



## Social Responsibility Journal

Corporate social responsibility influences employee engagement  
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### Article information:

To cite this document:

Georgios Tsourvakas, Ioanna Yfantidou, (2018) "Corporate social responsibility influences employee engagement", Social Responsibility Journal, Vol. 14 Issue: 1, pp.123-137, <https://doi.org/10.1108/SRJ-09-2016-0153>

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# Corporate social responsibility influences employee engagement

Georgios Tsourvakas and Ioanna Yfantidou

## Abstract

**Purpose** – The purpose of this study is to explore the influence of corporate social responsibility (CSR) on employee engagement, motivation and job satisfaction on the staff members of two multinational companies in Greece (Procter & Gamble [P&G] and Unilever).

**Design/methodology/approach** – A quantitative methodology in the form of statistical analysis of the results was derived from the responses on an employee engagement questionnaire.

**Findings** – Findings show that employees are proud to identify themselves with companies that have a caring image. CSR is also positively linked to employee engagement for both companies.

**Research limitations/implications** – The small size of the sample is a limitation because it leaves no room for generalising the findings. Secondly, although some of the hypotheses were backed by the data, the findings are not strong enough, as the reported correlations are too small.

**Practical implications** – Practitioners and marketing professionals can benefit from this research by absorbing the fact that employees feel engaged, satisfied and motivated when they play a positive role in the society through their work. As a result, it would be constructive for professionals to plan CSR strategies and involve employees both in planning and execution of those strategies.

**Originality/value** – Unlike other studies, the authors tried to examine the link between CSR and employee behaviour amid Greece's financial difficulties.

**Keywords** Job satisfaction, Corporate social responsibility, Employee engagement, Staff motivation

**Paper type** Research paper

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## 1. Introduction

The most commonly used definition of corporate social responsibility (CSR) has been derived from Davis (1973) who describes it as a combination of social benefits and economic gains where companies empower the society's betterment. In the past two decades, CSR has grown into a very popular idea (Nan and Heo, 2007) for businesses around the world. The benefits of CSR for both firm and society have been widely acknowledged by consumers, NGOs, governments and media (Kerr *et al.*, 2008).

Extensive literature brings to light the corporate external profits of CSR (Zappalà, 2004; King and Lenox, 2002). For example, empirical research has shown an indirect positive relationship between responsibility and turnover increase (McGuire *et al.*, 1988). Similarly, the stakeholder theory invites businesses to displace the mono-stakeholder concept and establish a multi-stakeholder approach (Cornell and Shapiro, 1987; Freeman, 1984; Wood and Jones, 1995; McGuire *et al.*, 1988).

On the contrary, literature supports that there are important internal gains for sustainable companies. Hence, it is believed that corporate citizenship can have a strong influence on employee morale, motivation, commitment, loyalty and training (Weiser and Zadek, 2000; Zappalà, 2004; Orlitzky *et al.*, 2003). Quite parallel to what this research paper aims to confirm, Waddock and Graves (1997) note that organisations with CSR activities can benefit from empowering and encouraging their staff's commitment and productivity. The author

Received 4 September 2016  
Revised 14 March 2017  
1 May 2017  
Accepted 2 June 2017

The authors thank Procter & Gamble, Greece, and Unilever, Greece, for giving consent to publish their names and the research findings.

also links increased staff productivity to an increase in financial performance. Equally, [Peterson \(2004\)](#) found a positive correlation between employees' perceptions of CSR and organisational commitment, mainly when organisational values and ethics are in agreement with the employees' personal values and norms.

Similar to this study, in the research studies by [Kim et al. \(2009\)](#), Babcock-Roberson and Strickland (2010) and [Glavas and Piderit \(2009\)](#), additional employee-centric variables and their relationship to CSR policies were statistically measured, such as employee commitment to the company, employee identification with their firm and staff's creative involvement. Their studies were based on the organisational level (CSR activities) and individual level (employee-centric variables). Correspondingly, this study aims to show the correlation between CSR strategies (organisational level) and employee engagement, motivation and job satisfaction (individual level).

