



International Research Journal of Interdisciplinary & Multidisciplinary Studies (IRJIMS)

A Peer-Reviewed Monthly Research Journal

ISSN: 2394-7969 (Online), ISSN: 2394-7950 (Print)

Volume-III, Issue-I, February 2017, Page No. 87-105

Published by: Scholar Publications, Karimganj, Assam, India, 788711

Website: <http://www.irjims.com>

The Effect of Corporate Social Responsibility on Employee Satisfaction and Loyalty: A research on Turkish Employees

Idil Karademirlidag Suher, PhD

Cisil Sohodol Bir, PhD

Aysel Yapar

Bahcesehir University, Turkey

Abstract

The concept of Corporate Social Responsibility is recently so outstanding because companies have started to understand they can grow not only with financial investment, but they can also grow with focus on social problems. Many companies have started to evaluate CSR principles in order to compete better in the global market and to promote products and services by emphasizing corporate social responsibility activities. Corporate social responsibility activities are also seen vital due to their contribution to employee satisfaction and loyalty. In this article, it is researched if there is a relationship with corporate social responsibility works with the employees' job satisfaction and their loyalty to their company. To reach to the results, a survey study has been done and according to the survey results, companies' corporate social responsibility activities have positive effect on employees satisfaction and loyalty.

Key Words: Corporate Social Responsibility, Commitment, Employee, Employee Satisfaction, Employee Loyalty

I. Introduction: Due to the pressure imposed by customers, employees, the system and the society, the significance of Corporate Social Responsibility concept has started to increase. Nowadays, it is accepted that the most important and the most effective way of growing and addressing wider audiences is through Corporate Social Responsibility. As the value added by the Corporate Social Responsibility practices has been seen, its importance increased accordingly.

The very first objective of the Corporate Social Responsibility practices has been to increase the profits for the company. Therefore, all the studies conducted regarding this issue have been performed to increase the financial value of the company. However, it has recently begun to be understood that, apart from increasing the financial value of the company, Corporate Social Responsibility is a very important human resources management strategy which also increases corporate loyalty and employee loyalty.

Companies have begun to notice that work force and social security rights are the keys for Corporate Social Responsibility concept. Therefore, companies are now working towards increasing employee satisfaction

II. Literature Review

Corporate Social Responsibility: Corporate social responsibility (CSR) is approached as a modern concept and a business practice which is discussed conceptually in philosophic discussions and also is grounded on 19th century philanthropic activities. (L' Etang, 2002)

Corporate social responsibility is also accepted as a concept, apart from some classifications, that includes the issue of how the managers must handle the public policy and social issues. (Windsor, 2002:95) World Business Council for Sustainable Development defines CSR as a liability of firms to enhance the quality of life with employees, families and the local community, and in a broad sense to contribute to the sustainable economic development through working with the society. (World Business Council for Sustainable Development, "Corporate Social Responsibility",

<http://wbcsd.ch/teplates/TemplateWBCSD1/layout.asp?type>)

According to Kotler, social responsibility is optional business practices and an undertaken commitment to recover social welfare with the contributions of corporate sources. The main point here is that the corporate social responsibility activities are not obligatory business practices but they are voluntarily done activities. They are based on voluntary liabilities in Kotler's definition. (Kotler and Lee, 2004)

Craig Smith handles the issue with regards to corporate philanthropy. He also interprets CSR as a change towards taking long-term responsibility in several issues, having more financial support, creating funds from both business and charity budgets, having strategic mergers and at the same time progressing in business objectives. (Smith, 1994)

Bowen has a different perspective on the issue since he argues that social responsibility activities are social obligations. The firms must pursue the values and aims of the society in their business activities, fulfill the decision that they take in this sense and, continue the policies while performing social responsibility. (Maignan and Ferrel, 2004: 17)

The Relation of Corporate Social Responsibility, Employee Satisfaction and Loyalty:

Employee satisfaction is a concept that aroused in 1920's and gained value in 1930's and 1940's. It is an important concept since it related with life satisfaction. This is because work satisfaction affects both mental and physical health of people. On the other hand, it has a direct relationship with productivity (Sevimli and Işcan, 2005). Work satisfaction affects the decision of employees to stay in the same company or leave the job. Employees' decision to leave the job is an individual decision that is made in a short time; however, decision to stay in the business is a decision that is planned in long term (Tett and Meyer, 1993). Researches show us that employees do not consider leaving the job as soon as companies fulfill their responsibilities that they promise (Cho et al, 2009). Efforts of the company and top management affect the decisions of employees; number of loyal employees increase due to them (Chen, 2001). Employees' idea of leaving the job can disappear if human resources

department give them opportunity for personal development, reward them, evaluate their individual performance and enable an environment to express themselves. Since they can feel themselves closer to the company and support it to reach its goals (Cho et al., 2009).

One of the most important definitions of employee loyalty is that an employee's identifying himself/herself with the company and his/her working to reach objectives and aims of the company (Swales, 2004). According to Meyer and Allen (1997), psychological manner of an employee affects his/her decisions about working. Employee commitment is a pattern of behavior in which employee desires to be a permanent staff of the company and it is shaped based on the relationship of employee with the company (Meyer and Allen 1997, 11). O'Reilly ve Chatman (1986) defines it as a psychological commitment of individual towards the company (Caldwell et al., 1990).

