CHAPTER 3
DELINEATION OF CONCEPT AND RESEARCH METHODOLOGY

The current research is designed to assess the influence of employee perceptions of Corporate Social Responsibility on organisational commitment. The purpose of this chapter is to delineate the methodology of the study.

3.1 Rationale of the study
Writing in the Wealth of Nations 200 years ago, Adam Smith voiced his concerns that the unchecked rise of trading companies was creating a hitherto unknown phenomenon – businesses that had unlimited life, unlimited size, unlimited power and unlimited freedom to incur risks and gain rewards. Smith’s concern was triggered by the fact that risks were in part borne not by the businesses themselves, but by other groups in society, we call these groups - stakeholders'. One of the key stakeholders is an organization is the “Employee”.

What should companies be responsible for? Businesses themselves increasingly recognize that their future profitability and license to operate depend on their willingness to assume responsibility for the social and environmental consequences of their global footprint. But as civil society’s awareness of the need for corporate social responsibility (CSR) increases, as regulators and auditors place increasing pressures on companies and as institutional shareholders become more pressing in their demands for adequate risk management, companies find themselves in urgent need of assistance.

Why has this attitude become so popular in business? Is it a smart solution to public relation problems? Is this an effective way for business leaders to obtain respect and influence? Can this be a better way to run economic life than the classical split between state, private business and individuals? Do the employees perceive the organization differently when they are involved in CSR activities?

CSR is not an optional extra. All businesses, particularly those that operate at a transnational level, are responsible not only for the ethical conduct of their operations but also for their impact on all their stakeholders now and in generations to come. The Researcher proposes to draw together research evidence relevant to ways in which companies can ensure that their employees are motivated and sufficiently committed to the effective delivery of CSR practices. Such a commitment becomes vitally important in situations where companies...
operate globally in multicultural contexts, where staff on the ground has to take decisions without the benefit of consultation.

The effective delivery of corporate social and environmental responsibility initiatives is dependent on employee responsiveness. In order for employees to deliver on CSR requirements, they firstly have to be motivated to do so and secondly to be committed to surmounting the challenges and attaining the goals of responsible corporate behavior. Motivation comes first; commitment reinforces and embeds it. There is an extensive organizational literature on motivation, and an equally extensive body of research on commitment in organizational settings. However, although the concepts are related, the literatures have developed independently. Although commitment is discussed by motivation researchers and motivation by commitment researchers, neither concept is dealt with at the level of complexity that is within its own domain. Motivation is the energizing force that induces action, in this case action by employees that in some way has its roots in personal needs and/or values. But why, and to what purpose, is action undertaken? The answer is that motivation is contingent on the answers to two related questions – why one is doing this? and what do one hope to achieve? In other words, goal setting is a key element in motivation, because without a defined goal it will be impossible to measure achievement, and without the possibility of identifying achievement, there will be no standard for assessing satisfaction.

In Locke’s model of motivation the efficacy of actions designed to achieve defined goal(s) is seen to be determined by effort, persistence and task strategies. These will generate performance outcomes that will be moderated (enhanced or diminished) by the existence or absence of feedback, ability, commitment and task complexity.

Since the 1980s, economic reforms have increased the presence of multinational corporations in the country and transformed some Indian businesses into global enterprises. Nonetheless, the philanthropic tradition continues. Corporations such as Tata and the Birla’s Group established charitable trusts that provided financial grants for social causes. At the same time, stakeholder engagement has emerged as a second, complementary instrument in the practice of CSR. Gradually, corporate leaders began to recognize communities not simply as recipients of corporate philanthropy, but as partners with a legitimate stake in company operations. This shift was triggered in part by the increased presence of multinationals such as IBM and Unilever, for which stakeholder engagement is a well-established...
business practice. At the same time, as Indian businesses assert a strong presence in developed countries through mergers and acquisitions and market penetration of goods and services, they increasingly will confront pressures to adopt CSR standards and certifications found in such countries. Interestingly, as the economy grows, the Indian middle class expands, and the high-tech infrastructure develops, historical spiritual traditions are experiencing something of rebirth among those caught up in the rapid economic growth.

