Building Organizational Pride through Corporate Social Responsibility

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Abstract---CSR refers to organizational actions and policies to achieve financial, social environmental sustainable development*. Sustainability in an organization can be achieved if an organization is not only focused on the macro level that organization profitability achievement, but also must have moral responsibility on government, society, and employees. This study objective is to examine on the micro level, in this case, is employee extra role behavior. Corporate Social Responsibility (CSR) in organizations can influence employee extra-role behavior or Organizational Citizenship Behavior (OCB) with mediating an employee pride in organizations or Organizational Identification (OID). This study is a quantitative study with spreading questionnaire among 140 manufacturing employees in Surabaya, Indonesia. The result of this study is that CSR has significance influenced to OID and OID has significance influenced OCB. This study implications is CSR indicates organizational care to government, society and surely, they will also care to the employee. CSR can influence attitude and behavior of employee. Employee will be pride as a part of organizations and have extra role behavior to organizational performance.*

Keywords---*Corporate Social Responsibility, Organizational Identification, Organizational Citizenship Behavior.*

I. Introduction

Corporate Social Responsibility (CSR) has received a wide range of scientific attention currently, and various empirical study has identified greater effects from CSR to the financial performance on the firms. Organizations can be sustainability development so it is becoming some needs to balancing between profitability and moral responsibility through Corporate Social Responsibility. Top management is not only oriented on profit achievement but also must offset with building a positive public image. Study about CSR tends on the macro level and emphasize on organizations performance [1]. Yet few studies have focused on employees' responses to CSR initiatives, although they represent an essential stakeholder group to ensure organizations' long-term survival and performance [2]. Specifically, research that explores the impact of CSR on employees' attitudes [3]. It is important to analyze social responsibility on the micro level, especially employee positive behavior [4,5]. Employee perceptions on CSR are considered as very important in influencing an employee to evaluate moral responsibility on organizations [6].

CSR contributes to employee psychological needs which influence the quality of the relationship between employee and organizations [30]. CSR can influence employee behavior in the terms of employee pride in organizations so that CSR will improve employee identification on organizations, moreover, it will improve organizations performance. So, it is very important to understand how CSR can contribute to employee performance in the workplace. Some various study has examined the influenced of CSR on the result of employee attitude and employee behavior in organizations [7]. In particular, CSR can improve OID [8],   and OCB [9]. Organizational Identification (OID) has empirically related with various Organizational Citizenship Behavior (OCB) to improve organizations succeed, includes work together with the member of

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coworkers, Giving extra effort [6], take action to cover organizations and promote their organizations to the outside organizations. CSR influences employee organizational behavior through organizational identification based on social identity theory. CSR impacts OCB emphasizing implicit belongingness and the psychological connection between the firm and employee, building organizational identification where "the individual defines him or herself in terms of their membership in a particular organization" [10]. It is worthwhile to investigate how CSR influences employee motivation, attitudes, and behavior since they are regarded as companies' most important internal stakeholders and are people who can make significant contributions to realizing corporate CSR goals [11, 12, 31].

This study objective is to explore how the CSR activity can influence OID that employee pride in organizations so that employee will give an extra-behavior to performance organizations.

II. Theory and Hypothesis Development

The relationship between CSR and OID

CSR refers to organizational actions and policies to achieve financial, social environmentally sustainable development [1,11]. This means that companies not only highlight shareholder but also consider stakeholder expectations (including employees, customers, communities, governance, etc.) when making strategic decisions. Employees develop perceptions of how their organizations try to support sustainable development, including the concerns demonstrated by the company for local communities, the natural environment, employee and customer care, and shareholder relationships and involvement. Besides the impacts on organizations, the effects of CSR on individual employee outcomes are thought also to be significant [1]). OID relates to the perceived in organizations and emotional engagement with its member based on social identity theory [13]. Identifications reflect on membership and the relationship between psychological and organizations [10]. CSR must do a strong effort to cover the environment, reduce pollution and must care to society consumers. This effort makes an employee feels pride as a part of organizations and they tend to have positive responses to CSR [14]. CSR can improve employee organizational identification [12,15].