Employee loyalty is the degree of adoption of the company and its objectives and, willingness to work in the company (Robbins 2003:72). It is the strength of the connection between the company and the employee (Grusky 1966:489). Other definitions of employee loyalty are as following;

Accepting aims and objectives of the company, working for them, having a strong desire to increase the success of the company and desiring to be a member of the company (Drummond 2000).

- Identifying himself or herself with the company individually and working for aims of the company (Kreitner and Kinicki 2001).
- Yearning for being a member of the company and making an effort for the company by strongly accepting aims and objectives of it (Morrow, 1983).

Emotional loyalty is to continue to stay in the same job willingly (Zangaro 2001:16). To define in a broader sense, an employee's identification of himself/herself with the company, his/her active interaction with the company and his/her happiness in the workplace (Porter et al., 1974:604; Mowday et al., 1982:27, Allen and Meyer 1990:2, Sabuncuoğlu 2007: 622). Employees who have emotional commitment with the company continue to stay in their position due to the connection between them. They accept the company as their family and they work heartily to reach organizational objectives. Therefore, companies desire to have employees that are emotionally loyal to themselves. Employees continue working in the company due to their needs. Continuance commitment is defined as will to work due to fear of losing status and side benefits and difficulty of finding a new job (Sabuncuoğlu 2007: 622). In such a situation, financially strong and most contributing individuals want to continue to work in the same company (Allen and Meyer 1991, p. 72). Since, it is hard for them to renounce their status. However, they make minimum effort in this process. Therefore, continuance commitment is not preferred by companies since they want to work with people who use reasonable efforts by devoting themselves to their work. Researches reveal that scarcity of working opportunities and investments is a defining factor in continuance commitment (Wasti 2000, Uyguç and Çımrın 2004: 92).

Many companies have started to evaluate CSR principles in order to compete better in the global market and to promote products and services by emphasizing corporate social responsibility activities. This situation is defined as the “subconscious level of the promotion” because companies are supported by the public while they are doing their own work due to philanthropic activities (Fry et al., 1982:105). And these kinds of CSR activities are seen important due to their contribution to employee satisfaction and loyalty as well.

Employees’ being a volunteer part of CSR activities affect themselves positively and also let them contribute more to the production process. Moreover, the firm is perceived as a firm that cares about social issues and works for the public interest. In this way the “win-win” policy works and the firm is internalized both by itself and its customers (Lantos 2002:207).

Their voluntary working in CSR activities can be considered as an informal training because they obtain an opportunity to develop both their professional skills and their communication skills in their environment (Creyer and Ross 1997). In other words, they can exhibit their skills that they cannot do normally in their departments. Working voluntarily in CSR activities develop “teamwork, communication, management and leadership skills” of the employees (Wild 1993 cited Caudron 1994: 41).

In recent years, firms do not demand personal development or expertness programs that are provided from the outside of the firm, rather they promote their employees by observing their performances in their volunteer activities (Caudron 1994, p. 41). According to researches, works that employees attend voluntarily gain value gradually. Thus, value contribution of employees and also production process is affected positively (Geroy et al. 2000, p. 280).

As it is stated in social impact theory, reputation of the firms affects the decisions of its stakeholders. That is to say that it affects feelings of the customers before they buy a product or a service, points that candidate employees heed, decisions of shareholders before they make investment and, attitudes and behaviors of employees towards the firm (Riordon et al., 1997: 401). If the companies use their corporate social responsibility activities efficiently; they retrench recruitment, training and employee changing expenses. Employees generally evaluate companies in which they are working according to the position of the company and also its reactions towards the society. In fact, working conditions of the company define the loyalty of employees and their satisfaction with the working environment. Point of views of employees towards the company is affected by companies’ standing against social issues (Koh and Boo 2001:311).

Loyalty of employees affects other performances like profitability of companies (Benkhoff 1997:717) or labor loss (Lum et al. 1998:309). Motivation of employees is an inspirational factor that increases will to work (Locke 1997:375). If a company wants to motivate its employees successfully in order to realize its objectives, the first thing to do is ensure loyalty of them. In other words, more loyal employees work more efficient which

leads up to produce better products and give better services. As a result, satisfaction of employees increases. According to researches, CSR practices especially implemented at outside of the company influence the employees positively (Brammer et al., 2007:1715).

More importantly, if behaviors and performances of the employees are affected by the corporate culture, they contribute to outside CSR activities more such as attending charitable activities. Thereby, they become a part of philanthropist corporate culture. Hancock (2005) claims that companies should adopt CSR as a culture in order to be supported by its employees and have a good reputation in the eyes of them. Companies have a chance to decrease labor loss and to enhance training, working conditions of employees if they have a corporate culture integrated with CSR rather than being a profit-focused company. Moreover, they can have a better communication with its business partners in this situation. Employees feel themselves more loyal to the company, if the outside CSR activities involve the business strategy in addition to ethical and environmental standards.