India has one of the world’s richest traditions of CSR. To understand the current status of CSR in India, it is important first to map out the landscape and identify the main families of corporate responsibility. For long-established industrial dynasties, such as the Birla’s and the Tata’s, concepts of nation-building and trusteeship have been alive in their operations decades long before CSR become a popular cause. Alongside these are the leading Indian companies with strong international shareholdings, such as Hero Honda, HLL (Hindustan Lever Ltd), ITC, and Maruti Udyog, where local dynamics fuse with the business standards of the parent or partner. Another tradition emerges from the public sector enterprises, such as BHEL (Bharat Heavy Electricals Ltd), HDFC (Housing Development Finance Corporation), NTPC (National Thermal Power Corporation), and ONGC (Oil and Natural Gas Corporation), where social obligations remain an integral part of their business despite the march of privatization. And then there is the new generation of enterprises that has surged on the back of knowledge based globalization, such as Dr Reddy’s, Infosys, Ranbaxy, and Wipro, where less emphasis is on minimizing negative impacts and more on maximizing the positive spill-over effects of corporate development.

Employee perceptions of justice and fairness are not only concerned with the ways in which ethics programmes are delivered and monitored, they also have to do with ways in which organizations treat employees (Buckley et al. 2001, McElroy 2001, Whitener 2001, Weaver 2004). For instance, selection systems and procedures have to be seen as free from bias. Performance appraisal as accountability has to be a learning experience as well as an evaluation. Compensation systems are manifestly unethical at the executive level, but employees will tolerate structural injustice if there is fairness of treatment in their own case.

The positive relationship between employee perceptions of CSR and commitment emphasizes the payoff that may flow from investment in CSR. The relationship between external CSR and commitment suggests the benefits are not restricted to external reputation and external
stakeholder management, but also are reflected in the behavior of internal stakeholders. This emphasizes the importance firms should attach to the communication of CSR policies to employees.

The researcher, therefore, is interested in analyzing the relation between Corporate Social Responsibility and Employee Commitment. What role, if any, do employees perception of organization’s social responsibility play in shaping their commitment to the firm?

3.2 Research Design

Most research in the context of CSR has been committed to the understanding of firm financial performance and conceptual development, one of the primary goals of this study was to understand what the employee thinks about CSR activities and initiatives of the organisation. However, the study of employee-level CSR is still relatively embryonic and research has not advanced to the point where academicians can say employee attitudes are understood with regards to the CSR initiatives. Due to this, the approach for the current study was exploratory (due to the lack of empirical investigations on the construct) hence, making an attempt to understand more clearly how employees perceive organisational CSR activities from both a quantitative and qualitative perspective and its effect on their commitment towards the organisation. Since the purpose to demonstrate how the employees perceptions about the corporate social responsibility initiatives of the organisation impacts employee attitudes and commitment, a survey approach was employed as it is an efficient process designed to collect data, or facts about a situation that can be used to develop inferences about population parameters.

The advantages of using survey method include: often quick, inexpensive, efficient, and flexible; while the disadvantages are associated to poor survey design and improper execution (Sarantakos, 1998; Zikmund, 2003; Zutshi, Parris, & Creed, 2007)\(^5,6,7\).

3.3 Problem statement

*Can the ineffective use of Corporate Social Responsibility policies influence Employees’ Perception towards Organizational Commitment?*

3.4 Research objectives

CSR is at least as great a factor in organizational commitment as job satisfaction.

1. To make a critical assessment of the CSR activities and its impact on the employee.
2. To evaluate the variables of successful implementation of CSR activities in the organization.
3. To study the attitudinal changes in Top level and Middle Level Management as a result of CSR initiatives.

