

Employees' Perceptions of Internal CSR and External CSR towards Organizational Citizenship Behaviour

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Abstract: *When employees "go above and beyond" or "give their all" at work, they see their jobs as more than just a salary, and they are willing to do anything they can to make their workplace more productive, even if such efforts are not part of their job descriptions. Such behaviors can be attributed to an individual's disposition, but companies can also encourage them by fostering a serene environment. As a result, the purpose of this study is to look into the impact of employees' perceptions of corporate social responsibility on their affective commitment, job satisfaction, and organizational citizenship activity. From six different banks, 260 employees filled up data. The finding shows that Internal CSR is weaker than External CSR in those companies.*

Keywords: Employees' Perception, External CSR, Internal CSR, OCB

Introduction

Profit is often acknowledged as the primary purpose of a firm, but corporate social responsibility (CSR) is also critical. The business sector cannot function in isolation in the changing environment of modern economic development. In a socialist growth pattern, it is accepted that social interests must take precedence. Even today's capitalist societies have engaged people to work in social welfare. Financial institutions, manufacturing industries, service-provider enterprises, and a variety of other types of businesses all contribute to societal welfare (Shah, 2012).

Further Shah (2012) writes that the main notion of social responsibility, corporate social responsibility (CSR), should contribute to the state's development. A form of corporate self-regulation integrated into a company model is known as corporate responsibility, corporate citizenship, responsible business, sustainable responsible business, or corporate social performance. A company's goal is to make more money, but without society's cooperation, it can't operate smoothly or fairly. The company manufactures things and provides services to

the general public. Only through satisfying the general public can a business entity make a profit.

“Actions that appear to serve some societal good, beyond the interests of the corporation and that which is required by law” (Youn & Kim, 2022, p. 1) are what corporate social responsibility (CSR) refers to. Consumers are eager to reward companies perceived to be socially responsible and penalize those thought to be socially irresponsible, therefore various organizations have begun to appreciate the strategic importance of CSR to the sustainability of their business operations. As a result, CSR has gotten a lot of scholarly attention over the last two decades, and a lot of empirical research have looked at how CSR activities affect external stakeholders, especially customers.

For starters, only a little amount of study has been done on employee behaviors that assist the company, such as organizational citizenship behavior (OCB) (Supanti & Butcher, 2019). According to researchers, OCB, or discretionary employee behavior, is crucial since it contributes to an organization's effective operation (Fu, Li, & Duan, 2014). Researchers have reported contradictory results in the few studies that have looked at the influence of CSR on OCB; some studies suggest a significant effect, while others do not (Youn & Kim, 2022). To overcome this disparity, this study investigates if and how employees' perceptions of CSR influence their OCB.

Employees are theoretically both recipients of Internal CSR initiatives and contributors to External CSR programs. As a result, employees' views of the two types of CSR are likely to emerge through different pathways, with varying effects on their attitudes and behaviors.

Internal CSR refers to the steps that businesses take to meet employee expectations, actively fulfill and improve organizational fairness for employees (such as improving employee happiness and contentment with their health), and ensure staff safety and development (Turker, 2009). Internal CSR is directly linked to psychological and physiological wellness by providing welfare services for employees, and the main notion of CSR is to benefit employees rather than pursue business interests.

External CSR encompasses social responsibility initiatives aimed towards the local community, the natural environment, and customers (Farooq, Rupp, & Farooq, 2017). Community CSR encompasses charity donations in support of humanitarian causes, community development investment, and collaboration with non-governmental organizations. Investments in environmental protection, such as pollution reduction, environmental initiatives, and practices that focus on sustainable development for future generations are all examples of CSR related to the environment. Consumer-focused CSR comprises offering high-quality goods or services, customer care obligations, and protecting consumers' rights beyond the legal requirements (Jia, Yan, Liu, & Huang, 2019).

Objectives

The main objective of the present study are as follows:

- i) To explore bank employees' perception of Internal CSR towards OCB.
- ii) To explore bank employees' perception of External CSR towards OCB.

Based on the above-mentioned objectives, the following hypotheses.

H1 : There is positive relationship between Internal CSR and OCB.

H2 : There is positive relationship between External CSR and OCB.