All in all, companies and top management can encourage their employees by including them in planning, management and evaluation parts; therefore, they can develop internal communication and leadership. Corporate volunteering programs are important channels which allow for better communication with internal and external stakeholders just like marketing, public relations and human resources. Esrock and Leichty (1998) state that %90 of corporate sites present at least one popular social responsibility issue such as social community involvement, sustainable practices and support for public education. Talking about corporate investments related with social responsibility means development in volunteer activities and also in social development. It can be interpreted as healthier business environment and exercising positive studies. Otherwise, corporate social projects create additional opportunities for development of marketing and help to solve social problems.

Corporate social projects and volunteering of employees are the most important external CSR activities of today's world. Being a part of internal CSR activities brings employees a sense of spirituality. It also increases the respect of them towards their job. Therefore, they embrace the organization and trust it more. Employees, who trust the organization and feel at peace, work more efficiently to realize objectives of the organization.

Nowadays, companies in the global market move beyond subsidizing the employees and they have started to include them in the issue. Their decisions are more strategic and they contribute to the development of society. Most of the corporate philanthropic programs are designed to create a good trust and positive reputation. In this way, employees take heart and production increases (Porter and Kramer 2002:57). Furthermore, the CSR culture arouse a loyalty feeling in employees and increase their self-confidence by creating an environment to them to help others. Companies improve the morale of employees by involving them in the corporate volunteering and social development projects (Lewin 1991).

In order to get the best result from CSR programs, firms must work in the areas which fit in their core values and business strategies. Employees can get involved in external CSR

practices if they are appropriate for values of both the company and the team members. They are crucial for the loyalty of employees. If employees internalize the core values and beliefs of the company, they are willing to attend other activities of the company. According to Brewis (2004), if employees participate in corporate volunteering activities it means that the company has a positive influence on the perception of employees. The volunteer activities under guidance of the employer increase the level of loyalty of employees and create a positive link between employees and the company (Laverie and McDonald 2007:286). Carroll (1990) claims that being a part of social supporting activities improve the commitment of employees. In short, loyalty towards the company brings out employee loyalty which dramatically increases the desire to work in the company for a long time.

A strong employee loyalty builds up a passion to work efficiently that leads a comfortable working environment and work satisfaction. It is proven that CSR programs have a positive impact on labor force. Since, employees working in philanthropic activities feel themselves happier and they follow the reputation of company in the society. According to Social Identity Theory of Peterson, social performance of the company affects loyalty of employees, time of stay in the company and preferences of the employees since employees prefer working in the companies which have positive CSR value (Peterson 2004: 313). Corporate social participation and volunteering activities emphasize a strong corporate social responsibility commitment. This commitment influences the social image of the company and improves work satisfaction.

There is a link between organizational citizenship behavior and positive effect of the top management (Wayne and Green 1993:1438). If employees believe that the company has a good reputation in the society, they are more motivated to participate in corporate philanthropic practices. Besides contributing to the society, they are personally satisfied and motivated due to feeling of doing meaningful things (Dolincar and Randle 2007: 135). Further, volunteering in the workplace creates an opportunity for a better interaction with management and for developing themselves. At the same time, companies create a source for their CSR practices and they increase their awareness (Crouter 1984: 430).

According to a research, employee loyalty decrease the number of decisions to leave the job (Sabuncuoğlu, 2007). In addition, loyal employees who adopt aims of the company less consider about leaving the job (Tak and Çiftçioğlu, 2007). On the other hand, working in a company for a long time increases work satisfaction (Lam, 2001).

To summarize, CSR activities affect internal and external stakeholders positively by providing advantages such as image of the company, financial performance, low cost and employee loyalty. The most important one is that external CSR practices create stronger loyalty. This situation prompts employees to work harder which results with production and employee satisfaction. External corporate social responsibilities have positive contributions on the corporate image as well as on the communication between the government and the social organizations. Therefore, it is crucial for companies to understand CSR concept well and, to focus on issues about corporate principles and objectives.

In order to create a corporate culture focused on CSR, employees must be encouraged to work according to legal and ethical business standards. At the same time, companies should be encouraged to have a broader frame of CSR to support charities and local organizations. Carroll (1979) indicates that external CSR activities exist in organizational participation, volunteer employee programs, social participation, environmental and sustainable programs and, practices that contribute social investment of the company.

In addition to social practices, companies must work on social responsibility projects that enable them to focus on issues related with corporate objectives (Lantos 2002:224). Furthermore, they can increase employee loyalty with volunteer employee programs and social development projects in which employees play active role.

In fact, corporate volunteering programs and social services create a positive image in the minds of its customers. In this way, the company increases its market share.

There are two types of volunteer employee programs. The first one is employer supported volunteering activities. In this type, employees work after working hours with any financial expectation. The second type is volunteering practices under the guidance of employer. At this point, companies prefer projects that support their objectives. Also, employers are active in this projects. Generally, companies choose employer- guided programs for development of employees. Since, they reveal individual skills and potentials of employees.

Volunteer employee programs give chance to employees and their families who want to help social events (Wild 1993:20). Companies enhance teamwork skills of their employees as well as present themselves to the society with different social projects. They contribute to both internal and external image of the company. They can work with guides or social representatives according to the needs of the society in order to improve their volunteering programs. Creating funds to social development projects, setting team formations and evaluating the efforts of workers are some of these activities. In general, employees have no financial expectation in these projects; however, some companies reward them due to their performance (Wild 1993:20).