4. To find the relationship between CSR and employee commitment

### 3.5 Demographic segmentation

Demography is the statistical study of human population. Segmentation generally divides a population based on variables. The variables used for demographic segmentation help divide a large population into specific groups. Following are the demographic variables taken into account in the present investigation.

#### 3.5.1. Gender

Men are from mars and women are from Venus. Their preferences differ. The views and attitudes of males and females towards job satisfaction differ. The researcher considered the gender to find out the difference in the opinion of perceptions of employees towards employee commitment. Out of 1100 respondents 68% were males and 32% females. Figure 4.1 indicated the gender distribution.

![Gender Distribution Chart]

**Figure 3.1 Gender distribution**

#### 3.5.2. Sector

The segmentation was also done sector wise. Various sectors were considered in order to have representation from each sector. Figure 4.2 indicates the representation of sector wise distribution.
3.5.3. Grade

This demographic variable signifies the relevance of distinction of change of attitudes and behaviour of each top and middle level management grades from others. The grade and hierarchy wise distribution is given in figure 4.3 and 4.4 respectively.
The grades indicate M5 and M4 being the top level managers, M3 indicated middle level managers and M1 and M2 were line managers. The diagram below indicates top and middle level management. Top level management includes managers from M5 and M4 whereas the middle level management include managers from M1, M2 and M3 grades.

![Hierarchy wise](image)

**Figure 3.4 Hierarchy wise distributions**

### 3.6 Hypothesis

The following hypotheses are formulated for the present study:

**H1**: Employee’s perceptions about the firms CSR initiatives will be positively related to their organizational commitment.

**H2**: CSR leads to positive attitudinal changes in the top and middle Level Management.

**H3**: Influence of the perception of organizational commitment will increase as the employee’s beliefs supporting the importance of social responsibility of businesses increases.

**H4**: Shift in CSR implementation affects employee commitment in the organisation.
3.7 METHODOLOGY I

3.7.1 Pilot work
In order to understand the influence of employee perceptions of CSR on their commitment level, a pilot study was conducted.

3.8.2 Designing the questionnaire
After thoroughly evaluating the various concepts to be examined in the present study questionnaire were designed. The researcher identified during the literature review similar work being done with only the context being different, hence the researcher chose to use the available tools. The questionnaires covered all aspects like corporate social responsibility towards social and non-social stakeholders, employees, ethics, and government. The questionnaires also focused of affective, normative and continuance commitment of employees. In order to choose the factors for study, companies involved in CSR initiatives were tapped. The companies in Chinchwad MIDC were identified and the researcher personally filled the questionnaires from the respondents. These companies were visited in the month of January 2011 – July 2011. Some employees were informally interviewed, to get information on some more aspects of employee commitment and CSR. The final questionnaires were customised using the above responses. The factors finally chosen were the ones which would give an accurate relation between CSR and employee commitment irrespective of the sectors.

3.8.3 Tools used
The tools used by the researcher were questionnaires designed to understand the relation between CSR and employee commitment. The tools used were:

- Corporate Social Responsibility Scale (Turker, 2009)\(^{13}\)
- Nine-item shortened version of OCQ (Mowday et al., 1982)\(^{18}\)

3.8.4 Sample selection

3.7.1. Population
The researcher defined the population for the study as the managers in public and private sector organizations in Pune region in Chinchwad, Pimpri, Kasarwadi, Bhosari, Hinjawadi, Chakan and Magarpatta were involved in CSR initiatives

3.7.2. Sampling unit
The researcher selected the organizations from MIDC areas involved in CSR as the sampling unit. The MIDC in Bhosari, Talegoan, Chinchwad, and Chakan were included in the sampling unit.

3.7.3 Sampling element
The sampling element selected by the researcher is the manager (middle or top level) working in an organization involved in CSR.

3.7.4. Sampling frame
The sampling frame consisted of managers from grades M1 – M5 i.e. top and middle level management.

3.7.5. Sampling technique
The researcher administered questionnaires to the employees from the sampling unit randomly based on the availability and convenience of the employees. The employees gave reference of other employees. Thus snowball sampling technique was also used.

