.622	0.455
C9	1	5	-0.766	0.711
C10	1	5	-0.601	0.986
C11	1	5	-0.897	1.123
<b>Environmental Stewardship</b>				
C12	1	5	-0.772	1.530
C13	1	5	-0.305	0.054
C14	1	5	-0.330	0.103
C15	1	5	-0.530	0.579
C16	1	5	-0.335	0.105
C17	1	5	-0.581	0.298
C18	1	5	-0.420	0.121
<b>Social Reporting</b>				
C19	1	5	-0.651	0.875
C20	1	5	-0.264	0.307
C21	1	5	-0.391	0.407
C22	1	5	-0.390	0.523
C23	1	5	-0.167	0.621
<b>Community Driven</b>				
C24				
C25	1	5	-0.473	0.138
C26	1	5	-0.462	0.433
C27	1	5	-0.703	1.338
C28	1	5	-0.287	-0.264
C29	1	5	-0.104	-0.427
C30	1	5	-0.537	0.539
	1	5	-0.202	-0.122

Item(s)	Maximum	Minimum	Skewness	Kurtosis
<b>Job Satisfaction</b>				
D1	1	5	-0.270	0.448
D2	1	5	-0.517	0.286
D3	1	5	-0.465	0.470
D4	1	5	-0.271	-0.081
D5	1	5	-0.326	0.238
D6	1	5	-0.478	0.079
D7	1	5	-0.481	0.372
D8	1	5	-0.523	0.532
D9	1	5	-0.520	0.439
D10	1	5	-0.580	0.574
D11	1	5	-0.409	0.204
D12	1	5	-0.608	0.622
D13	1	5	-0.387	-0.254
D14	1	5	-0.522	0.308
D15	1	5	-0.334	0.113
D16	1	5	-0.772	1.092
D17	1	5	-0.676	0.707
D18	1	5	-0.165	0.185
D19	1	5	-0.577	0.300
D20	1	5	-0.462	0.445

Furthermore, multiple regression analysis was also sensitive to multicollinearity. According to Tabachnick and Fidell (2013), multicollinearity happens when the independent variables are highly interrelated 0.9 and above. Hence, Variance Inflation Factor (VIF) and tolerance levels are used to examine the multicollinearity problems via the regression result from the SPSS. As Hair *et al.* (2018) said that the VIF should not exceed 10 and the tolerance values are supposed to be more than 0.10. Based on Table 3, it showed that the range of tolerance is between 0.420 - 0.557 which is more than 0.10. On the other hands, the VIF range was between 1.795 and 2.380 which is a reasonably because it is less than 10 (Tabachnick & Fidell, 2013). Thus, it can be concluded that there is no multicollinearity issue among the independent variables in the current study.

**Table 3:** Multicollinearity Test based on Tolerance and VIF

Variable(s)	Tolerance	VIF
Human Rights	0.456	2.194
Labour Rights	0.420	2.380
Environmental Stewardship	0.451	2.217
Social Reporting	0.503	1.986
Community Driven	0.557	1.795

#### 4. RESULTS AND DISCUSSION

Table 4 illustrates the inter-correlations among five elements pertaining to two dimensions of CSR. The degree of correlations of human rights ( $r = 0.453$ ,  $p < 0.05$ ), labour rights ( $r = 0.574$ ,  $p < 0.05$ ), environmental stewardship ( $r = 0.434$ ,  $p < 0.05$ ), and social reporting ( $r = 0.398$ ,  $p < 0.05$ ) under ethical CSR dimension, and community driven ( $r = 0.508$ ,  $p < 0.05$ ) which categorised within the discretionary CSR dimension.

The findings show that ethical and discretionary CSR dimensions have positive and moderate relationships with the job satisfaction at the 0.05 significance level. However, the social reporting under ethical CSR dimension has a positive, but weak relationship with job satisfaction. Thus, the research hypotheses  $H_1$ ,  $H_{1a}$ ,  $H_{1b}$ ,  $H_{1c}$ ,  $H_{1d}$ ,  $H_2$ ,  $H_{2a}$ , are accepted. Thus, when employees perceive ethical and discretionary CSR dimensions positively, employees' job satisfaction will increase.