Certain companies change their volunteering programs based on local needs and situations to have successful results in their social projects. In this way, they can find better solutions by approaching the social problems.

III. Research Method

In this study, relational screening model is used. "The relation between two or more variables" is aimed with Spearman Correlation Analysis as relational screening model (Kalayci, 2008). In this study, measurement scale formed by calculating the material averages of scales has been used. Demographic variables of the research are genders, ages, educational statuses and seniorities of the company employees. Variables regarding the scale measurements are the perception related to the efforts on corporate social responsibility, employee satisfaction and employee loyalty. In this research purposive

sampling (also known as judgment, selective or subjective sampling) is a sampling technique was used. The data used in this study were collected from graduate students of Bahcesehir University in Turkey. These participants are not only graduate students but also they work for different organizations that have CSR activities. The survey was pre-tested on 10 students and then a total of 180 questionnaire forms send them via e-mail. At the end of the given period 100 usable questionnaire forms returned.

The scale of this study is prepared based on the work by Zhu et al. (2014) entitled “How is Employee Perception of Organizational Efforts in Corporate Social Responsibility Related to Their Satisfaction and Loyalty Towards Developing Harmonious Society in Chinese Enterprises?” . The first section of the survey form used in the study is for gathering the demographic information about the participants. Items related to the employees' perception of organizational efforts on CSR can be found in the second section of the survey form, items related to employee satisfaction are found in the third section and those related to employee loyalty are found in the fourth section. Through a Likert scale, participants were asked on to what extend they agreed or disagreed on items listed below (0 = strongly disagree, 5 = strongly agree). These items can be seen on the following table.

Table 1: Survey Items

Perception of organizational efforts on CSR
Including CSR into enterprise development strategy
Senior highlights on CSR such as mentioning CSR in their public speeches
Thorough safety precautions
Considering teamwork and employees’ contribution as enterprise’s success criteria
Motivating employees with common goals
Democracy to suggestions from employees
Paying for social securities of employees
Providing extra awards besides those in labor contracts
Paying wages and related welfare periodically and timely
Improving working environment for employees
Better (more trustable and transparent) internal relationships
Sparkplugging employees-based enterprise culture
Employee satisfaction
Trust and respect your company
Compared to other companies in the same sector, salaries and welfare are reasonable
You are satisfied with the working environment

Your excellent work is noticed by your company
Your responsibility is clearly formulated
Leaders provide enough trust for your work
Leaders value your suggestions to the company
Your work gains care and support from your leaders
Work allocated to you is reasonable
Employee loyalty
Understand and accept the goal of the company
Accept values and culture of the company
Approve future development goal of the company
If possible, you would like to work in the company until retirement
Strictly obey rules of the company
Fulfil quality and quantity requirements by the company
Willing to share working experiences with colleagues
Try to affect colleagues by own good image

A total of 100 observations are found in the data set. In the study; minimum values, maximum values, arithmetic averages and standard deviations for the scale dimensions have been calculated for the analysis of percentage distribution and measurement of descriptive statistics that belong to the company. Non-parametric Mann Whitney U and Kruskal Wallis Tests have been used to test the difference put forward by the demographic characteristics (such as gender, age, educational status and seniority) on perception regarding the efforts on CSR, employee satisfaction and employee loyalty, and non-parametric Spearman Correlation Test has been used to test the relation between perception regarding the efforts on CSR and employee satisfaction and employee loyalty.

The hypotheses of the research are;

H₁: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to genders.

H₂: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to age.

H₃: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to educational status.

H₄: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to seniority.

H₅: There is a relation between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty.

IV. Findings

In this section, demographic characteristics of the employees (such as gender, age, educational status and seniority) and the results of descriptive statistics regarding the minimum, maximum, mean and standard deviation values for the Corporate Social Responsibility perception dimension, employee satisfaction and employee loyalty are given.

Table-2: Demographic Characteristics of Employees

		n	%
Gender	Female	61	61.0
	Male	39	39.0
	Total	100	100.0
Age	Age 25-35	74	74.0
	Age 36-45	18	18.0
	Age 46-55	8	8.0
	Total	100	100.0
Educational Status	University	58	58.0
	Post Graduate	42	42.0
	Total	100	100.0
Seniority	Less Than a Year	18	18.0
	1-2 Year(s)	30	30.0
	2-5 Years	27	27.0
	5-10 Years	15	15.0
	More Than 10 Years	10	10.0
	Total	100	100.0

Of all the company employees that make up the sample group; it is found out that 61.0% are female, 39.0% are male; 74.0% are between the ages of 25 and 35, 18.0% are between 36 and 45 and the other 8.0% are between 46 and 55; 58.0% are university graduates while 42.0% hold a master's degree; 30.0% have been working for 1 to 2 year(s), 27.0% 2 to 5 years, 18.0% less than one year, 15.0% 5 to 10 years and the rest of them have been working for more than 10 years.