3.7.6. Sampling size
The researcher selected the sample size using 95% confidence interval.

![Sample Size Determination](image)

Figure 3.5 sample size determination for pilot study

3.8.5 Administration of tests
The questionnaires were administered individually by the researcher to 305 managers who were selected for the study. The responses given to the various items were analyzed for all 305 managers. The questionnaires were filled by 313 employees and 8 questionnaires were discarded due to incomplete information. Hence the final number of usable questionnaires was 305 with a response rate of 98.06%. All the respondents were from the managerial grade M1-M5.
3.8.6 Scoring and results

All the data collected was processed in SPSS 17. Correlations analysis was used to determine correlation coefficients between dependent and independent variables of CSR to social and non-social stakeholders and employees. The internal consistency of each scale was assessed with considering the number of items, inter-item correlations, and Cronbach’s α levels. A two-stage hierarchical regression analysis was applied to test the relationships. The scoring of all scales was done on Likert Scale (5 point, 7 point and 9 point scale). The responses were obtained from Strongly Disagree to Strongly Agree.

3.8.7 Summary

The pilot study was conducted to explore and check whether the variables chosen and the questionnaire used for the purpose are relevant. On the basis of the pilot work, some deletions and additions in the tools were made, and the study was then conducted with a large sample in order to be cautious in carrying out the present study.

3.9 METHOLODLOGY II

The present investigation is the study of the employees, more accurately the systematic study of the perceptions of employees towards CSR initiatives taken by the organisation and its effect on their commitment level. Survey method enables us to take a comprehensive approach towards employee perceptions since the variables can be measured in survey and analysis allows us to observe employees under different circumstances which occur naturally. Hence systematic studying the employee perceptions towards CSR initiatives, using principles and methods of scientific analysis, the observations can be free from subjective bias.

3.8.1 Variables of the study

There are two primary types of explanatory variables - dependent variables and independent variables. A dependent variable is one in which the researcher is interested in explaining, predicting, and/or describing, and variation in the dependent variable is though to depend on or be influenced by other variables. Variables that influence and/or explain the dependent variable are called independent variables, and the values or categories of these variables can be used to predict the values or categories of the dependent variables (Singleton & Straits, 1999). The researcher is interested in the employee perceptions towards CSR and the commitment level of employees. The variables studied for the present study were:
3.8.1.1 Independent variable
An independent variable is measured, manipulated, or selected by the researcher to determine its relationship to an observed phenomenon. In the present research the researcher’s interest is to determine the relationship of employee attitudes, commitment towards organisation and perceptions of Corporate Social Responsibility initiatives done by the organisation. The independent variable for the study is Corporate Social Responsibility.

3.8.1.2 Dependent variable:
Dependent variable is the variable that is affected by the independent variable. The dependent variable is dependent on the independent variable. In the current research the dependent variable is Employee Commitment.

3.9 Sampling
Sampling, in the present study is defined as the selection of a portion of an overall population, as an important part of the research process and has been employed for three basic reasons:

- Generalizations are an essential part of research, but due to the wide array of heterogeneity of people and other social constructs, the range of variation must be adequately represented, which can be best achieved through sampling.
- It is impossible to study any given population in its entirety; therefore, sampling is an alternative strategy based on practical limitations such as time, cost, and accessibility.
- Even if an entire population could be studied, the observation of all these cases may describe a population less accurately than a carefully selected sample.

