

Original Research Article

Proud to be Socially Responsible:

An Examination of the Association between Corporate Social Responsibility, Pride in Membership, Job Satisfaction and Employee Engagement

Abstract

Purpose: The current study examines the role of corporate social responsibility (CSR) in developing a sense of pride in membership, job satisfaction and engagement among employees.

Methodology: The study used data collected through self-administered structured survey questionnaire from 487 employees from the cellular industry in Pakistan. The study used structural equation model (SEM) technique to analyze data and test proposed hypotheses.

Findings: The study confirms the proposition of ‘social identity theory’ and ‘stakeholder’s engagement’ theory. The study noted positive associations between employees perceived CSR, pride in membership, job satisfaction on employee engagement. The study concludes that higher level of employees pride in organizational membership can be developed through employee CSR associations and participation. Higher level of pride in membership results in high job satisfaction and engagement behavior among employees.

Originality: There is sparse research available that integrates employee perceived CSR, pride membership with employee job satisfaction and engagement. The study provides useful policy implications to corporate managers to communicate CSR activities to employees effectively and involve employees in CSR activities in order to increase their job satisfaction and engagement level.

Keywords: Corporate social responsibility, pride in membership, job satisfaction, employee engagement, social identity theory.

1. Introduction

1.1. Background

Corporate Social Responsibility (CSR) represents the giant evolutionary leap in management theory and practice from a shareholder focus, based squarely on maximizing financial returns, to

a stakeholder focus, which recognizes that the rights of corporations to act as independent entities must be accompanied with corresponding responsibilities. Although legal pressures pertaining to equal employment opportunities, product liability and responsibility, occupational health and safety, and environmental protection (Carroll, 1991) have, to a large extent, facilitated this paradigm shift, astute businesses have taken a proactive approach and embraced CSR policies and practices. These businesses understand the vast potential benefits of being socially responsible and realize that CSR will remain a vital aspect of business theory and practice because it addresses and captures the concerns of increasingly diverse and sophisticated stakeholders (Carroll, 1999).

The strategic benefits of CSR have been explored in a number of studies. According to Hockerts and Morsing (2008), the business strategy field has experienced the renaissance of CSR during the past few years. The boost in organizational reputation resulting from CSR activities can serve as an important source of competitive advantage (Fombrun and Shanley, 1990; Ellemers et al., 2011). CSR activities can also be used as a differentiation strategy to create demand and command a premium price (McWilliams and Siegel 2001). From a consumer perspective, CSR activities can stimulate customer purchase intentions (Ali, 2011). There has also been increasing academic interest in the influence of CSR activities on employees' perceptions and behaviors, which is the focus of this paper.

The mechanisms through which CSR influences employees' perceptions and behaviors can be explained through social identity theory, which refers to an individual's perception of belongingness or oneness with a group, where the individual defines himself or herself in terms of the organization (Ashforth and Mael, 1989). This identity is shaped by the individual's own evaluation of the organization as well as how outsiders evaluate the organization (Luhtanen and Crocker, 1992). Together, these evaluations form a 'meta-stereotype' of how employees perceive that outsiders see them (McWilliams and Siegel, 2001). Therefore, CSR initiatives that may invoke positive reactions from an organization's external stakeholders can have direct, positive effects on its employees. Likewise, actions that invoke negative reactions regarding the organization can lead to negative effects on employees (Riordan, Gatewood and Bill, 1997).

It is therefore apparent that the positive influence of CSR on corporate reputation (Ali, Khan and Rehman, 2013) can have a profound impact on employees' behaviors. For instance, organizational reputation is used as an indicator of employer attractiveness by jobseekers (Cable and Graham, 2000). On the job, a positive organizational reputation leads to higher levels of employee identification (Bartels et al., 2007), greater employee commitment and organizational performance (Ali et al., 2010), and increased pride in organizational membership and job satisfaction (Helm, 2013). CSR activities are also an effective means of achieving higher levels of employee engagement (Ali et al, 2013; Burchell and Cook, 2006), which translates into improved job performance and ultimately improved organizational performance.

In line with the above, this paper seeks to expand the understanding of the relationship between an organization's CSR activities and its relevance with employee engagement by examining the mediating role of Pride in Organizational Membership (PIM) and job satisfaction.