Methods and Materials

This study has adopted a quantitative research design. Quantitative research is regarded a more scholarly and appropriate approach in social science (Richard, 2009). Quantitative approaches are extensively employed because of their capacity to make a right prediction and their attractiveness for theory formulation and evaluation in a variety of contexts (Bhattarai, 2016).

The external and internal CSR were measured through Turker's (2009) instrument scale. The measurement scale has been found well established, valid, and reliable. Organizational citizen behavior (OCB) has been measured on nine items. (e.g. I help other employees with their work when they have been absent") and was adopted from Smith et al, (1983).

Validity and reliability are two variables that should be considered while designing a study, interpreting the data, and judging the study's quality. The trustworthiness of the primary data is confirmed by the use of the SPSS program to calculate the Cronbach's Alfa (.918).

The data were collected from 6 different commercial banks. The following table explores it in detail.

Table 1: Name of Banks

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	CIVIL	20	7.7	7.7	7.7
	RBBL	76	29.2	29.2	36.9
	SANIMA	64	24.6	24.6	61.5
	NMB	34	13.1	13.1	74.6
	GBIME	28	10.8	10.8	85.4
	SBL	38	14.6	14.6	100.0
	Total	260	100.0	100.0	

The following table shows other demographic information.

Table 2 Demographic Information

		Count
Gender	Male	152
	Female	108
Marital Status	Married	211
	Unmarried	49
Age	Less than 20 years	1
	21 to 25 years	29
	26-30 years	10
	31 to 35 years	143
	36-40 years	67
	Above 40 years	10
Years of service	Below 5 years	65
	5 to 10 years	102
	10 to 15 years	76
	15 to 20 years	15
	Over 20 years	2
Education	12	1
	Bachelor	106
	Master's	153

All the collected data were entered into SPSS 20 and analyzed. To explore relationship between the variables, correlation was tested.

Results and Discussion

Micro CSR is tied to a company's internal operations and is also linked to highly devoted staffing, education, high compensation, and employee participation as HR practices. Internal CSR, which describes the organization's ethical behavior toward employees, is also recognized. Furthermore, employees' perceptions are influenced by their emotions, attitudes, and behaviors, and may aid in determining whether internal CSR can assist in meeting major human and societal concerns. Due to the fair treatment of employees, OCB is a mutual open behavior. There have been merged HR practices with employee engagement and OCB in many research undertaken at OCB.

Table 3: Correlation between Internal CSR and OCB

Correlations			
		PICSR_TOT	OCB_tot
PICSR_TOT	Pearson Correlation	1	.032
	Sig. (2-tailed)		.608

	N	260	260
OCB_tot	Pearson Correlation	.032	1
	Sig. (2-tailed)	.608	
	N	260	260

Table 3 shows that there is no significant correlation between perceived internal corporate social responsibility of companies and organizational citizenship behaviour. Thus, hypothesis one is rejected.

Organizational Citizenship Behavior occurs when an employee willingly engages in extra-role activities that are not part of their contractual tasks but contribute to the organization's goals (OCB). It was first defined as an employee's individual contributions that go beyond their contractually rewarded job duties and accomplishments. As a result, it is necessary to investigate the situation. Employees' perceptions of CSR have the ability to boost OCB and enable them to participate in the organization in ways other than their primary job. When a company engages in CSR initiatives, its employees are ready to go above and beyond their primary responsibilities and contribute to the organization's success through discretionary behavior. As a result, an employee's CSR perception of the company they work for could have a major beneficial impact on OCB.

Table 4: Correlation between External CSR and OCB

		OCB_tot	PECSR
OCB_tot	Pearson Correlation	1	.567**
	Sig. (2-tailed)		.000
	N	260	260
PECSR	Pearson Correlation	.567**	1
	Sig. (2-tailed)	.000	
	N	260	260

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

Table 4 shows the correlation between external corporate social responsibility and organizational behaviour. This result shows that there is significant correlation between External CSR and OCB. Thus, hypothesis two is accepted.

Conclusion and Limitation

CSR was discovered to be a critical component in affecting organizational behavior among employees after a review of the literature. The relationship between internal and external CSR and organizational citizenship behavior was explored in this paper. Workers are

stakeholders who play a critical role in an organization's efficiency and general functioning. Companies have placed a greater emphasis on external CSR than internal CSR. Internal CSR must be promoted by companies in order for OCB to gain traction.

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