Criterion for choosing the sample
Corporate social responsibility is becoming a buzzword now – a – days. Organizations have now started understanding the importance of CSR and are stepping towards CSR initiatives towards various stakeholders. There are very few organizations which consider employee as internal stakeholders for CSR initiatives hence the Karmayog CSR rating between 3 - 5. The legal compliance of an organisation for the betterment of employees is often mistaken as social responsibility towards employees. It is merely a legal compliance to which every organization is obliged to adhere to. Thus the researcher focused on the organization involved in CSR towards both internal and external stakeholders. Employees participate in the CSR initiatives but not all employees get an opportunity to do so. The researcher conducted a preliminary study where the
results indicated that employees at the top and middle level are the employees involved majorly in CSR and the attrition rate in this cadre is moderately high, hence the researcher focused on top and middle level managers only. Hence in order to limit the present study to the understanding of a homogenous segment, the sample was chosen based on the criteria mentioned below.

3.9.1. Population
The first step in sampling is to define the population of interest. Defining a population comprises of two steps, in the first step, the researcher identified the target population by establishing criteria by which the potential cases would be included or excluded. The respondents to be included in the present study

- Public and private sector organizations in Pune region involved in CSR initiatives

The population for the present study was approximately 20,000 managers across sectors from various organizations based on the above criteria’s.

3.9.2. Sampling unit
The second step in defining population is calculation of sampling unit. The researcher has to take a decision concerning the sampling unit before selecting the sample. A sampling unit is that element or set of elements considered for selection in some stage of sampling. In the current study the sampling unit is

- Organizations having Karmayog CSR rating between (3 - 5)
- Organizations in Pune district having number of employees more than 500
- Medium and large scale organizations in Pune district having turnover $\geq$ 10 crores

The sampling unit for the present study comprised of 3000 managers.

3.9.3 Sampling element
The sampling element for the present study is the employee working in an organization involved in CSR.

3.9.4. Sampling frame
The third step in the process of defining population is construction of sampling frame which denotes the set of all cases from which the sample is chosen. A sampling frame can be constructed in two ways firstly listing all cases or secondly providing a rule which defines the membership. Ideally, the target population and the sampling frame would be identical, but in the case of this study, as it is in most studies, this is impossible to accomplish. It is through the use of the sampling design, the process by which cases are to be chosen, that the researcher
attempts to establish the “representativeness” of the sample to the target population. In the present study the sampling frame comprised of:

![Sampling frame diagram](image)

**Figure 3.6 Sampling frame**

### 3.9.5. Sampling technique
In the proposed study the researcher has used non-probability sampling strategy. Although probability sampling, distinguished by the random selection of cases, is more preferable, it would be impossible to carry out as there is no way to identify all possible cases. The primary weaknesses of the non-probability sampling strategy are that it doesn’t control for selection bias by the researcher and the pattern of variability cannot be determined from probability sampling theory (Singleton & Straits, 1999). Non-probability sampling strategies, in particular convenience sampling and purposive sampling, are generally accepted with the caveat that generalization to the larger target population is tendered with some reservation. Convenience sample was used for the present study as it allowed the researcher to obtain basic data and trends regarding his study without the complications of using a randomized sample.

### 3.9.6. Sampling size
The final step of the sampling process is determining the sample size. As in the choice of the sampling design, there are several interrelated factors affecting the decision of sample size:
Mathematical calculations will be used to determine the appropriate sample size based on the criteria listed above. The sample size was determined by the researcher at 95% confidence interval and confidence level. Figure 4.6 indicates the sample size determined.

**Figure 4.6 Confidence Interval**

**Figure 4.7 Sample Size Calculation**

### 3.10 Instrumentation

The questionnaires administered comprise of two parts:

1) Demographic profile of the respondents

2) Survey questionnaires

#### 3.10.1 Description of the tools

- Demographic profile of the respondents

This was designed by the researcher after a careful study, the factors emerged as prominent were:

1. Grades of employees
2. Sector
3. Gender
3.10.2 Reliability and validity of the tools

An instrument is composed of items that construct a reliable and valid measurement (Anderson, Sweeney, & Williams, 2005; Zikmund, 2003)\(^8,6\). Reliability can be defined as the consistency of the instrument in measuring what it is intended to measure (Wiersma, 2000)\(^9\). Validity is the extent to which an instrument measures what it is supposed to measure (Wiersma, 2000)\(^9\). In addition, validity is the appropriateness of the inferences we make from the test scores (Wiersma, 2000)\(^9\).