As stakeholders become more sophisticated, the onus is on the organization to understand and address their needs. In this context, employees are perhaps the most immediate concern of organizations. Social identity theory implicates that employees want to be associated with an organization that perceived positively by not only them but also by outsiders. This need is catalyzed by the culture of Pakistan that emphasizes image and social stature. It is therefore imperative that organization carefully manage their CSR initiatives to boost their reputation, which ultimately becomes an important driver of employee engagement. Despite its significance, businesses generally hesitate to integrate the CSR philosophy in their strategic framework and operational processes (Urip, 2010), which stems from a lack of clarity regarding the potential benefits of CSR activities. Accordingly, this paper investigates the direct and indirect benefits of CSR activities in terms of PIM, job satisfaction, and employee engagement.

According to Rayton et al. (2012), 85% of the world's most admired companies believe that efforts to engage employees have reduced employee performance problems. Highly engaged employees also tend to perform better on the job, which translates into improved organizational performance (Riordan, Gatewood and Bill, 1997). The findings of this study would help managers better understand how the CSR philosophy can be harnessed to achieve the benefits of employee engagement. Accordingly, the recommendations made in this paper should help guide organizations' policy development and decision-making. This study also contributes to the CSR literature by empirically testing the mediating roles of PIM and job satisfaction in the relationship between CSR activities and employee engagement.

2. Theoretical Background

2.1. Corporate Social Responsibility (CSR)

Every company has its own unique set of stakeholder groups that are affected by corporate activities and can affect the companies (Svendsen, 1998:48). In turn, each of these stakeholder groups has varying needs, expectations, and impacts on the corporation, which requires varying response strategies that are tailored to manage that particular group. Managing these diverse and at times contradictory expectations of stakeholders represent a daunting challenge for corporations (Ihugba and Osuji, 2011). In this context, CSR is an important tool that can help corporations manage their delicate relationships with the society and the environment within which they operate. In return, stakeholder groups would reward corporations by increasing consumption of their products and services (McWilliams and Siegel, 2001). CSR can therefore be considered as a kind of the relationship management between the corporation and the society in which it operates.

The CSR concept is the product of various theories, including the theory of the firm, stewardship theory, agency theory, institutional theory, the resource-based view of the firm, and stakeholder theory (Lindgreen and Swaen, 2010). It is a process through which a company takes responsibility for the whole of its value chain and its effects on social, ecological and economic parameters, in a dialogue with stakeholders (Ministry of Foreign Affairs of the Netherlands, 2013:17). However, perhaps due to its multiple influences, a clear and unbiased definition of CSR has continued to elude academicians and practitioners alike. In an attempt to reconcile the different viewpoints on CSR, Dahlsrud (2006) identified five key dimensions of the CSR construct using a content analysis of 37 CSR definitions, namely environmental, social, economic, stakeholder, and voluntariness. According to the author, 97% of the definitions studied contained 3 or more of these dimensions.

An interesting view of CSR is proposed by McWilliams and Siegel (2001), who define CSR as the “actions that appear to further some social good, beyond the interests of the firm and that which is required by law”. In doing so, the authors emphasize the voluntariness dimension as a necessary pre-requisite of ‘true’ CSR. This view of CSR is valid not only from an ethical standpoint, considering that meeting the bare minimum requirements so as not to get into trouble with the law does not constitute as being ‘socially responsible’, but also from a business standpoint, since CSR practices are essentially investments in building and maintaining stakeholder relationships. These investments can lead to the creation of competitive advantages such as a strong corporation reputation of reliability and honesty (Ali, 2011; McWilliams and Siegel, 2001). They can also serve as a mechanism for product differentiation (McWilliams and Siegel, 2001). For example, corporations can invest in and acquire the Fair Trade certification and imprint the logo on their products as a means of standing out from competing products.