Table-3: Descriptive Statistics

	n	Minimum	Maximum	Mean	S.D
Perception of organizational efforts on CSR	100	1.33	5.0	3.5892	0.91027
Employee satisfaction	100	1.22	5.0	3.4589	0.96731
Employee loyalty	100	1.75	5.0	3.7313	0.83094

Mean value for the perception dimension related to the efforts on Corporate Social Responsibility for companies is $3,5892 \pm 0,91027$, mean value for employee satisfaction dimension is $3,4589 \pm 0,96731$ and mean value for the employee loyalty dimension is $3,7313 \pm 0,83094$. According to the mean values, it is identified that the employee loyalty dimension is more positive than the employee satisfaction and perception regarding organizational effort on Corporate Social Responsibility.

H₁: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to genders.

Table 4: Results of the Analysis Regarding the Difference between Perception Related to the Efforts on Corporate Social Responsibility, Employee Satisfaction and Employee Loyalty According to Gender

	Gender	n	Average	Std. Deviation
Perception regarding the efforts on CSR MW-U: 773,0 p:0,003	Female	61	3.3893	0.85320
	Male	39	3.9017	0.91923
Employee satisfaction dimension MW-U:851,0 p: 0.016	Female	61	3.2714	0.92996
	Male	39	3.7521	0.96308
Employee loyalty dimension MW-U:1037,5 p: 0.278	Female	61	3.6598	0.75558
	Male	39	3.8429	0.93617

According to the results from Mann Whitney Test, a statistically meaningful difference is seen between the employee satisfaction ($p:0,016 \leq 0,05$) and perception dimension regarding efforts on Corporate Social Responsibility according to the gender of company employees ($p:0,003 \leq 0,01$) however no meaningful relation is identified between gender of the employees and employee loyalty ($p:0,278 \geq 0,05$).

According to the mean values, perception and satisfaction of male employees regarding the efforts on Corporate Social Responsibility are more positive compared to those of females. That is to say, perception of male employees regarding the organizational efforts on Corporate Social Responsibility is open compared to that of females and this increases the satisfaction of male employees towards the company against that of female employees.

H₂: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to age.

Table 5: Results of the Analysis Regarding the Difference between Perception Related to the Efforts on Corporate Social Responsibility, Employee Satisfaction and Employee Loyalty According to Age

		n	Average	Std. Deviation
Perception regarding the efforts on CSR KW: 14.962 p:0,001	Age 25-35	74	3.3941	0.94395
	Age 36-45	18	4.1759	0.52696
	Age 46-55	8	4.0729	0.44418
	Total	100	3.5892	0.91027
Employee satisfaction dimension : 8.283 p:0,016	Age 25-35	74	3.2808	1.01323
	Age 36-45	18	3.9630	0.67209
	Age 46-55	8	3.9722	0.37445
	Total	100	3.4589	0.96731
Employee loyalty dimension : 14.140 p:0,001	Age 25-35	74	3.5355	0.84868
	Age 36-45	18	4.3125	0.47405
	Age 46-55	8	4.2344	0.38054
	Total	100	3.7313	0.83094

According to the results of Kruskal Wallis test, no statistically meaningful difference is found between employee loyalty ($p:0,001 \leq 0,01$), employee satisfaction ($p:0,016 \leq 0,05$) and perception regarding the efforts on Corporate Social Responsibility ($p:0,001 \leq 0,01$) according to the ages of company employees.

When the results from mutual comparisons are reviewed, perception of those between the ages of 36 and 45 regarding the efforts on Corporate Social Responsibility shows a meaningful difference compared to that of those between 25 and 35 ($p:0,001 \leq 0,01$), and perception of those between 46 and 55 shows a meaningful difference compared to those between 25 and 35 ($p:0,019 \leq 0,05$). When the mean values are reviewed according to meaningful results, it can be said that the perception of those between 36 and 45 regarding the efforts on Corporate Social Responsibility is more positive compared to that of employees between the ages of 25 and 35. Employee satisfaction for those between the ages of 36 and 45 shows a difference compared to the employees between the ages of 25 and 35 ($p: 0,012 \leq 0,05$). With this difference, perception of employees regarding their satisfaction and loyalty also changes.

H₃: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to educational status.

Table 6: Results of the Analysis Regarding the Difference between Perception Related to the Efforts on Corporate Social Responsibility, Employee Satisfaction and Employee Loyalty According to Educational Status

		n	Average	Std. Deviation
Perception regarding the efforts on CSR KW: 2.321 p:0,128	University	58	3.7299	0.77897
	Post Graduate	42	3.3948	1.04425
	Total	100	3.5892	0.91027
Employee satisfaction dimension KW: 0.188 p:0,664	University	58	3.4406	0.84823
	Post Graduate	42	3.4841	1.12158
	Total	100	3.4589	0.96731
Employee loyalty KW: 1.988 p:0,159	University	58	3.8470	0.73264
	Post Graduate	42	3.5714	0.93588
	Total	100	3.7313	0.83094

According to the results of Kruskal Wallis test, no statistically meaningful difference is found between employee loyalty ($p:0,159 \geq 0,05$), employee satisfaction ($p:0,664 \geq 0,05$) and perception regarding the efforts on Corporate Social Responsibility ($p:0,128 \geq 0,05$) according to the educational status of company employees.

H₄: There is a meaningful difference between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty according to seniority.