3.10.2.1 Corporate Social Responsibility

The literature offers some valid and reliable scales to measure corporate social involvement (Aupperle, 1982; Carroll, 1979; Maignan and Ferrell, 2000; Quazi and O’Brien, 2000; Turker, 2009; Wood and Jones, 1995)\(^10,11,12,13,14,15\). Since the current study focuses on the responsibilities to various stakeholders, the scale developed by Turker (2009)\(^13\) was used to measure CSR (Appendix A). The original scale consists of 42 items. However, the revised version of the scale consists of 17 items with four factorial subscales comprised of measures towards CSR to social and non-social stakeholders, CSR to employees, CSR to customers, and CSR to government. However, for the purpose of the current research, the 17 items scale was considered comprising three factorial subscales comprised of measures towards CSR to social and non-social stakeholders, CSR to employees, and the CSR towards ethical behavior. The responses were obtained on a 5-point Likert Scale where 1-Strongly Agree, 2-Moderately Agree, 3-Neutral, 4-Moderately Disagree, 5-Strongly Disagree.

3.10.2.2 Validity of Corporate Social Responsibility Scale (Turker, 2009)\(^13\)

The standard validity and reliability of the scale were analyzed through a pilot survey. In the first assessment, highly inter-correlated items were excluded from the scale according to the correlation analysis. The sufficiency of the correlations among items was tested through Bartlett’s test of sphericity. Bartlett’s test proved that the correlations, when taken collectively, were significant at the 0.0001 level. In the next assessment, factor analysis was performed to eliminate unrelated items. Factor analysis revealed five distinct factors with eigenvalues greater than 1.0, explaining 83.191% of the variance.

3.10.2.3 Reliability of Corporate Social Responsibility Scale (Turker, 2009)\(^13\)

The reliability of the scale and the factorial subscales is shown in Table 3.1.
<table>
<thead>
<tr>
<th>Scale</th>
<th>Reliability Coefficients</th>
<th>α</th>
<th>Standardized α</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. CSR Scale</td>
<td>17 items</td>
<td>0.947</td>
<td>0.948</td>
</tr>
<tr>
<td>a) CSR to employees</td>
<td>6 items</td>
<td>0.890</td>
<td>0.886</td>
</tr>
<tr>
<td>b) CSR to social and non-social stakeholders</td>
<td>6 items</td>
<td>0.920</td>
<td>0.920</td>
</tr>
<tr>
<td>c) CSR and ethical consideration</td>
<td>5 items</td>
<td>0.899</td>
<td>0.900</td>
</tr>
</tbody>
</table>

Table 4.1 Reliability Analysis of Corporate Social Responsibility Scale

3.10.2.4. Employee Commitment (Employee Attitudes)

Although literature provides some useful scales to measure organizational commitment (Cook and Wall, 1980; Dunham et al., 1994; Marsden et al., 1993; Mowday et al., 1979, 1982)\(^{15, 16, 17, 18, 19}\), in the current study, it is important to measure affective component of organizational commitment. Therefore, organizational commitment is measured with using a nine-item shortened version of the 15-item Organizational Commitment Questionnaire (OCQ) (Mowday et al., 1979)\(^{18}\) (Appendix B). The nine-item shortened version of OCQ is developed by Mowday et al. (1982)\(^{19}\) and has a large positive correlation with 15-item OCQ (Huselid and Day, 1991)\(^{20}\). The shortened OCQ has shown to have large positive correlation with the 15 item OCQ (Huselid and Day, 1991)\(^{20}\). The responses were obtained on 5 point Likert Scale where 1-Strongly Agree, 2-Moderately Agree, 3- Neutral, 4- Moderately Disagree, 5-Strongly Disagree.