The reputational benefits of CSR have important spillover effects in terms of social identity theory and, consequently, employee perceptions and behaviors. Since outsiders tend to judge employees based on what their organization stands for (Ashforth and Mael, 1989), corporate reputation becomes a critical point of interest for employees. In fact, corporate social responsibility may have been initially seen as a powerful tool for attracting potential employees (Cable and Graham, 2000). A stronger corporate reputation has also been found to reduce employee turnover intentions, as mediated by pride in membership and job satisfaction (Helm, 2013). Indeed, employees constitute an important source of ‘demand’ for CSR and tend to support progressive CSR initiatives such as occupational health and safety, fair labor relations, and social security (McWilliams and Siegel, 2001). In turn, they may reward their corporations with increased loyalty, morale, and productivity (McWilliams and Siegel, 2001). These workforce-related benefits have been studied under the umbrella term of ‘employee engagement’, and CSR has been found to have a positive influence on employee engagement (Ali et al. 2013). Ultimately, CSR helps corporations manage their relationships with their employees, since, at its core, CSR is a relationship engagement strategy (Dicke et al., 2007). This

study uses two types of CSR; CSR association and CSR participation, as identified by Kim et al., (2010). CSR association refers to employees perceptions towards social performance of their organization (Brown and Dacin, 1997). It refers to employees perceptions of corporation's external CSR (Brammer et al., 2007). Whereas CSR participation includes employees involvement into voluntary CSR activities designed by organization as part of its CSR strategy (Peterson, 2004). The study uses social identity theory, by proposing that employees will identify themselves with organization's CSR activities and these feelings of identification with company will lead to positive employee behavior.

2.2. Employee Engagement

Employees rarely perform at their full potential. Peters (1994) stressed that there is a huge potential reserve of energy and commitment in employees that most organizations are unable to leverage because they fail to create 'meaning' for their employees. The inability to do so leads to cynicism, disenchantment, and disillusionment as employees are fatigued by increasing expectations and constant demands to change (Cartwright and Holmes, 2006).

As a pioneer in his field, Kahn (1990) defined engagement as "the harnessing of organization members' selves to their work roles" in which they employ and express themselves physically, cognitively, and emotionally. Exploring the concept from the employees' perspective, the Institute for Employment Studies (IES) defines engagement as a "positive attitude held by the employee towards the organization and its values" (Robinson et al., 2004). Essentially, employee engagement is a measure of the employee's psychological states of energy directed towards a task or specific work role, which can broadly be viewed as his or her investment of cognitive, emotional, and physical energies directed towards organizational outcomes (Shuck et al., 2012; Christian et al., 2011). From these definitions, it becomes apparent that a greater degree of employee engagement, and hence a greater level of investment, should not only stimulate employee performance but also help align it with organizational goals and thus organizational performance.

Employee engagement can be explained in terms of Social Exchange Theory (SET), which asserts that employees who perceive higher organizational support and procedural justice are more likely to reciprocate with greater levels of engagement in their job and in the organization (Saks, 2006). According to Saks (2006), highly engaged employees are more likely to have higher-quality relationships with their employer. Employee engagement is also vital for any organization that seeks to retain valued employees (Ali, 2013), as fully engaged employees are less likely to leave the organization (Abraham, 2012; Adams, 2014).

An engaged employee is aware of business context and works with colleagues to improve job performance for the benefit of the organization (Robinson et al., 2004). Engaged employees also have a sense of energetic and effective connection with their work activities and they see

themselves as able to deal completely with the demands of their job (Schaufeli et al., 2002), which may have a positive influence on job satisfaction. Furthermore, employee engagement positively influences organizational commitment and Organizational Citizenship Behavior directed to the Individual (OCBI) as well as Organizational Citizenship Behavior directed to the Organization (OCBO) (Saks, 2006).

As aptly stated by Hallberd et al. (2006), employee engagement is more than just a means of preventing poor performance – it is a conceptualization of optimal functioning. Given its criticality to organizational performance, this study aims to investigate how employee engagement and its benefits can be achieved through effective CSR.

2.3. *Formulation of Hypotheses*

Although pride as a construct has been widely studied in both psychology and management disciplines, Pride in Membership (PIM) has received relatively little attention (Katzenbach and Santamaria, 1999). However, PIM is an important consequence of CSR activities as viewed through the lens of social identity theory. PIM develops when an organization is recognized as being important, meaningful, and a worthwhile part of the community (Arnett, Lavarie and McLane, 2002, p. 90). Also, it is the most qualified and desirable employees that tend to place the most emphasis on their employer's reputation, thus amplifying the potential benefits of PIM (Pruzan, 2001).