Regarding recruiting, [Cave \(2002\)](#) notes that money is no longer the most critical force that influences staff motivation. The author states that employees are also looking for *meaning in their work* [...] *they want to know they are making a difference to the community in general* ([Cave, 2002](#), p. 32). Thus, literature supports that responsible companies are a magnet for more talented workforce and inspire their staff to work harder ([Zappalà, 2004](#); [Cave, 2002](#)).

Nevertheless, literature advocates that the relationship between CSR and employee attitude is culture driven ([Zappalà, 2004](#); [Collier and Esteban, 2007](#)). Similarly, [Sethi \(1975\)](#) highlights the importance of distinguishing the various CSR definitions due to variations in culture, economic, political and social characteristics. For example, firms that operate in Western countries have a more constructive position towards CSR ([Franke et al., 1991](#)). Other scholars note that citizenship is not only dependent on culture but is also strongly linked to the country's social system; thus, the CSR strategy has to be adjusted accordingly ([Metaxas and Tsavdaridou, 2010](#)). This study took place in Greece, a country with two key characteristics: hit by a major financial crisis since 2010 and –although a Western culture – responsibility is still in its formative years. Consequently, it is of interest to examine whether people's perception of responsibility has shifted due to their personal economic losses.

In particular, this study examines the association between CSR and employee engagement, motivation and job satisfaction among the staff of two multinational companies in Greece, Procter & Gamble (P&G) and Unilever. Both companies gave consent to publish their names and the research findings. These two organisations belong to the consumer goods industry, which is a business area that has a negative outcome on the environment ([Deloitte, 2010](#)). Therefore, it is motivating to study the impact of CSR activities on employees who work for organisations linked to environmental and social casualties in a rather CSR-unfamiliar country. Finally, the study attempts to form an understanding of how employees view responsibility amid rapid wage cuts or benefit loss.

## 2. Literature review

### 2.1 CSR in Greece

As CSR policies differ among countries due to diversities in culture, economic development, social systems, legal and political formation and expectations ([Franke et al., 1991](#); [Wotruba, 1997](#)), it is essential to capture an overview of citizenship in Greece.

Greece is positioned as a rather CSR-unfamiliar place ([Skouloudis et al., 2011](#); [Metaxas and Tsavdaridou, 2010](#)). For example, a research conducted by the [National and Kapodistrian University of Athens \(2006\)](#) among managers shows that 53 per cent of them believe that CSR is rarely adopted. The same survey found that Greek companies are mostly interested in promoting their brand name and increase sales through CSR ([National and Kapodistrian University of Athens, 2006](#)). According to the survey, responsibility for Greek organisations is mainly about equal opportunities, education and environment, while 54 per cent of the

respondents admit that their firms' CSR strategy has either minimum or zero cost ([National and Kapodistrian University of Athens, 2006](#)). Likewise, as reported by the World Business Council for Sustainable Development (WBCSD), all Mediterranean countries view CSR in a similar way, along with some countries of Eastern Europe ([Titan, 2007](#)). A decade ago, the European Commission encouraged Southern and Eastern European countries to adopt CSR drives to shore up a European agenda of CSR ([Albareda et al., 2007](#)). For example, the Greek Ministry of the Interior, Public Administration and Decentralisation adopted EU's directive to support gender equality in businesses ([Metaxas and Tsavdaridou, 2010](#)).

Authors have affirmed different acumens for why CSR performance is poor in Greece. [Metaxas and Tsavdaridou \(2010\)](#) support that Greece's extensive corruption as the main CSR barrier. [Galanaki et al. \(2009\)](#) found that there is under-representation of women within Greek companies, and [Ringov and Zollo \(2007\)](#) note that masculine businesses are more doubtful towards the importance of CSR.

To name a few research on responsibility in Greece, [Metaxas and Tsavdaridou \(2010\)](#) found that 34 per cent of CSR activities in the country were addressed as internal functions of the company (i.e. human resources; HR), and 60 per cent of Greek organisations relate their CSR strategy with increase in financial performance. Unfortunately, only 2 per cent of the Greek companies publish a sustainability report, while 28 per cent attach some social and environmental details in their annual financial reports ([KPMG, Universiteit Van Amsterdam, 2002](#)). [Skouloudis et al. \(2011\)](#) believe that Greek firms' lack of enthusiasm to report is a failure in building up stakeholder engagement and disclose their corporate accountability to the general public. The [European Social Survey \(2003\)](#) notes that the Greeks are suspicious and it seems difficult for them to accept organisations' "goodwill" as truthful. In addition, [Skouloudis et al. \(2011\)](#) highlight that 99.5 per cent of organisations in Greece are small and medium enterprises, with limited resources or knowledge to take up CSR activities.