3.10.2.5 Validity of Organisational Commitment Questionnaire (Mowday et.al, 1982)\(^{18}\)

Organisational Commitment correlated positively with the power and success of an employee’s work unit, perceived opportunity for advancement, employee income level, and work involvement and employee satisfaction with work schedule flexibility. Cohen (1999)\(^{21}\) found through confirmatory analysis that the nine item version of the OCQ was empirically distinct from job involvement, career commitment, work involvement and the work ethics. In Mathieu and Farr (1991)\(^{22}\), confirmatory factor analysis in two samples showed that commitment, job satisfaction and job involvement were empirically distinct measures.
3.10.2.6. Reliability of Organisational Commitment Questionnaire (Mowday et.al, 1979)\textsuperscript{19}

The reliability of the scale is shown in Table 3.2.

<table>
<thead>
<tr>
<th>Scale</th>
<th>Reliability Coefficients</th>
<th>$\alpha$</th>
<th>Standardized $\alpha$</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCQ Shortened Scale</td>
<td>9 items</td>
<td>0.890</td>
<td>0.891</td>
</tr>
</tbody>
</table>

Table 3.2 Reliability Analysis of Organisational Commitment Scale

3.10.2.7 Organisational Commitment (Employee beliefs)

Employee commitment was measured using the Organisational Commitment Scale (OCS) developed by Balfour and Wechsler (1996)\textsuperscript{23}. The scale has three dimensions to measure overall organisational commitment:

1. Commitment based on affiliation and pride in the organisation,
2. Commitment based on identification with the organisation and
3. Commitment based on satisfactory exchange with the organisation resulting in the appreciation of the individual by the organisation. (Taking the measure of work: A guide to validated scales for organizational research and diagnosis). It has been used to measure organisational commitment among public sector employees (1996). The scale comprised of 9 items. The responses were obtained on 7 point Likert Scale where 1-Strongly Agree, 2-Moderately Agree, 3- Agree, 4- Neutral, 5- Disagree, 6- Moderately Disagree, 7- Strongly Disagree.

3.10.2.8 Validity of Organisational Commitment Scale (Balfour and Wechsler, 1996).

The OCS and the 15 item Organisational Commitment Questionnaire were found to be empirically distinct. The sub scales for identification, affiliation and exchange dimensions were related somewhat differently to antecedents and consequences of organisational commitment in a multivariate path model. Commitment based on identification and exchange was negatively related to job involvement whereas commitment based on affiliation was positively related to job involvement.
3.10.2.9. Reliability of Organisational Commitment Scale (Balfour and Wechsler, 1996)\textsuperscript{23}. The reliability of the scale and the factorial subscales is shown in Table 3.3.

<table>
<thead>
<tr>
<th>Scale</th>
<th>Reliability Coefficients</th>
<th>α</th>
<th>Standardized α</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. OCS Scale</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Affiliation</td>
<td>3 items</td>
<td>0.634</td>
<td>0.666</td>
</tr>
<tr>
<td>b) Identification</td>
<td>3 items</td>
<td>0.356</td>
<td>0.569</td>
</tr>
<tr>
<td>c) Exchange</td>
<td>3 items</td>
<td>0.797</td>
<td>0.799</td>
</tr>
</tbody>
</table>

Table 3.3 Reliability Analysis of Organisational Commitment Scale

3.10.2.10 Employee Perceptions towards CSR

For measuring employee perceptions of CSR, the Perceived Role of Ethics and Social Responsibility (PRESOR) modified by Etheredge (1999)\textsuperscript{24}. The PRESOR instrument initially consisted of 16 items selected from an instrument developed by Kraft and Jauch (1992)\textsuperscript{25}. Exploratory principal component analysis with varimax rotation of responses obtained from senior and masters level business students in three business schools (Singhapakdi et.al 1996) identified three factorial sub scales comprised of 13 items; “Social Responsibility and Profitability”, “Long term gains”, “Short term gains”.