**Table 4:** Correlation Test on Relationship between Ethical and Discretionary Dimensions of CSR and Job Satisfaction of Employees (n=285)

Independent variable(s)	Job Satisfaction	
	<i>r</i>	<i>p</i>
<b>Ethical dimension</b>		
Human Rights	0.453**	0.000
Labour Rights	0.574**	0.000
Environmental Stewardship	0.434**	0.000
Social Reporting	0.398**	0.000
<b>Discretionary dimension</b>		
Community Driven	0.508**	0.000

\*\*Correlation is significant at the 0.01 level (1-tailed)

The results supported numerous past studies done by Asrar-ul-Haq *et al.*, (2017), Bashir *et al.*, (2012), Low (2015), You *et al.*, (2013) that positive perceptions of CSR affect employees' job satisfaction. This notion has a vital impact on the sustainability and survival of organisations in the long run. This further supported by Weiss *et al.*, (1967) that organisation's moral or ethical values are the dominant criteria in determining the job satisfaction of employees in the working environment.

$H_3$  stated that ethical CSR dimension (human rights, labour rights, environmental stewardship, social reporting) and discretionary CSR dimension (community driven) are the significant predicting factors that contribute to job satisfaction of employees. In this study, multiple regression analysis by using the stepwise method was carried out.

ANOVA test for regression analysis shows that there is a significant relationship between a dependent variable (job satisfaction) and independent variables (ethical and discretionary dimensions of CSR) at the 0.05 significance level. The analysis in Table 5 shows that labour rights (ethical CSR dimension) (Model 1) gives a significant result with  $F = 120.68$ ,  $p < 0.05$ . As well as

the combination of labour rights from ethical CSR dimension and community driven from discretionary CSR dimension (Model 2) which also gives a significant result ( $F = 77.73, p < 0.05$ ). Meanwhile, multiple regression tests show that labour rights significantly contributes 29.6 % of the variance ( $\Delta R^2 = 0.296$ ) towards job satisfaction of the total of 285 respondents in the study. This means that labour rights ( $\beta = 0.547, p < 0.05$ ) is the main contributing factor that cause employees to have high job satisfaction. However, with the combination of predictors labour rights ( $\beta = 0.380, p < 0.05$ ) and community driven ( $\beta = 0.290, p < 0.05$ ), the contribution value of variance towards job satisfaction has increased to 35.1%. Therefore, the increment was 5.5% (35.1 - 29.6). Elements which do not significantly contribute to this study were human rights, environmental stewardship, and social reporting. Hence, it can be concluded that there are some other variables (64.9%) that are currently not being investigated in this study which can contribute to the increment of job satisfaction.

**Table 5:** Coefficient Regression of Independent variables: Multiple Regression Analysis, Stepwise Method

Model		B	Beta	t	p
1.	(Constant)	34.134		10.101	0.000
	Labour Rights	1.646	0.547	10.985	0.000
F = 120.68, df = 1, 283,		p = 0.000,	R = 0.547,	R <sup>2</sup> = 0.299,	$\Delta R^2 = 0.296$
2.	(Constant)	24.243		6.367	0.000
	Labour Rights	1.145	0.380	6.512	0.000
	Community Driven	0.807	0.290	4.969	0.000
F = 77.73, df = 2, 282,		p = 0.000,	R = 0.596	R <sup>2</sup> = 0.355	$\Delta R^2 = 0.351$

Based on the analysis from Table 5, H<sub>3</sub> were partially supported because not all of the predicting factors is contributing towards job satisfaction. On the other hand, it could be reported that labour rights from ethical CSR dimension and community driven from the discretionary CSR dimension are the two main determinants that contribute towards job satisfaction of employees.

Thus, management of the public HEI under studied could use these findings to construct and design their CSR initiatives to improve employees' job satisfaction through the identification of job satisfaction as a best predictor. For example, in order to enhance the job satisfaction of the staff, the Human Resources office should focus attention towards the labour CSR practices. On the other hand, CoSComm should come out with a strategic implementation of various programmes to communicate with the community or publics. At the same time, the public HEI can encourage the employees to participate in the community driven programmes in order to foster employees' job satisfaction.

Contrary to the findings of this study, Dhanesh (2014) found out that the legal dimension was most significantly influences organisational commitment and satisfaction, whereby the ethical dimension influence the trust, and discretionary dimension influence the control mutuality. This had also consistent with the findings of few previous studies that the legal responsibility of CSR

was ranked the most significant dimension that influences job satisfaction (Dhanesh, 2012). A possible reason ethical responsibility has the least influence on CSR practices is due to the cultural and political set-up of the country. In particular, Visser (2008) stated that ethical responsibility in relation to CSR initiatives is relatively low in developing nations as compared to Western countries.