Not unexpectedly, the [Hellenic Network for CSR \(2000\)](#) was only established in 2000. The network, based in Athens, was founded by 13 companies and now approximately 60 firms have enrolled. The network's role is to share information with its members regarding CSR development, to support joint social projects and complete regular surveys to understand societal needs and update their approach accordingly ([Hellenic Network of CSR, 2009](#)).

Finally, [Stavroulakis \(2009, p. 149\)](#) quotes "Greece having been a rural country for long still lacks business tradition and ethics". Sustainability consciousness is still in its early years in the country, with the exception of a few large corporations. Not surprisingly, [Skouloudis et al. \(2011\)](#) pessimistically state that the current economic decline in Greece will, sooner or later, hit donations and result in managers' oversight CSR.

## 2.2 Employee engagement

[Kahn \(1990\)](#) was the first academic to conceptualize work engagement as the amount of *energy, commitment and devotion* that employees put into their job. On the other hand, the Institute of Employment Studies (IES), an independent consultancy firm in HR issues, notes that engagement is *a positive attitude held by the employee towards the organisation and its values* ([IES, 2016](#)). This study adopts [Kahn's \(1990\)](#) definition as it is believed that it offers a holistic description which takes into account the physical, emotional and cognitive dimensions of employee engagement.

An engaged employee is familiar with business perspective and works along with colleagues to progress performance within the job for the benefit of the organisation. Companies should launch a two-way relationship between the employer and the employee to boost engagement ([Robinson et al., 2007](#)). Among the drivers of employee engagement are appraisals, efficient communication, developing career, bonuses, work–life balance

opportunities, working conditions, job satisfaction, immediate management and team work (Robinson *et al.*, 2007).

### *2.3 Employee motivation*

Work motivation is described by Pinder (1998, p. 11) as “a set of energetic forces that originate both within as well as beyond an individual’s being, to initiate work-related behaviour and to determine its form, direction, intensity, and duration”. Thus, motivation is a psychological notion formed by the interaction between the person and the environment (Latham and Pinder, 2005).

McGregor (1960) related motivation to self-identity. This is in accordance with the social identity theory, where people prefer to associate with groups with which they identify themselves.

Steers and Sanchez-Runde (2002) believe that work motivation highly depends on national culture. They also note three key factors that affect work motivation:

1. people’s self-concept;
2. norms about work ethic; and
3. environmental factors such as economic and social status (Steers and Sanchez-Runde, 2002).

It is also believed that these three features serve not only as a source of motivation but also as predictors of job performance (Steers and Sanchez-Runde, 2002).

### *2.4 Job satisfaction*

In the early days of research around job satisfaction, Roethlisberger and Dickson (1939) described job satisfaction as nothing less than the outcome of the interaction between the person and his work environment. Later, Locke (1969, p. 316) portrayed job satisfaction as “the pleasurable emotional state resulting from the appraisal of one’s job as achieving or facilitating the achievements of one’s job values”. The author believes that job satisfaction cannot be found solely in a job; rather it is the association between the job itself and the person. He also acknowledges that although compensation and benefits are important for one to be satisfied with their job, emotions also have a central role (Locke, 1969).

Rosen and Rosen (1955) were the first to embrace the concept of values in their description of job satisfaction, indicating that if employees’ value standards are pleased, this leads to a feeling of satisfaction.

Valentine and Fleischman (2008) believe that, nowadays, business ethics programmes and responsibility initiatives are important for job satisfaction. They describe their principle as “an informal contract” between the employer and the employee, according to which the organisation has to offer the desired business ethics and values that lead to job satisfaction (Valentine and Fleischman, 2008; Table I)

## **3. Hypotheses**

Employees may be informed about their organisations’ CSR efforts internally by their seniors or externally by the media and their own personal experience (e.g. community service experience). To measure the influence of citizenship on employee behaviours, it has to be clear whether employees perceive their employers as socially and environmentally responsible. Even if a company is well known to the world as being responsible, it is preferable to assess the appeal of the companies’ CSR strategies on the views of the employees.

