

Differences in CSR Activities and Employee Perceptions in Family-Run Businesses in Eastern Thailand

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The Asian Conference on Sustainability, Energy & the Environment 2017
Official Conference Proceedings

Abstract

Many Thai scholars have suggested that Corporate Social Responsibility (CSR) practices in Thailand have been a result of influences by foreign companies, many of which have active and typically formalised CSR programmes. However, family-run businesses in Thailand (FRBT) often practice a different form of CSR, driven by the desire to “give back to society”, influenced by religion and culture. Previous studies have stated that CSR practices may vary between different firm types. This paper explores differences in approach to, and practices of, CSR in FRBT, in particular sectorial differences how different business sectors of FRBT practise their CSR activities and how such activities are perceived by their employees.

The research is based on 2,352 returned questionnaires from employees of 28 FRBs in Eastern Thailand. Overall, the results show strong appreciation of the intrinsic CSR activities with interesting gradients across 3 FRBT sectors. Perceptions of CSR practice were clustered and labelled as: 1) Inactive CSR 2) Active CSR 3) Caring company 4) Moral owner 5) No CSR, with a clear split in distribution between hotels, fruit processing, and jewelry sectors. In addition, staff from the jewelry sector appear happier than others probably because they appreciate the strategic intent of the CSR activities and have better awareness of the business owners’ generosity. Employees from the fruit processing sector appear the most disaffected because they perceive less CSR actions of their company. CSR awareness and perception of employees in the hotel sector generally vary much more depending on their working hierarchy in their respective companies.

Keywords: Corporate Social Responsibility (CSR), Family-run Businesses in Thailand (FRBT), employee perception, Small and Medium Enterprises (SMEs)

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1. Introduction

Family Business Circumstance

Multinational companies and large companies established around the world are significant in today's time. Nonetheless, FRBs also contribute vastly to the world economy and workforce. Shanker and Astrachan (1996) stated that 12 to 49% of the total GDP and 15 to 59% of the U.S employment was contributed by family firms (Sharma, et al., 2001). Littunen and Hyrsky (2000) claimed that there has yet to be a widely accepted definition of FRBs although literature offers many and various definitions (Astrachan, et al., 2002). Here, FRBs are defined as companies which are managed only by family members.

Previously, scholars globally have studied succession when they looked into FRBs and have found, amongst others, that the success rate of FRB succession has deteriorated over time (Sharma, et al., 2001; Sharma, et al., 2003; Sharma, et al., 2005; Handler, 1994; Morris, et al., 1997; Morris, et al., 1996; Bjuggren and Sund, 2001; Breton-Moiiler, et al., 2004; Cabrera-Suarez, et al., 2001). Similarly, Thai FRBs are also facing succession issues which is crucial because companies that are domestically owned are mostly family firms (Lawler, et al., 2006). Even though succession is studied much less in Thailand, researchers suggest that succession failures can be categorised into family dimension, transition plan, lack of successor's interest, and bad relationship between founder and successor (Handler, et al., 1988; Miller, et al., 2003; Sharma, 2004). However, some researchers found that human resources management can help improve succession possibilities. For instance, Astrachan and Kolenko (1994) specified that human resource management and practices, with the help of professional governance, aid in family firms' survivability. However, there is limited research on the relationship between CSR and FRB transition where CSR activities may be able to strengthen FRB transition processes and survival. This research argues that, apart from human resource management, CSR is another strong tool to support FRB in raising survival chances in the succession process.

Corporate Social Responsibility (CSR)

CSR has been studied and practiced in academia and organisations alike for decades (Carroll, 1911; Carroll, 1979; Jones, 1980; Greenwood, 2007; Friedman, 2009; Prayukvong and Olsen, 2009; Aguinis and Glavas, 2012; Glavas and Godwin, 2013). Over time, socialisation, diversification, national and local interpretation and changes in values and priorities has expanded the definition of CSR (Barmmer et al., 2007). Initially, CSR was known to have economic values to companies where profit maximisation can be obtained (Friedman, 2009 p.112) – and be promoted only to the extent it does. Jenkins (2004) stated that businesses' social responsibility originated from philanthropic donations and activities of large companies and individuals so actions such as endowing universities and establishing worker model communities are generally results of these large and wealthy companies. Later, CSR has been applied to address ethical standards for society and the company's stakeholders. Carroll (1979) argued that CSR expanded to cover economic, legal, ethical, and philanthropic aspects. Since the 1980s, scholars relate CSR to the stakeholder concept (Carroll, 1991; Freeman, 2010 p. 38) which recognises employees, suppliers, the community

and the surrounding society as legitimate parties of interest (Sims and Keon, 1997; Zaharia, 2011; Eua-anant et al., 2011; Lee et al., 2013). Recently, CSR has been defined by the World Business Council for Sustainable Development as “the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large” (WBCSD, 2017). Jamali and Mirshak, (2006) further argued that differences in culture matter for the CSR dynamics and are typically different between companies. This was supported by Perrini and Minoja (2008) who studied on CSR in Italian medium-sized FRBs and have found out that company owner’s beliefs and moral values, and his past experience, seem to influence the CSR strategies of the company.