An organization that is widely known for its positive accomplishments tends to stimulate organization-based self-esteem amongst its employees (Helm, 2013). Similarly, positive meta-stereotypes and perceptions held by observers external to the organization enhances social identification, which Bhattacharya et al. (2008) refer to as CSR-induced identification, can serve to instill PIM (Bartels et al., 2007; Carmeli, 2004; Lievens, Van Hoya and Anseel, 2007). These meta-stereotypes, based on the organization as a whole, are a stronger predictor of collective identify than employees' personal attributes or achievements (Tajfel and Turner, 1986). This leads to the formulation of our first hypothesis:

H₁: Corporate Social Responsibility is positively associated with Pride in Organizational Membership.

In addition to pride, a company's CSR activities can influence job satisfaction. Judge et al. defines job satisfaction as a multidimensional psychological responses to one's job that have cognitive (evaluative) and affective (emotional) components. Job satisfaction is an attitude towards the job taking into account feelings, beliefs and behaviors (Kainth and Kaur, 2010; Weiss, 2012) and describes how content an individual is with his or her job. By tapping into both evaluative and emotional aspects, CSR-induced employee identification can lead to improved job satisfaction (Bhattacharya et al., 2008; Lievens, Van Hoya and Anseel, 2007). From a broader

ethical viewpoint, Valentine and Fleischman (2008) found that perceived CSR mediates the relationship between an ethics program and job satisfaction and accordingly recommend that corporations communicate their CSR commitment to their employees and develop a CSR-focused culture. Furthermore, Zaidi (2009) observes that the antecedents of job satisfaction may change over time. Thus, with the advent of CSR in the past few years, it is important to assess its role as a predictor of job satisfaction. We therefore formulate our second hypothesis:

H₂: Corporate Social Responsibility is positively associated with Job Satisfaction.

Bouckaert (2001) distinguishes between intrinsic and extrinsic forms of pride, where the former is derived from a “respectful selection procedure” while the latter can be activity-based task pride or organization-based mission pride. He further elaborates that mission pride refers to the pleasure taken by employees in being associated with their employer. Employees that experience this form of pride would therefore be more inclined to be satisfied with their job. Also, Ellemers et al. (2011) found that organizational pride is a predictor of employee commitment and satisfaction. Furthermore, according to Tracy and Robins (2007), pride enhances employees’ self-esteem. This should, in turn, lead them to feel more satisfied on the job. In contrast, in a study of 16 emotions and their influence of job satisfaction, pride was found to be positively, albeit weakly, related to job satisfaction (Fisher, 1998). We therefore attempt to explore this relationship further by hypothesizing that:

H₃: Pride in Organizational Membership is positively associated with Job Satisfaction.

Pride is considered an extremely important emotion for driving social behavior (Tracy and Robins, 2007). Ellemers et al. (2011) propose that organizational pride increases satisfaction and high-level commitment to the organization which, in turn, invigorates employees to achieve organizational objectives. High levels of PIM can also reduce employee turnover intentions (Helm, 2013), which is indicative that PIM may boost employee commitment. Furthermore, Bouckaert (2001) asserts that extrinsic forms of pride, such as mission pride developed by association with a reputable employer, are more highly correlated with high levels of employee performance than intrinsic forms of pride. Therefore, we posit that:

H₄: Pride in Organizational Membership is positively associated with Employee Engagement.

Job satisfaction is widely considered as one of the most critical objectives of an organization and its measurement and improvement are usually high up on the list of organizational goals (Ravari et al., 2012). According to Abraham (2012), job satisfaction is directly related to the cognitive aspect of employee engagement. It also indirectly influences employee engagement by increasing employees’ willingness to change and their organizational commitment (Riordan, Gatewood and Bill, 1997), both of which may support the creation of an engaged workforce.