H1. There is a relationship between CSR and Organizational Identification

The relationship between   Organizational Identification (OID)   and OCB

Organizational identification is a way to explain the relationship between the member of organizations and organizations where they work. Organizational identification can be defined as one's perceptions with or perceive self belongings organizations, in which their members define in terms of organizations where they work [13]. Organizational identification proves as an important factor in organizations lifetime. Empirical study has indicated that employee who has high-level identification so they indicate positive attitudes and behaviors to the organizations where they work [10]. Few studies have proved that a high level of organizational identification gives benefit to organizations or employees. [13] also states that identification on the member of organizations is to improve Self–esteem. Member of organizations is motivated by self-enhancement, they tend to identify with organizations to give them positive quality [16]. High level of organizational identification not only addresses better performances but also on Organizational Citizenship Behavior [17]. An empirical study which has done by [16,18] has concluded that organizational identification has a significant relationship with OCB.

H2. There is a relationship between Organizational Identification and OCB

The role of OID mediating The relationship between CSR and OCB

Based on social identity theory, OID has a role in mediating between CSR and extra-role behavior, employee pride in organizations can give positive attitude on doing a task outside task description area [19,20].

Evidence indicates that OID facilitates employee engagement which addresses to task performance and discretionary behavior [15]. Organizational Identification can be influenced CSR which is done by management [21] that CSR can facilitate OCB through strengthening psychological relations, with organizational identification, an employee will indicate as a supported behavior and high level involved in doing tasks [20]

H3. Organizational Identification mediating The relationship between CSR and OCB

Conceptual Framework :
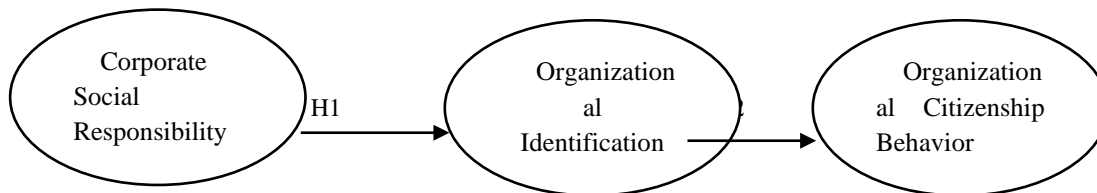
III. Research method

This study uses a quantitative approach with spreading questionnaire among 140 employees of manufacturing firms in Surabaya. Manufacturing firms currently is persuaded to have moral responsibility. The manufacturing employee must have the perception that organizations, where they work, have supported sustainability development with cares of local communities, the natural environment, employee and customer care, and shareholder relationships and involvement.

Measurement

Corporate Social Responsibility is a firm moral responsibility to the government, customer Society and employees. Measurement indicators have 17 items which are developed by [22]. Few items are Our company always pays its taxes on a regular and continuing basis, our company complies with the legal regulations completely and promptly, our company policies encourage the employees to develop their skills and careers, our company implements special programs to minimize its negative impact on the natural environment, our company supports employees who want to acquire additional education, our company supports the non-governmental organizations working in the problematic areas, our company contributes to the campaigns and projects that promote the well-being of the society.

Organizational Identification is pride as a part of the organization. Measurement indicator use 8 items which are developed by [10]. Few items are pride in organizations, like self-esteem and inspiration in performance.

Organizational Citizenship Behavior is extra role behavior that supports task performance. Measurement indicators use 6 items which are developed by [23]. Such as gives support on creative ideas to coworkers, new ideas and recommendation for the problem in doing tasks.

IV. Result and Discussion

In this study to examine hypothesis is used Partial Least Square (PLS) analyze with SmartPLS 2.0 program. The first sections are Outer Model test to test validity and reliability construct of this study. indicators will be valid if it has loading factor values > 0,5. Variable will be reliability if it has Composite reliability> 0.7.

The validity test result (See, Table 1 -3), that all indicators has outer loading value > 0,05. The reliability test result (see, Table 4), that all variables has reliabilty value > 0,7. Table 5 explains hypothesis test.

Table 1. Validity Test result CSR Variable

Variable	Dimension	Indicator	Outer Loading	Standard Loading	Result
	Government	G 1	0,680	0,5	Valid
		G2	0,754	0,5	Valid
	(G)	G3	0,894	0,5	Valid
		G4	0,842	0,5	Valid
	Society	S1	0,887	0,5	Valid
		S2	0,757	0,5	Valid
	(S)	S3	0,504	0,5	Valid
CSR		S4	0,873	0,5	Valid
		S5	0,809	0,5	Valid
		S6	0,863	0,5	Valid
		S 7	0,868	0,5	Valid
	Employee	E1	0,749	0,5	Valid
	(E)	E2	0,735	0,5	Valid
		E3	0,687	0,5	Valid
		E4	0,760	0,5	Valid
		E5	0,504	0,5	Valid
		E6	0,873	0,5	Valid