**Table I** Theoretical background

<i>Authors and date</i>	<i>Type of study and sample</i>	<i>Country</i>	<i>Main findings</i>
Babcock-Roberson and Strickland (2010)	Surveys on 91 employees	USA	Significant positive relationship between work engagement and organisational citizenship behaviour (OCB) and between leadership and OCB
Corporate Leadership Council (2004)	Surveys on 50,000 employees, from 59 organisations from 30 countries	Worldwide	Community involvement and organisational culture drive employee engagement
Valentine and Fleischman (2008)	Surveys on 313 business professionals	USA	CSR mediates the positive associations between ethics programmes and job satisfaction
Yousaf, <i>et al.</i> (2016)	Surveys on 163 employees of five major commercial banks	Pakistan	Internal CSR has a direct positive impact of employee engagement
Cullen <i>et al.</i> (2003)	Online surveys on 411 employees of a telephone company (study 1) and 139 employees (study 2) of smaller firms	Netherlands	Benevolent climates are positively linked to employee commitment
Baden <i>et al.</i> (2009)	A combination of 25 interviews with 49 respondents of an online survey (both worked at SMEs)	UK	There is positive connection between employee motivation and retention to CSR
Ferreira and Real de Oliveira (2014)	Online surveys on 193 employees and observation based on three scenarios	Portugal	Employee engagement show different levels when staff is exposed to different CSR situations. Employees exposed to internal CSR are more engaged compared to those that attended external CSR activities

In accordance with [Ritch \*et al.\*'s \(2010\)](#) view, we believe that doing good to the community, through your work, will raise the engagement levels. Therefore, we hypothesize that employees' perceptions of their company's CSR efforts are positively related to engagement.

*H1.* Perceptions of CSR and employee engagement are positively related.

[Csikszentmihalyi and Hunter \(2003\)](#) believe that when people find meaning in their work, they are further motivated to work harder, which in turn leads to increased productivity. [Willard \(2004\)](#) found that organisations with CSR activities provide a meaningful workplace for their staff. Combining the above-mentioned notions, we hypothesize that favourable perceptions of CSR and job motivation are positively related.

*H2.* Perceptions of CSR and job motivation are positively related.

[McWilliams and Siegel \(2001\)](#) believe that CSR satisfies all the stakeholder groups, including staff. Similarly, we hypothesize that the adoption of CSR promotes individuals' job satisfaction.

*H3.* Perceptions of CSR and job satisfaction are positively related.

## 4. Methodology

### 4.1 Research design

A quantitative methodology is used in the form of statistical analysis of the results derived from the responses on an employee engagement questionnaire.

In theory, the purpose is to:

- find a positive connection between employee engagement, motivation and job satisfaction with CSR;



- find if citizenships stimulate employees to work harder; and
- develop the existing literature on the control of citizenship in a somewhat “CSR-unaware” country.

The authors contacted the HR departments of P&G and Unilever in Greece to seek approval for the research. The study’s objectives and data collection process were both outlined to the HR managers. After organisational permission was ensured, the survey was formed and sent out via email to the HR departments of both companies for approval. The HR departments raised no objection and the survey was then sent out via HR email to their staff.

#### 4.2 Questionnaire design

The survey was created in a way to ensure that research objectives are met; valid and reliable data is obtained; respondents’ contribution is highlighted; and participants are able to clearly understand how to answer all the questions. Consequently, the questionnaire was translated into Greek and distributed to over 200 employees of both companies. Participants were informed about the questionnaires’ content and the fact that all data and results will be used by academic staff only. Confidentiality and anonymity were both guaranteed.

After the introduction and the instructions sections in the questionnaire, the participants were asked to answer five questions about themselves including gender, age, how long they have been working for this company, their position in the company and the department that best described their nature of work.