Interestingly, the findings of Saks (2006) indicate a reverse relationship, i.e. employee engagement is a predictor of job satisfaction, indicating a need for further clarification on the relationship between the two constructs. Thus, we formulate our next hypothesis:

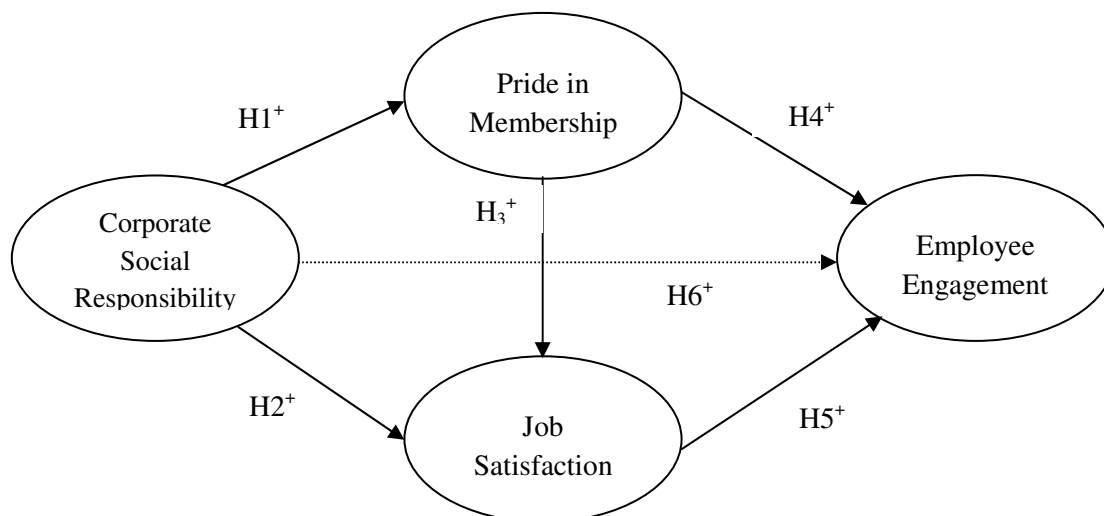
H₅: Job Satisfaction is positively associated with Employee Engagement.

Burchell and Cook (2006) established relationship between CSR and stakeholders engagement. Building up on this, Ali (2013) holds that corporations can increase the engagement level of employees by engaging in more socially responsible activities. Bhattacharya et al. (2008) explain that an employer's commitment to being socially responsible serves to inspire its employees to work harder, to be more productive, and to focus more on quality.

However, the relationship between CSR and employee engagement may not be direct. For example, Abraham (2012) defines employee engagement as the degree to which employees experience job satisfaction and emotional connectedness to the success of the organization, which subsequently results in improved productivity, innovation, and retention. Similarly, CSR-based employee identification tends to stimulate both pride and job satisfaction, which ultimately translates into improved employee performance (Bhattacharya et al., 2008). Therefore, we propose that:

H₆: Pride in Organizational Membership and Job Satisfaction fully mediate the association between Corporate Social Responsibility and Employee Engagement.

Figure 1. Theoretical model of proposed associations



2.4. Theoretical Model

The theoretical model of this study is presented in Figure 1 above. The model shows CSR as independent variables that influence positively in the development of pride in membership

among employees. The mediating variables are pride in membership and job satisfaction that leads to higher level of employee engagement. Pride in membership also leads higher levels of job satisfaction among employees.

3. Research Methodology

3.1 Sample and Data Collection

This is an exploratory study that explores the relationship between CSR, pride membership, job satisfaction and employee engagement constructs. The unit of analysis in this study is individual employees working in telecom sector of Pakistan. The telecom sector of Pakistan is doing good CSR activities related to education, health, clean environment etc. Different organizations are doing CSR activities and reporting to various stakeholders in order to communicate their efforts towards better Pakistan. The data is collected through personally administered survey questionnaire technique. A total of 400 questionnaires were distributed to employees working in different telecom organizations in Pakistan and 327 usable questionnaires were received back with a response rate of 81.7%. The respondents with diverse backgrounds were selected in order to make our sample more representative.

3.2 Instruments and Measurement

The study used four research constructs including CSR, pride in membership, job satisfaction and employee engagement. The construct of CSR has two dimensions; CSR association and CSR participation (Ali et al., 2013). The scale to measure CSR association is adopted from Lichtenstein et al., (2004). The scale contains 3 items that measure association of employees with a company doing CSR activities. The measure CSR participation one items is borrowed from Peterson (2004) and one item is taken from Smidts et al., (2001) respectively. Pride in membership is measured on three items, two items are borrowed from Cable and Turban (2003) and one item is taken from Helm (2013). The construct of job satisfaction is measured on 6 items adopted from Riordan, Gatewood and Bill (1997). The construct of employee engagement is measured on 5 items scale adopted from Schaufeli et al., (2002). All instruments are measured on 5 point Likert scale where 1 for strongly disagree and 5 for strongly agree.