Table 2. Validity Test result in OID Variable

Variable		Indicator	Outer Loading	Standard Loading	Result
		OID 1	0,692	0,5	Valid
Organizational	Identification	OID 2	0,254	0,5	Valid
(OID)		OID 3	0,628	0,5	Valid
		OID 4	0,835	0,5	Valid
		OID 5	0,761	0,5	Valid
		OID 6	0,878	0,5	Valid
		OID 7	0,754	0,5	Valid
		OID 8	**0, 771**	0,5	Valid

Table 3. Validity Test result OCB Variable

Variable		Indicator	Outer Loading	Standard Loading	Result
		OCB 1	0,748	0,5	Valid
Organizational	Citizenship	OCB 2	0,798	0,5	Valid
Behavior (OCB)		OCB 3	0,871	0,5	Valid

OCB 4	0,837	0,5	Valid
OCB 5	0,687	0,5	Valid
OCB 6	0,760	0,5	Valid

Table 4. Reliable Test result Measurement Tools

Variable	Critical Value	Cronbach Alpha (α)	Result
CSR	0,6	0.893413	Reliable
OID	0,6	0.748786	Reliable
OCB	0,6	0.843743	Reliable

Table 5. Hypothesis Test

Relationship Variable	Coefficient	Standard Error	t-statistic
CSR→OID	0,355	0,145	2,460
OID→OCB	0,663	0,108	6,120
CSR→OID→OCB	0,383	0,116	3,306

The influenced of Corporate Social Responsibility (CSR) among Organizational Identification (OID)

The result of this study proves that CSR has positively influenced and significant among OID with T Statistic > 1,96. Organizations have done CSR activities on government, society, and employees. CSR activities on government indicate with submission to the government rules such as taxes paying, being active in the activities that to cover and improve nature quality also minimalize negative effect on the natural environment. CSR activities in the society which contributes to the activities that can improve society wellness also gives full and accurate information about firms product. CSR activities in employees that organizations support employee to be active on social development and work-life balance to employee**.** Care about employee needs can improve employee pride as a part of organizations. The influenced of CSR can improve organizational identification [15,24]. A company's successful engagement in CSR will consequently be accepted favorably by employees and will thus result in stronger employee identification with the organization [25]

The influenced of Organizational Identification (OID) among Organizational Citizenship Behavior

The result of this study proves that OID has positively influenced and significant among OCB with T Statistic > 1,96. Organizational identification is defined as a perceived unity with, and feelings of belong- ing to, an organization [13]. The employee has an identification to the organizations will perceive pride as a part of organizations. Employee behavior is reflected by always do the best performance on organizations, perceive that every organization succeeds or failed as their responsibility. The employee will perceive even worse if their organizations received bad criticism. Social identity theory also suggests employee organizational identification is positively related to employees' work attitudes and behaviors [26] as such identification results in "employee actions that reinforce the organization and one's status within it" [27]. This study result refers to [28] That OID is positive and significant influenced among OCB.

The role of Organizational Identification (OID) mediating the relationship between CSR and Organizational Citizenship Behavior

A company's successful engagement in CSR will consequently be accepted favorably by employees and will thus result in stronger employee identification with the organization [25]. Organizational identification, as the psychological connection between the organizations and employee, has a significant and positive influence on employee behaviors. OCB is the most important individual outcomes reflecting employee behavior and discretionary actions. OCB refers to employee discretionary actions not rewarded or required in organizations' formal management regulations. Organizational identification links CSR and employee behavior and includes OCB [12]. According to social identity theory, individuals tend to categorize themselves into groups and share benefits from this association [13]. Identification and affection attachment with an organization can become part of an individual's identity and encourage employees to share their organizations' successes or failures [12]. Employees influenced by organizational values and norms, when there is a mutual reciprocity relationship between employees and organization, are more likely to behave in ways expected and supported by the organizations such as supporting organizational members, complying with informal organization rules, [20].

V.   Conclusion

This study implications is CSR indicates organizational care to government, society and surely, they will also care to the employee. CSR can influence attitude and behavior of employee. Employee will be pride as a part of organizations and have extra role behavior to organizational performance. CSR is a essential for manufacturing industry. Because it will influence attitude and behavior of employee to the organizations. Our study did have limitations. All data were cross-sectional or one −shoot data collection, for the next study, could be performed using different timescales to investigate the causal relationship between variables in order to obtain better results when testing the causal relationship between the variables.

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