Table 7: Results of the Analysis Regarding the Difference between Perception Related to the Efforts on Corporate Social Responsibility, Employee Satisfaction and Employee Loyalty According to Seniority

		n	Average	Std. Deviation
Perception regarding the efforts on CSR KW: 15.707 p:0,003	Less Than a Year	18	3.2454	1.19997
	1-2 Years	30	3.5778	1.00476
	2-5 Years	27	3.3642	0.6806
	5-10 Years	15	4.1722	0.58458
	More Than 10 Years	10	3.9750	0.38899
	Total	100	3.5892	0.91027
Employee satisfaction dimension KW: 9.228 p:0,056	Less Than a Year	18	3.4877	0.76993
	1-2 Years	30	3.3444	1.24049
	2-5 Years	27	3.1399	0.86429
	5-10 Years	15	4.0370	0.75203
	More Than 10 Years	10	3.7444	0.42245
	Total	100	3.4589	0.96731
Employee loyalty dimension KW: 9.262 p:0,055	Less Than a Year	18	3.6597	0.75829
	1-2 Years	30	3.4958	0.89928
	2-5 Years	27	3.6111	0.93563

	5-10 Years	15	4.2500	0.54486
	More Than 10 Years	10	4.1125	0.25311
	Total	100	3.7313	0.83094

According to the results from Kruskal Wallis test, perception regarding the efforts on Corporate Social Responsibility according to the seniority of company employees shows a statistically meaningful difference ($p:0,003 \leq 0,01$) but there is no statistically meaningful difference between employee loyalty ($p:0,055 \leq 0,05$) and employee satisfaction ($p:0,056 \leq 0,05$) according to the seniority of company employees.

When the results of mutual comparisons are reviewed; perception regarding the efforts on Corporate Social Responsibility for those who have been working in the company between 5 to 10 years shows difference compared to that of those who have been working for less than 1 year ($p:0,015 \leq 0,05$); employees between 5 to 10 years also shows meaningful difference against those between 1 to 2 years ($p:0,049 \leq 0,05$); as well as those between 5 to 10 years against those between 2 to 5 years ($p:0,000 \leq 0,01$); and those over 10 years against those between 2 to 5 years ($p:0,004 \leq 0,01$). The perception regarding the efforts on Corporate Social Responsibility for the employees who have been working there between 5 to 10 years are more positive compared to that of those who have been working for less than 1 year, 1 to 2 year(s) and 2 to 5 years. In the same way, it has been identified that the perception regarding the efforts on Corporate Social Responsibility for the employees who have been working for over 10 years is more positive compared to those between 2 to 4 years.

H₅: There is a relation between perception regarding the efforts on corporate social responsibility, employee satisfaction and employee loyalty.

Table 8: The Results of Non-Parametric Spearman Correlation Test

			Employee satisfaction dimension	Employee loyalty dimension
Spearman's rho	Perception regarding the efforts on CSR	r	,884**	,674**
		p	0.000	0.000
	Employee satisfaction dimension	r	1.000	,669**
		p		0.000

According to the results of correlation analysis, it is identified that there is statistically meaningful relation between perception of employees regarding the efforts on Corporate Social Responsibility and employee satisfaction in a highly positive manner ($r:0,884$; $p: 0,000 \leq 0,01$) and same relation is also seen with the employee loyalty in a moderate positive manner. In a company, as the efforts on Corporate Social Responsibility increase and as the

positive perception on these efforts increases, employee satisfaction and employee loyalty also increase accordingly.

V. Conclusion:

Having applied a survey on 100 employees at large and small scale companies conducting Corporate Social Responsibility practices, the research was conducted with the purpose of investigating the effects of perception regarding the efforts on Corporate Social Responsibility over their satisfaction and loyalty levels. Reliability coefficients for the Corporate Social Responsibility Perception Scale, Employee Satisfaction Scale and Employee Loyalty Scale are calculated highly.

The results of the analysis are as follows:

- Of the company employees; 61.0% are female, 39.0% are male; 74.0% are between the ages of 25 and 35, 18.0% are between 36 and 45 and the other 8.0% are between 46 and 55; 58.0% are university graduates while 42.0% hold master's degree; 30.0% have been working for 1 to 2 year(s), 27.0% 2 to 5 years, 18.0% less than one year, 15.0% 5 to 10 years and the rest of them have been working for more than 10 years.
- According to the mean values, it is identified that the employee loyalty dimension is more positive than the employee satisfaction and perception regarding organizational effort on Corporate Social Responsibility.
- According to the mean values, satisfaction and perception regarding the efforts on Corporate Social Responsibility for male employees are more positive compared to those of females. That is to say, perception of male employees regarding the organizational efforts on Corporate Social Responsibility is open compared to that of females and this increases the satisfaction of male employees towards the company against that of female employees.
- When the mean values are reviewed according to meaningful results, it can be said that the perception of those between 36 and 45 regarding the efforts on Corporate Social Responsibility is more positive compared to that of employees between the ages of 25 and 35. Employee satisfaction and loyalty for employees between the ages of 36 and 45 shows a difference compared to those between 25 and 35. With this difference, perception of employees regarding their satisfaction and loyal changes.
- According to the results of Kruskal Wallis test, no statistically meaningful difference is found between employee loyalty, employee satisfaction and perception regarding the efforts on Corporate Social Responsibility according to the educational status of company employees.
- When the mutual comparison results are examined, the perception regarding the efforts on Corporate Social Responsibility for the employees who have been working between 5 to 10 years is more positive compared to that of those who have been working for less than 1 year, 1 to 2 year(s) and 2 to 5 years. In the same way, it has been identified that the perception regarding the efforts on Corporate Social Responsibility for the

employees who have been working for over 10 years is more positive compared to those between 2 to 4 years.