3.10.2.11 Validity of PRESOR, 1996

Singhapakdi et.al (1996)\textsuperscript{26} assessed the validity of the PRESOR instrument in terms of two dimensions measured by Forsyth’s (1980)\textsuperscript{27}, Ethics Position Questionnaire (EPQ) and the four-item socially responsible attitude scales developed by Hunt, Kieker and Chonko (1990)\textsuperscript{28}. Zero order correlations and multiple regression analyses with each of the other three subscales of PRESOR instrument (Singhapakdi et.al 1996)\textsuperscript{26} showed that the Hunt et.al (1990)\textsuperscript{28} socially responsible attitudes scale was significantly and negatively correlated with all three dimensions of PRESOR instrument. These results were interpreted generally as providing support for the predictive validity of the PRESOR instrument.
3.10.2.12 Reliability of PRESOR, 1996

The reliability of the scale and the factorial subscales is shown in Table 3.4.

<table>
<thead>
<tr>
<th>Scale</th>
<th>Reliability Coefficients</th>
<th>α</th>
<th>Standardized α</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PRESOR</td>
<td>13 items</td>
<td>0.657</td>
<td>0.680</td>
</tr>
<tr>
<td>a) Social Responsibility and Profitability</td>
<td>4 items</td>
<td>0.519</td>
<td>0.496</td>
</tr>
<tr>
<td>b) Long term gains</td>
<td>6 items</td>
<td>0.905</td>
<td>0.906</td>
</tr>
<tr>
<td>c) Short term gains</td>
<td>3 items</td>
<td>0.321</td>
<td>0.347</td>
</tr>
</tbody>
</table>

Table 3.4 Reliability Analysis of PRESOR Instrument

3.10.2.13 CSR Implementation

To measure the influence of CSR implementation on employee commitment, a scale was developed by the researcher on CSR Implementation. The scale comprised of two sub factors CSR activities towards stakeholders and Benefits from implementing CSR Initiatives. The scale comprised of 16 items. The responses were obtained on 5 point Likert Scale where 1-Strongly Agree, 2-Moderately Agree, 3- Neutral, 4- Moderately Disagree, 5-Strongly Disagree.

3.10.2.14 Reliability of Corporate Social Responsibility Scale

The reliability of the scale and the factorial subscales is shown in Table 3.5.

<table>
<thead>
<tr>
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<tr>
<td>1. CSR Implementation</td>
<td>16 items</td>
<td>0.909</td>
<td>0.909</td>
</tr>
<tr>
<td>a) CSR activities towards stakeholders</td>
<td>8 items</td>
<td>0.880</td>
<td>0.884</td>
</tr>
<tr>
<td>b) Benefits from implementing CSR Initiatives</td>
<td>8 items</td>
<td>0.936</td>
<td>0.929</td>
</tr>
</tbody>
</table>
3.11 Limitations of the study

The study was delimited in following ways:

7. The study was limited to the employees belonging to only managerial cadre in the organisations.

8. CSR was measured on the perception of employees who may not be well informed about the CSR involvement of their organisation. Therefore it is possible that there can be difference between the perceptions of respondents and the actual involvement level.

9. Depending on the selected sample, the current study reflects only the beliefs of employees, who are the internal stakeholders of a business.

10. Although it was assumed that the respondents give accurate and reliable information about the CSR involvement of their organisations it is possible that they might provide incorrect or incomplete information.

11. The study was restricted to the time span of 3-4 months of data collection. In case the duration of data collection would be more, the results would be more exact.

12. The data was cross-sectional in nature as each employee provided responses at only one point in time. It is conceivable that the responses would change for several model constructs depending upon situational elements. It is hoped that any extreme cases would either have been evident in the preliminary analysis of outliers or cancelled each other out statistically in the current design, but a longitudinal design would have delivered more reliability and validity inferences and estimates of true relations between model constructs.
REFERENCES