The second part of the questionnaire was piloted in accordance with analogous surveys that have been conducted by large consultancy firms and measures employee engagement and organisational behaviour in general. In the survey, there were statements with which participants had to decide whether they agree or not by selecting one of the five-point Likert-type scale (1 = Strongly agree, 2 = Agree, 3 = Neutral, 4 = Disagree and 5 = Strongly disagree).

It is useful to briefly describe how three of the largest consultancy firms measure employee engagement in their surveys. Firstly, [Towers Perrin’s \(2008\)](#) employee engagement index is measured according to the following nine questions:

- Q1. I think my job is considered important in my company.
- Q2. I am likely to speak well of my company.
- Q3. I am proud to work for my company.
- Q4. I believe strongly in my company’s future direction and key priorities.
- Q5. I understand my company’s future direction and key priorities.
- Q6. I am personally motivated to help my company be successful.
- Q7. I am willing to put in a great deal of effort beyond what is normally expected to help my company succeed.
- Q8. At present time, are you seriously considering leaving your company?
- Q9. I would recommend my company as a good place to work.

Secondly, Best Companies found eight key factors that drive employee engagement. These factors and their meanings are explained in [Table II](#).

As a result, the Best Companies engagement index provides the following five survey questions that best measure staff engagement levels ([Best Companies, 2016](#)):

- Q1. I love to work for this organisation.
- Q2. I would miss this place if I left.
- Q3. I feel proud to work for this organisation.

**Table II** Best Companies' employee engagement drivers

<i>Factor</i>	<i>Meaning</i>
Leadership	Measures how people feel about the senior management and head of their company
Well-being	Measures the balance between work and personal life
My manager	Measures how people feel about their immediate manager
My team	Measures how people feel about the other members of their team, whether they care or have fun with them
My company	Indicates how much employees value their company and feel proud to work for them
Personal grow	Measures whether employees feel that their work leads to the kind of the future career that they want, if their skills are used
Fair deal	Measures how people feel about their compensation and benefits
Giving something back	Measures how employees feel about their company's efforts towards the public well-being and whether they believe that the firm's activities are driven by profit motives

Q4. I feel I can make a difference in this organisation.

Q5. I believe I can make a valuable contribution to the success of this organisation.

Thirdly, the Institute of Employment studies (IES) has provided a model of ten factors that also drive employee engagement. As a result, the IES developed 12 questions (or statements that should be answered positively) that should be asked to measure engagement (IES, 2003):

Q1. I speak highly of this organisation to my friends.

Q2. I would be happy for my family and friends to use this organisation's products or services.

Q3. This organisation is known as a good employer.

Q4. This organisation has a good reputation generally.

Q5. I am proud to tell others that I am a part of this organisation.

Q6. This organisation really inspired the very best in me in the way of job performance.

Q7. I find that my values and those of the organisation are very similar.

Q8. I always do more that is actually required.

Q9. I try to help others in this organisation whenever I can.

Q10. I try to keep abreast of current developments in my area.

Q11. I volunteer for things outside my job that contribute to the organisation's objectives.

Q12. I frequently make suggestions to improve the work of my team/department.

After disclosing how the above three reputable consultancy firms measure employee engagement, it is easy to distinguish some similarities between them. Primarily, all of them refer to drivers of employee engagement that lead to understanding whether or not an employee is engaged or not to his job. The questionnaire that we conducted specifically for this research is based on the arguments mentioned above. As for job satisfaction, the Gallup consultancy firm notes that the key drivers that promote satisfaction are the compensation and benefits that employees earn, the feedback that they receive, the safety in the work environment and the possibility of a career development (Gallup Poll, 2008). Finally, the recognition of employees' contributions and their encouragement are considered as drivers of motivation. Table III illustrates 16 of our total 22 questions that measure employee engagement, job satisfaction and motivation.