- According to the correlation analysis results; in a company, as the efforts on Corporate Social Responsibility increase and as the positive perception regarding these efforts increases, employee satisfaction and employee loyalty also increase accordingly.

In conclusion, companies conducting Corporate Social Responsibility practices and having their employees be aware of these efforts create a positive influence over their employees. This positive influence created on the employees motivates them and causes them to work harder having adapted the company policies. Moreover, state of awareness created by the company makes the employees be more sensitive towards the problems around them and develop a different perspective towards these problems.

References:

- Allen N. J., Meyer J P (1990). "The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization", *Journal of Occupational Psychology*, Vol. 63, pp: 1-18.
- Benkhoff, B., (1997). "Ignoring commitment is costly: new approaches establish the missing link between commitment and performance", *Human Relations*. 50, pp:701-726.
- Brammer, S., Millington, A. and Rayton, B., (2007). "The contribution of corporate social responsibility to organizational commitment". *International Journal of Human Resource Management*. 18 (10), pp: 1701- 1719.
- Brewis, G., (2004). "Beyond banking: lessons from an impact evaluation of employee volunteering at barclays bank". *Voluntary Action*. 6 (3), pp:13- 25
- Caldwell, D., Chatman, J., and O'Reilly, C. (1990). "Building organizational commitment: A multifirm study". *Journal of Occupational Psychology*, 63, pp:245-261.
- Carroll, A, B. (1979). "A three-dimensional Conceptual Model of Corporate Social Performance". *Academy of Management Review*, 4(4), pp:497-506.
- Caudron S. (1994). "Volunteer efforts offer low-cost training options". *Personnel Journal*, 73,pp: 38-44.
- Cho, S., Johanson, M. M. and Guchait, P. (2009). "Employees intent to leave: A comparison of determinants of intent to leave versus intent to stay". *International Journal of Hospitality Management* 28, pp: 374–381.
- Creyer, E. H., Ross, William T. (1997). "The influence of firm behaviour on purchase intention: Do consumers really care about business ethics?", *Journal of Consumer Marketing*, November/December, Vol.14, No.6, pp:421-433

- Crouter, A., (1984). "Spillover from family to work: the neglected side of the work family interface". *Human Relations*. 37, pp: 425- 442.
- Dolinar, S., Randle, M., (2007). "What motives which volunteers? Psychographic heterogeneity among volunteers in australia". *Voluntas*. 18, pp: 135- 155.
- Drummond, H. (2000). *Introduction to Organizational Behavior*, New York: Oxford University Press.
- Esrock, S., Leichty, G., (1998). "Social responsibility and corporate web pages: self-presentation or agenda setting?", *Public Relations Review*. 24 (3), pp: 305-326
- Fry, L.W., Keim, G.D., and Meiners, R.E. (1982). Corporate contributions: Altruistic or for profit? *Academy of Management Journal*, 25,pp: 94–106.
- Grusky, O. (1966). "Career mobility and organizational commitment". *Administrative Sciences Quarterly*, 10, pp:488-503.
- Hancock, K., (2005). Employee engagement partnerships: can they contribute to the development of an integrated csr culture? in *CPI (Cambridge Program for Industry) Partnership Matters: Current Issues in Cross-sector Collaboration*.3, pp:17–20
- Kotler, P., Lee, N. (2006). *Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause*, USA: Kongam Page
- Kreitner, R., and Kinicki, A. (2001). *Organizational Behavior*, New York: McGrawHill.
- Koh, H. C., Boo, E. H. Y., (2001). The link between organizational ethics and job satisfaction: a study of managers in singapore. *Journal of Business Ethics*. 29, pp: 309- 342.
- Lam, T., Zhang, H. and Baum, T., (2001). "An investigation of employees' job satisfaction: the case of hotels in Hong Kong". *Tourism Management*. 22, pp: 157-165.
- Lantos, G. P. (2002). "The Ethicality of Altruistic Corporate Social Responsibility." *Journal of Consumer Marketing* 19,3, pp: 205-232.
- L'Etang J., Pieczk M. (2006). *Public Relations: Critical Debates and Contemporary Problems*, Routledge; 1 Edition
- Laverie, D. A., McDonald, R. E., (2007). "Volunteer dedication: understanding the role of identity importance on participation frequency". *Journal of Macromarketing*. 27 (3), pp: 274- 288.
- Lewin, D., (1991). Community involvement, employee morale and business performance. *Paper presented at the IBM worldwide social responsibility conference*