3.3 Procedure

The data analysis techniques includes; reliability analysis through Cronbach alpha using SPSS software. Reliability analysis is computed using confirmatory factor analysis (CFA) using AMOS software. Correlation analysis through Pearson Correlation Matrix using SPSS and finally regression analysis through structural equation modeling (SEM) technique to test the hypotheses proposed in this study.

Table 1: Sample composition

Variables	Classifications (percentages)	
Gender	Male (82.8)	Female (17.2)
Age	Less than 20 (7.4)	50 to 60 years ()
	21 to 30 years (32.6)	More than 60 years (4.2)
	41 to 50 years (47.5)	
Designation	Below than officer (19)	Manager ()
	Officer (43.1)	Top executive (7.4)
Tenure in current organization	Less than 1 years (14.4)	11 to 15 years (17.5)
	2 to 5 years (28.4)	More than 16 years (9.6)
	6 to 10 years (24.9)	
Total professional experience	Less than 1 years (14.4)	11 to 15 years (17.5)
	2 to 5 years (28.4)	More than 16 years (9.6)
	6 to 10 years (24.9)	

4. Results and Discussions

4.1 Validity and Reliability Testing

Confirmatory Factor Analysis (CFA) has been performed following Karrikar and Williams (2009). The value of factor loading should be less than 0.4 as per standard criteria. The factor loading values of all items of our variables namely CSR, pride in membership, job satisfaction and employee engagement are well above standard criteria. Therefore, the all instruments are valid for measuring the construct as reported by the respondents. The values of mode fit indices for CFA also meet cutoff parameters. According to Hair et al., (2003) and Gerbing and Anderson (1992), the values of CFI, GFI, AGFI and NFI should be closer or higher than 0.90. According to another parameter of model fit proposed by Wheaton et al., (1997), the value of CMIN/DF should be between 5-2 in order to achieve model fit for CFA. The value of CMIN (Chi square) divided by DF (degree of freedom) is 2.33, which meet the standard criteria for model fit in this

research. Additionally, Browne and Cudeck (1993) proposed that the value of Root Mean Square Error of Approximation (RMSEA) should be less than 1 to meet good model fitness indices. The value of RMSEA in this study is 0.38, which is well below 1, therefore all the values of model fit indices meets these criteria. The data is therefore; fit to be used for further analysis.

Reliability analysis is performed through Cronbach alpha using SPSS software. The value of Cronbach alpha should be greater than 0.5 as per acceptable standards (Nunally and Bernstein, 1978). The values of Cronbach alpha for all four variables are CSR (0.84), PIM (0.78), JS (0.81) and EE (0.91) well above 0.50, as reported in Table 2. It depicts that data for all variables is reliable and fit for using for further analysis.

4.2 Correlation Analysis

Table 3 presents the means, standard deviations of all constructs as well as correlation matrix computed through SPSS. The highest mean value is scored by employee engagement followed by pride in membership and job satisfaction as depicted in Table 3. The coefficients of correlation matrix are also below 0.5 which means there is no problem of multi-collinearity among variables used in this study. There are also positive associations between all variables with highly significant relationship among pride in membership and employee engagement and job satisfaction and employee engagement at 1 percent. The relationship between CSR and employee engagement is significant at 5 percent level.