**Table III** Questionnaire design for employee engagement, motivation and satisfaction

<i>Employee engagement</i>	<i>Job satisfaction</i>	<i>Motivation</i>
My job performance is evaluated fairly (q.2)	I feel safe to express my opinions in the company (q.5)	At work I receive appropriate recognition for my contributions (q.1)
I think that my job is considered important in the company (q.3)	I often get feedback on my job performance from my supervisor or line manager (q.6)	The company encourages my development (q.4)
The people here are pleasant and cooperative to work with (q.7)	I believe that all employees have the training they require (q.9)	Managers support equal opportunities for all employees (q.13)
I am proud to work for this company (q.11)	I believe that my earnings match my responsibilities (q.10)	
I would recommend the company as a good place to work (q.12)	Working for this company will lead to the kind of future I want (q.16)	
I know the goals of my company (q.14)		
I believe in the goals of the company (q.15)		

Regarding CSR, the survey aims to measure employees' perceptions of their company's efforts towards responsibility by providing six statements that demonstrate whether or not employees feel satisfied and appreciate the organisation's current CSR activities (Table IV).

### 4.3 Sample

Given the fact that the proper sample size of a research should be at least 10 per cent of the population (Malhotra and Birks, 2007), and taking into account that P&G counts approximately 600 employees in Greece while Unilever counts 800, a total of 154 responses is an adequate sample size for this study (64 from P&G and 90 from Unilever).

SPSS v23 software (originally, Statistical Package for the Social Sciences) was used for statistical analysis. The data set was checked for errors and one error on a questionnaire from Unilever was identified. Consequently, 89 valid responses were gathered from Unilever and 64 from P&G.

### 4.4 Scales reliability

To check that all scales "hand together", Cronbach's alpha coefficient was used (DeVellis, 2003). According to Lamoureux *et al.* (2007), the reliability of a scale can differ depending on the sample size. There is high internal consistency in the scale, with a Cronbach's alpha coefficient of 0.740 for P&G and 0.764 for Unilever. Both coefficients are above 0.7 which implies that internal consistency and reliability are high (Malhotra and Birks, 2007; Lamoureux *et al.*, 2007).

Before running any statistical tests, the variables were grouped into four new variables that stand for employee engagement, employee motivation, job satisfaction and perceived CSR (Table V).

The internal consistency of the grouped scales is 0.692 for P&G and 0.707 for Unilever.

**Table IV** Questionnaire design for employees' feelings towards CSR

CSR	I believe that my company is trying to reduce its environmental impact (q.17)	I believe that my company is socially responsible (q.18)	I am proud of my company's efforts towards sustainability (q.19)	I believe that my company acts fairly both to suppliers and to consumers (q.20)	The company has clearly defined its values and rules of conduct (q.21)	Employees here are encouraged to participate in local community activities (q.22)
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**Table V** Variables' grouping

New variables	Questions
Employee engagement	q.2, q.3, q.7, q.11, q.12, q.14, q.15
Motivation	q.1, q.4, q.13
Job satisfaction	q.5, q.6, q.9, q.10, q.16
CSR	q.17, q.18, q.19, q.20, q.21, q.22

## 5. Results

### 5.1 P&G

Most of the respondents from P&G are females (62.5 per cent) and males represent only 37.5 per cent of our sample. More than two thirds of the respondents work for P&G between 6 and 20 years, while only 11 and 9 people are working for less than 5 and more than 21 years, respectively. The majority of the respondents were employees with no managerial responsibilities (45.3 per cent), followed by 29.7 per cent of managers with no employees reporting to them and 25 per cent managers with employees reporting to them. Finally, most of the respondents (23.4 per cent) reported to work at the Engineering department, 18.8 per cent at Marketing and Sales, 15.6 per cent at the Safety, Health and Environment department and 10.9 per cent at Legal. Percentages less than 10 per cent were indicated for the departments of Communications and Public relations (PR), HR, Finance and Accounting and IT.

*5.1.1 H1.* The relationship between employee engagement and CSR was investigated using Pearson product-moment correlation coefficient. Preliminary analyses were performed to ensure no violation of the assumptions of normality and linearity. The findings indicate a weak positive relationship between the two variables ( $r = 0.251$ ,  $n = 64$ ,  $p < 0.05$ ). However, academia also tends to believe that an  $r$  value that is so close to 0 ( $r = 0.251$ ) should be interpreted carefully (Malhotra and Birks, 2007). Nevertheless, Malhotra and Birks (2007, p. 577) comment that “*values* close to 0 do not indicate that the two variables are unrelated, rather there could be a non-linear relationship between them which could not be captured by  $r$ ”. The coefficient of determination was calculated to get an idea of how much variance our two variables share. The  $r$  value was squared and multiplied by 100 ( $0.251 \times 0.251 = 0.063 \times 100 = 6.3$  per cent). This implies that 6.3 per cent indicates less overlap between the two variables. Thus, it is proposed that *H1* is confirmed for P&G with the correlation being too small.