- Locke, E. A. (1997). "The motivation to work: What we know?" In M. L. Maehr & P. R. Pintrick (Eds.). *Advances in motivation and achievement* (Vol. 10, pp. 375–412). JAI Press Inc
- Lum, L., Kervin, J., Clark, K., Reid, F. and Sirola, W., (1998). "Explaining nursing turnover intent: job satisfaction, pay satisfaction, or organizational commitment?", *Journal of Organizational Behavior*. 19, pp:305- 320.
- Lum, L., Kervin, J., Clark, K., Reid, F. and Sirola, W., (1998). "Explaining nursing turnover intent: job satisfaction, pay satisfaction, or organizational commitment?" *Journal of Organizational Behavior*. 19, pp:305- 320.
- Maignan, I., Ferrell, O.C. (2004). "Corporate Social Responsibility and Marketing: An Integrative Framework" *Journal of Academy of Marketing Science*, vol: 32, p.17.
- Meyer J., Allen N (1997). *Commitment in the Workplace: Theory, Research, and Application*, Sage Publications.
- Mowday, R., Porter, L. and Steers, R. (1982). *The psychology of commitment, Absenteeism and turnover*. New York, NY: Academy Press.
- Morrow, P. (1983). "Concept Redundancy in Organizational Research: The Case of Work Commitment", *Academy of Management Review*, 8, pp:486-500.
- O'Reilly, C. A, Chatman, J. A. (1986). "Organizational commitment and psychological attachment: The effects of compliance, identification and internalization on prosocial behavior". *Journal of Applied psychology*, 71, pp: 492-499.
- Peterson, D. K., (2004). "The relationship between perceptions of corporate citizenship and organizational commitment", *Business and Society*. 43, pp. 296-319.
- Porter, L. , Steers, R., Mowday, R., and Boulian, P.(1974).Organizational commitment, job satisfaction, and turnover among psychiatric technicians. *Journal of Applied Psychology*, 59,pp:603–609.
- Porter, M. Kramer, M., (2002). "The competitive advantage of corporate philanthropy". *Harvard Business Review*, 80 (12), pp: 56–68.
- Riordan, C. M., Gatewood, R. D. and Bill, J. B. (1997). "Corporate image: Employee reactions and implications for managing corporate social performance". *Journal of Business Ethics*, 16, pp:401-412
- Robbins, S.P. (2003). *Organisational behaviour: Global and South African perspective*. Englewood Cliffs: Prentice Hall

Sabuncuoğlu, E.T.,(2007). "Eğitim, örgütsel bağlılık ve işten ayrılma niyeti arasındaki ilişkilerin incelenmesi", *Ege Akademik Bakış*, 7 (2), pp: 621- 636

Sevimli, F., İşcan, Ö.F. (2005). "Bireysel ve iş ortamına ait etkenler açısından iş doyumu". *Ege Akademik Bakış*, 5(1-2), pp:55-64

Smith, C. (1994).“The New Corporate Philanthropy ” *Harvard Business Review*, Mayıs-Haziran 1994, pp.105-107

Swailles, S (2004). " Commitment to Change: Profiles of commitment and in-role performance", *Personnel Review*, 33(2) pp:187-204

Tak, B., Çiftçiöğlü, B. A., (2007). Mesleki bağlılık ve çalışanları örgütte kalma niyeti arasındaki ilişkiyi incelemeye yönelik görgül bir çalışma . *Ankara Üniversitesi Siyasal Bilgiler Fakültesi Dergisi*. 63 (4), pp:155- 1748.

Tett, R.P. Meyer, J.P. (1993). "Job satisfaction, Organizational commitment, Turnover intention, and turnover: Path analyses based on meta-analytic findings". *Personnel Psychology*, 46, pp:259-293.

Uyguç, N. and Çımrın, D. (2004). “DEÜ Araştırma ve Uygulama Hastanesi Merkez Laboratuvarı Çalışanlarının Örgüte Bağlılıklarını ve İşten Ayrılma Niyetlerini Etkileyen Faktörler”, *D.E.Ü.İ.İ.B.F. Dergisi*, 19,pp: 91-99.

Zangaro, G.A. (2001). " Organizational commitment: A concept analysis", *Nursing Forum*, 36(2), pp:14-22.

Wasti, A. (2000), “Örgütsel Bağlılığı Belirleyen Evrensel ve Kültürel Etmenler: Türk Kültürüne Bir Bakış, Türkiye’de Yönetim, Liderlik ve İnsan Kaynakları Uygulamaları”, (Eds.) Aycan Z. (2000), *Türkiye’de Yönetim, Liderlik ve İnsan Kaynakları Uygulamaları Türk Psikologlar Derneği Yayınları*, 21, pp:201–223.

Wayne, S. J. , Green, S. A., (1993). "The effects of leader- member exchange on employee citizenship and impression management behavior", *Human Relations*. 46, pp: 1431- 1440.

Wild C. (1993). "Corporate volunteer programs: Benefits to business". Report no. 1029, The Conference Board, New York.

Windsor, D.(2006). "Corporate Social Responsibility: Three Key Approaches”, *Journal of Management Studies*, 43:1, p.95.

Qinghua Z, Yin H., Junjun L. and Kee-hung L., (2014). "How is Employee Perception of Organizational Efforts in Corporate Social Responsibility Related to Their Satisfaction and Loyalty Towards Developing Harmonious Society in Chinese Enterprises?", *Corporate Social Responsibility and Environmental Management Corp. Soc. Responsib. Environ. Managemet*. 21, p: 28–40