In Asia, it appears that many companies have been increasingly describing CSR as social and environmental effectiveness of their firms. Nevertheless, very few FRBs, especially in Thailand, have used the term CSR when describing such activities, although anecdotal evidence suggests that many FRBs are actively pursuing their own understanding of “Social Responsibility”, geared towards their employees and the communities they live in. This research will explore what CSR activities are being carried out by Thai FRBs, with a focus on CSR activities and their relation to employees.

Effects of CSR on employees

Human resource is an important function in managing and developing employees in an organisation. CSR can be useful for employee’s engagement within the businesses as well. Goffee (1996) suggested that employees are controlled by control systems which focuses on the social and moral obligations and employees are expected to fulfil, and be loyal to, these tasks. In return, company owners pay employees but also may help with welfare of their employees such that they have better means to live. Employees are crucial since they allow companies to operate effectively and therefore both parties, employers and employees, are interested in this form of relationship (Greenwood, 2007). CSR creates trust and social capital from employees, thereby allowing employee policies to be more easily carried out and also brings out loyalty of employees (Perrini and Minoja, 2008). Employee motivation and happiness and be improved by CSR (Sims and Keon, 1997; Worthington, et al., 2006) and positive CSR reputation is able to create positive employee perception to the company (Turban and Greening, 1997). In most small firms, value congruence and trust is vital for the success of the organisation as coordination of work happens much more frequently and without formal procedures (Jenkins, 2006). Sims and Keon (1997) suggested that trust within the company can develop better in an ethical working environment, which in turn can help to reduce employee turnover rate. There is also a positive relation between happiness and ethical working climate (Sims and Keon, 1997; Waddock and Graves, 1997; Viswesvaran and Ones, 2002; Valentine and Fleischman, 2008; Lee et al., 2013). When there is a positive view on company’s CSR, employees tend to be more positive towards other areas as well including senior management integrity, senior management leadership, and organisational competitiveness (Lee et al., 2013). Employees are mainly concerned with organisational survivability and the assurance of their wellbeing when companies practice a lot of CSR (Spence, 1999).

Recently, scholars have been researching more actively employee perceptions of CSR (Chew, 2015; Waddock, 2004; Peterson, 2004; Rodrigo and Aranas, 2008; Glavas and Piderit, 2009; Glavas and Godwin, 2013; Lee et al., 2013; Turban and Greening, 1997; Kim et al. 2010). Glavas and Godwin (2013) have developed a model of the impacts of employee perceptions of CSR and how it helps employee identification with the companies they work for. They also found that awareness of CSR activities positively affects employee attitudes, especially when the company is socially ethical or that the CSR activities are important to them. Lee et al. (2013) mentioned that companies can improve their performance by improving their CSR performance and their employee CSR perception. Chew (2015), in a study on CSR impacts of employees in Malaysian SMEs, found that good CSR practice on environment help organisations to improve employee participation in the company. Further, Rodrigo and Aranas (2008) stated that employee CSR perceptions derive from their attitudes on company and society which suggests that the social conditions of employees and their socialisation into the organisation play an important role in the derivation of CSR perceptions. Therefore, companies have to take into account the employee social conditions when implementing CSR activities or strategies.

In conclusion, many researchers suggest that, through CSR, a company can have better human resources performance in terms of staff loyalty, turnover rate, staff happiness and better working environment which is beneficial to the company itself. Since social conditions of companies among different sectors and countries can be different, it is interesting to look at CSR perceptions of employees across some of Thailand's sectors.

Nature of social responsibility in Thailand

In Thailand, many companies have been applying CSR practices in their organisation, especially for human resource purposes, influenced by the West (Brewster, 1995). CSR practices is defined here as activities performed by an organisation to initiate betterment towards society and their employees. Zhu et al. (2007) who studied on HRM in Asian characteristics stated that before 2000, HRM was prioritised on peer-to-peer affinity and rewarding long-term employees rather than being performance-based. HRM, then, involved simple and informal practices such as staff employment, gauging employees' wages and employee rankings. In Asia, Thailand included, more companies are owned only by family members than other regions of the world (Bendell and Ng, 2009). Bendell and Ng (2009) suggested that being a FRB means that the company is not restricted by shareholders and so they are able to incorporate their own beliefs and interests into their companies. Especially in Thailand, CSR practices may not be formalised (Eua-anant et al., 2011) but are implicit, informal or intrinsic FRBs (Prayukvong and Olsen, 2009; Onozawa, 2013; He et al., 2015; Eua-anant et al., 2010). Most large firms, especially in Thailand, often originated as family firms and some continue to be owned and managed in the same manner (Lawler, et al., 2006). This means that human resource management, and CSR, practices often appear less structured even though they can be effective (Lawler, et al., 2006). Information gathered from preliminary interview has suggested that FRBs owners favour close and long-term relationships with their customers and employees. These companies generally have equally flat organisational hierarchy structure. The company owner, often the family head, is usually the person in command when deciding what the CSR activities these FRBs should undergo, and with what effect.