*5.1.2 H2.* Regarding *H2*, there is no accurate evidence that there is a relationship between job motivation and responsibility ( $r = 0.200$ ,  $n = 64$ ,  $p > 0.05$ ). The Pearson correlation coefficient is too low ( $r = 0.200$ ) and the significance value is quite greater than 0.05 ( $p = 0.114$ ). Thus, *H2* is not supported for P&G.

*5.1.3 H3.* Pearson correlation coefficient was also used to test *H3*. The results indicate that all 64 cases had scores on both scales. According to the findings, there is no relationship between job satisfaction and CSR as the Pearson correlation coefficient is very low and the significance value is higher than 0.05 ( $r = 0.195$ ,  $n = 65$ ,  $p > 0.05$ ). Hence, there is no accurate evidence that *H3* is confirmed for P&G.

### 5.2 Unilever

Unilever respondents are mostly males (57.8 per cent) and females are only 38 (42.2 per cent). The majority of the respondents are young adults under 35 years (74.9 per cent). Almost 85 per cent of the respondents work for Unilever from 1 to 10 years, while 15.6 per cent work for the company for more than 11 years and no one works for the firm for more

than 21 years. Approximating P&G, the majority of the respondents from Unilever are employees with no managerial responsibilities (41.1 per cent), whereas 32.2 per cent are managers with no employees reporting to them and 26.7 per cent are managers with employees reporting to them. Regarding company departments, most of the participants work at the Engineering (22.2 per cent) and the Safety, Health and Environment department (20 per cent). In addition, 18.9 per cent of the sample works at the Marketing and Sales and 10 per cent at Legal. The remaining four departments account for smaller representation (Communications and PR 8.9 per cent, HR 5.6 per cent, Finance and Accounting 6.7 per cent and IS/IT 7.8 per cent).

*5.2.1 H1.* The results indicate that 90 cases with scores on both scales have been used in this analysis, and hence, there are no missing cases. Similar to the P&G sample, there is a weak positive relationship ( $r = 0.281$ ,  $n = 90$ ,  $p < 0.01$ ) between the two variables. The coefficient of determination was calculated ( $0.281 \times 0.281 = 0.078 \times 100 = 7.89$  per cent) to determine 7.89 per cent of variance shared by the two variables. As mentioned earlier, the different points of view from [Cohen \(1988\)](#) and [Malhotra and Birks \(2007\)](#), regarding the acceptable level of an  $r$  value, indicate that a Pearson correlation of 0.281 supports our hypothesis to some extent. Thus, *H1* is also accepted for Unilever.

*5.2.2 H2.* Unlike P&G, there is a weak but positive relationship between job motivation and responsibility for Unilever subjects ( $r = 0.248$ ,  $n = 90$ ,  $p < 0.05$ ). By calculating the coefficient of determination ( $0.248 \times 0.248 = 0.061 \times 100 = 6.15$  per cent), a little overlap of the two variables (6.15 per cent) was found. Although the Pearson correlation coefficient is very small ( $r = 0.248$ ), it can still be considered as a relationship between the two variables; hence, *H2* is confirmed.

*5.2.3 H3.* All 90 cases are reported to have scores on both scales used for this analysis. The findings indicate that there is a weak positive relationship between job satisfaction and responsibility ( $r = 0.292$ ,  $n = 90$ ,  $p < 0.01$ ). The coefficient of determination at 8.52 per cent indicates that CSR and job satisfaction shares low variance [ $0.292 \times 0.292 = 0.085 \times 100 = 8.52$  per cent]. Consequently, *H3* is confirmed for Unilever.