Table 2: Reliability and Validity Analysis

Construct	Factor Loading
<i>CSR (0.84)</i>	
CSR1	0.82
CSR2	0.91
CSR3	1.07
CSR4	0.74
CSR5	0.85
<i>Pride in Membership (0.78)</i>	
PIM1	0.64
PIM2	0.76
PIM3	0.81

<i>Job Satisfaction (0.81)</i>	
JS1	0.71
JS2	0.66
JS3	0.79
JS4	0.73
JS5	0.76
JS6	0.84
<i>Employee Engagement (0.95)</i>	
EE-1	0.98
EE-2	0.66
EE-3	0.71
EE-4	0.70
EE-5	0.95

Note: GFI = 0.97; AGFI = .86; CFI = 114; NFI = 0.85; CMIN = 1448, DF = 621, CMIN/DF = 2.33, RMSEA = 0.38

Table 3: Correlation Matrix

	CSR	Pride in Membership	Job Satisfaction	Employee Engagement
CSR	-			
Pride in Membership	0.39*	-		
Job Satisfaction	0.41**	0.39**	-	
Employee Engagement	0.27**	0.22*	0.14*	-
Mean	2.94	3.65	3.19	4.03
Standard Deviation	0.75	0.51	0.88	1.42

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

** Correlation significant at 0.05 levels (2-tailed).

4.3 Regression Analysis

The results of regression analysis through structural equation model (SEM) are presented in Table 4 below. The regression paths, respective hypothesis, values of Estimates, S.E and P

values are depicted in table below. The findings of regression analysis through SEM show positive association between all variables under investigation in this study. All hypotheses are accepted as per standard acceptance criteria (5% confidence level).

Table 4: Regression Analysis

	Path		Hypothesis	Estimate	S.E	P	Decision
CSR	----->	PIM	H1	0.61	0.43	0.03	Supported
CSR	----->	JS	H2	0.58	0.35	0.02	Supported
PIM	----->	JS	H3	0.39	0.59	0.00	Supported
PIM	----->	EE	H4	0.81	0.26	0.00	Supported
JS	----->	EE	H5	1.24	0.37	0.01	Supported
CSR	----->	EE	H6	0.87	0.45	0.04	Supported

Discussion

The findings of this study shows positive association between CSR and pride in membership, CSR and job satisfaction, pride in membership and job satisfaction, pride in membership and employee engagement, job satisfaction and employee engagement and finally, CSR and employee engagement. The findings of this research postulate that corporate social responsibility influence positively in developing employees' pride in membership and job satisfaction. The higher level of pride in membership leads to high employee engagement in the organization. The findings of this study are consistent with results of previous researches. For instance, Bartels et al., (2007); Carmeli, (2004); and Lievens, Van Hove and Anseel, (2007) note positive association between CSR and employee company identification. CSR-induced employee identification leads to improved job satisfaction (Bhattacharya et al., 2008; Lievens, Van Hove and Anseel, 2007). Ellemers et al. (2011) found that organizational pride is a predictor of employee job satisfaction and employee engagement.

The study found positive association between job satisfaction and employee engagement. The work of Abraham (2012) and Riordan, Gatewood and Bill (1997) also endorse positive association between job satisfaction and employee engagement. Bhattacharya et al., (2008)

asserted that both pride and job satisfaction ultimately translates into improved employee behavior.

5. Conclusion

Organizations have main responsibilities in main fields that economic (productive and profitable); legal- compliance with regulations and law; business ethic and socially responsible activities. Corporate social responsibility covers both ethic and social responsibilities. In internal environment, corporate social responsibility activities enhance main issues of employee which are job satisfaction, engagement, pride, etc. Job satisfaction is important regarding personal well-being and organizational effectiveness (Lim, 2008). The current study extends the work of Helm (2013) who examines the association between perceived external reputations, pride in membership, job satisfaction and employee turnover intentions. The current study examined how socially responsible activities of corporations including CSR association and CSR participation influence employee pride in membership perceptions and how it increase job satisfaction and engagement level of employees. The study concludes that corporations who perform higher level of socially responsible activities develop a higher level of CSR association and CSR participation among employees. By inculcating higher level of CSR association and participation among employees corporations can boost sense of membership pride among employees that in turn increase job satisfaction and engagement level among employees. The findings of this study have particular significance for the organizational managers who are interested to develop positive employee behavior. This study confirms that CSR has not only significance for customers; it is also pertinent for employees in shaping their favorable attitude towards organizations.

Future researches can be done to examine the influence of CSR and employee pride in membership with other employee related constructs. The future studies can also examine how perceptions of CSR can vary among respondents with diverse demographic backgrounds. Moreover, CSR associations and participations may not affect all employees across the board. Therefore, CSR orientation of employees can be used as moderator to examine how the findings may differ among employees having low CSR orientation as compared to those having high CSR orientation.

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