However, the current empirical findings support May's (2008) arguments that ethical engagement of employees is one of the prominent key factors in CSR agenda building in organisations. This is in line with the study done by Closon *et al.*, (2015), whereby they found out that ethical CSR practices significantly influence the organisational commitment and job satisfaction. This also supports numerous past studies that found similar findings (Lee & Bruvold, 2003; Mohamad *et al.*, 2013; Rizvi & Rana, 2012).

The positive results of the current study have supported the notion that employees in the particular public HEI perceived the university labour and human rights policies positively. For instance, the university gives their employees training and education for the advancement of personal growth and achievement. Besides that, the university also respects the rights to practise own religion and adheres to various local values, customs, and norms, whereby all these have influenced the employees to have commitment with the university as an organisation. This notion supports Peterson (2004) that ethical obligation of CSR has a big effect on organisational performance and commitment, as the employee will perceive the organisation as ethical.

Furthermore, the findings of Closon *et al.*, (2015) showed that job satisfaction was positively influenced the CSR practices pertaining to ethical as well as discretionary/ philanthropic dimensions which support the current research findings. These results partially supported the study done by Brammer, Millington, and Rayton (2007) in which they stated that external CSR practices that associated with community and philanthropy are positively related to organisational commitment as the current findings found out that CSR practices pertaining to ethical and discretionary dimensions have an influence on employees' job satisfaction as an organisational performance. This supported the notion that the contribution of CSR to organisational commitment is as significant as job satisfaction (Brammer *et al.*, 2007).

On the other hand, the current findings also supported the study of Raub and Blunschi (2013) that employees' awareness of CSR initiatives is positively related to job satisfaction. In addition, they further added that awareness of CSR initiatives is positively related to discretionary, which yield the same results as the current research towards the work behaviours such as organisation citizenship behaviours in the context of hospitality industries.

## 5. CONCLUSION

Employees who perceived the ethical and discretionary CSR dimensions that carried out by the public HEI positively will enhance their job satisfaction. Thus, highlighting ethical and discretionary initiatives in higher education sectors has a higher chance of increasing the sense of belonging to employees, particularly when they perceive that the organisation is making efforts on the visibility of ethics and community aspects of CSR. (Closon *et al.*, 2015; May, 2008). Hence, their satisfaction with the jobs will help to increase the work commitment and organisational

performance. However, social reporting has a minimal effect on job satisfaction, as the social reporting is still voluntary actions.

Besides, the study also revealed that ethical CSR, especially the labour practices and discretionary CSR that focused on the community were the significant factors that cause employees to have higher satisfaction toward their jobs. Although the results were significant, however, there are other variables that are not included in this current study that also can contribute to employees' work satisfaction. Thus, this suggests that labour practices and discretionary activities may not be the dominant antecedents of job satisfaction as the current study does not allow a causal claim.

The current study contributes to the body of knowledge in the field of CSR, where the integration of the revised pyramid of global CSR and performance model Carroll (2004) and the best CSR practices by Mohd Hasan (2013) is found pertinent in the Malaysian setting. Hence, when the Western contextualised research instrument is used, certain elements will need to be excluded to cater to the local context and practices. In addition, the theoretical links between CSR and job satisfaction through the application of motivation-hygiene theory introduced by Herzberg (1966) which includes the motivation and hygiene factors found that the combination of both factors eventually play a significant role in enhancing job satisfaction of employees.

Based on the conclusions and prescriptions for better CSR practices which drawn from the present research, few recommendations for future studies are suggested. First, the current study was only limited to explore CSR initiatives from one of the public HEI in Malaysia. For future studies, the researchers recommend to look into other research universities in Malaysia, to focus on exploring further on their CSR programmes and initiatives. Besides, understanding the areas of social responsibility initiatives as practised by public and private universities is timely as it will provide a greater depth information and understanding related to both public and private institutions.

In terms of methodology, the current study using quantitative survey method to analyse the dimensions of CSR practices and employees' job satisfaction. Future research can further extend the quantitative approach by testing the moderating and mediating effects of the CSR model and its relationships with other organisational outcomes by using structural equation modelling (SEM). In addition, future research can also employ qualitative approaches, such as interviews or mixed methods to be complementary to the deficiency of the quantitative approach.

Lastly, there were some other variables that may contribute to the job satisfaction which currently not being tested in this study. Hence, other variables such as corporate reputation, organisational leadership style, employee motivation, employee engagement, organisational identification, organisational commitment as suggested by past studies can be included for future study to enhance the advancement of knowledge in the CSR arena.

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