## 6. Discussion and concluding remarks

This study aims to highlight similarities and differences between CSR and employee behaviour among two multinational companies in Greece. Regarding *H1*, the results for both companies indicate that a small correlation between CSR and employee engagement, which is consistent with literature ([Glavas and Piderit, 2009](#); [Ferreira and Real de Oliveira, 2014](#)). The findings promote the view that employees are willing to go the extra mile if they believe that their work is significant for the community ([Glavas and Piderit, 2009](#)). As work engagement has been described as commitment and loyalty to one's job ([Peterson, 2004](#); [Kim et al., 2009](#)) and strongly linked to a feeling of pride, it is reasonable to assume that the respondents are proud to identify themselves with companies that have a caring image.

Different results were found for P&G and Unilever for *H2* and *H3*. There was lack of correlation between motivation and job satisfaction to CSR for P&G, whereas a small correlation between the variables was reported for Unilever. After visiting Unilever's corporate website, we were able to identify that there is an annual CSR report that highlights Unilever's dedication to providing a safe and healthy workplace and they admit that engaging and motivating employees is a top priority for them ([Unilever, 2014](#)). Surprisingly, employee engagement and motivation is equally underlined by P&G's annual report ([P&G, 2015](#)), even though we were unable to find any correlations in our study. A possible explanation is given by [Adkins et al. \(2001\)](#) who believe that job relations are highly influenced by job insecurity during times of financial downturn; thus, CSR is meaningless

compared to job insecurity. It is widely known that Greece has been in financial difficulties over the past years with job insecurity being the primary concern of employees. Therefore, another explanation might be the different work conditions and compensation cuts that each company implemented. For example, while the Greek government legislated wage cuts of 11 per cent in 2012, some companies individually chose not to cut staff benefits. We are unaware of any such wage or benefit cuts for P&G and Unilever.

In addition to the three hypotheses, it was also found that the correlation between CSR and employee engagement is stronger for females than males for only Unilever. Moreover, the relationship between CSR and motivation and CSR to job satisfaction were both stronger for the women employees of only P&G. A possible justification derives from a report published by the National Statistical Service of Greece which shows that the current unemployment rate for females is 20 per cent as opposed to 14.1 per cent for males. It is possible that females feel more insecure today and thus they feel more engaged, motivated or satisfied when being employed.

This study strengthens [Sethi's \(1975\)](#) opinion that people's views on corporate responsibility are highly affected by culture and the current circumstances that take place in the country under investigation. It is possible that the financial crisis has negatively influenced lots of people's opinions on CSR. It looks like spending corporate money on charities while at the same time imposing salary cuts on staff is an uncomfortable condition.

All in all, this study aims to disclose that not only customers reward organisations for acting responsibly but also employees seem to value their employers' philanthropic stance. It was found that CSR improves staff's organisational commitment in general even amid crises, which is a very interesting finding for decision makers to bear in mind as an indirect but useful drive for organisational performance.

Practitioners and marketing professionals can benefit from this research by absorbing the fact that employees feel engaged, satisfied and motivated when they play a positive role in society through their work. It would be constructive for HR professionals to plan CSR strategies and involve employees in both planning and execution of those strategies. Another implication for businesses is to internalise CSR so that employees act as corporate volunteers, which may result in higher engagement and commitment scores. Finally, we encourage companies to publicize sustainability reports and make sure that employees are aware of the firm's social stance to increase staff motivation.

## 7. Limitations

Evidently, the small size of the sample is a limitation for this study because it leaves no room for generalising the findings. Secondly, although some of the hypotheses were backed by the data, the findings are not strong enough as the reported correlations were too small.

The research was conducted at the Greek department of two multinationals, P&G and Unilever. Taking into consideration that academia segments Greece as a rather CSR-unfamiliar country, the findings cannot be applied to other countries or other companies.

## 8. Future research

The present study is one of the few that have been conducted within the Greek business community and the only one to examine employee engagement in relation to corporate citizenship amid economic troubles. An important research direction would be to continue exploring the influence of CSR on Greek employees and possibly combine the findings with either Western or Eastern European countries. A qualitative

study is also recommended as it will provide the reasons behind employees' behaviours and attitudes.

Further research could also examine if the present correlations are strengthened or weakened over time while the Greek financial difficulties continue, as it is possible that lots of companies will choose to minimize additional spending. Future studies could monitor possible links between responsibility and other aspects of employee performance (i.e. innovation). Such a study, combined with earlier findings, can be useful to organisations and managers to develop employee performance.

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