Most FRBs in Thailand are SMEs that illustrate their family nature and therefore enhances the importance of traditional social networks (Bendell and Ng 2009). Zialcita (2011) stated that Buddhism is one of the three pillars of the Thai identity which appear to be heavily influencing the management of companies in Thailand. Similarly, Onozawa (2013) mentioned that FRBT practice CSR that is influenced by the notion of “giving back to society”, which is often influenced by religion and culture. Looser and Wehrmeyer (2016) studied SMEs in Switzerland and have identified intrinsic CSR as “idealistic motives, visions, physical proximity, aspiration, and the will to give something back” (p.550). Likewise, intrinsic CSR activities are often designed based on traditional and ethical contexts. Therefore, businesses that incorporate intrinsic CSR are unlikely to apply formal CSR methods (Looser and Wehrmeyer, 2016). Nevertheless, the perception of CSR activities as seen by employees of FRBs with non-formalised CSR activities have yet to be looked upon in terms of their causes and effects.

Aim

This research aims to explore CSR activities differences across FRBs of 3 business sectors (hotel, fruit processing, and jewellery) in Thailand. This should help understand how intrinsic CSR activities are initiated, how they are different among companies of different business sectors and how they are perceived by employees across FRBs. The study will also explore how these CSR activities are perceived and with what effect. Ultimately, the results can then help to find ways to improve the working environment among the FRBs and increase the overall effectiveness in these FRBs.

2. Methodology

Data collection

This research is based on quantitative data analysis with the use of questionnaire surveys to investigate employee perception of CSR among FRBs. A preliminary interview phase was conducted where 17 FRB owners in Eastern Thailand were interviewed. These 17 owners own 28 FRBs of different sizes. After consent, 3,000 sets of questionnaires were distributed to the employees of these 28 FRBs with 2,684 anonymous responses returned. Collected data was then entered into Microsoft Excel for storage and the majority of data analysis was performed with SPSS.

Data analysis

Although a total of 2,684 respondents participated, some of the responses were omitted as they were largely incomplete, leaving 2,352 responses to be considered in this study. Procedurally, Factors were generated from the use of principle component analysis on the employee attitude and the employee perception data, then cluster analysis was performed in line with previous efforts (Laysiriroj, et al., 2017; Zierler et al., 2017; Jeswani, 2008; Thilmany, 2013). Cronbach’s alpha was used to test the reliability of these Factors before they were used in further analysis. Only clusters with Cronbach’s alpha of 0.7 or higher were considered to ensure the reliability of the results. Cluster analysis has been used by other scholars to differentiate and categorise

respondents into groups (Lindgreen et al., 2009; Taneja, 2011; Bucuniene and Kazlauskaite, 2012; Thilmany et al., 2013).

3. Results and Discussions

The 28 FRBs selected for this study included 20 hotels, 4 fruit processing companies and 4 jewellery companies of different sizes (2 micro small businesses, 13 small businesses, 12 medium businesses, and 1 large business). 2,188 respondents of consideration worked in the hotel sector, 65% of which were in medium-sized hotel. There was 1 large hotel which has employed 28% of the total amount of employees responded with a total of 7 managers. All the fruit processing companies were medium-sized companies. Approximately 83% of the respondents in jewellery sector came from small Jewellery companies and 16.7% came from the micro small companies of the sector.

The analysis found that the organisational structures of these FRBs are different: Only businesses in the hotel sector were found to have a more complex hierarchical structure where the owner is at top, followed by layers of *Managers, Head of Sections, and Shop-floor employees*. Fruit processing and jewellery companies have a relatively flat hierarchical structure where there is only 1 top manager which is the owner. These flat structured companies are often run by the founders, or the first generation of owners, of the company. On the flipside, 73% of hotel employees worked under the governance of the second generation owners while only 26.7% worked with the first generation owners. Respondents have suggested that all the jewellery companies were run by the first generation and the majority (63.8%) of fruit processing firms are managed by the first generation. Since Thailand is a Buddhist country, it is normal for 90% of the employees to be working for Buddhist owners, even when most FRB owners are Chinese-Thai, and 94% of these employees are Buddhists themselves. While there were 60 – 70% of female employees in the hotel and fruit processing firms, 60.4% of employees in the jewellery companies were male. The age group of employees are also different. Most employees in the hotel and fruit processing companies were between 21 – 40 years old while Jewellery firms' staff members are often aged between 41 – 50 years. Employees from the hotel sector have a higher average education level than the fruit processing and jewellery sector: Hotel workers often have at least a high school or bachelor's degree while many employees of the fruit processing and jewellery companies have lower education level (middle school or lower).

The data was then analysed using cluster analysis that yielded 5 clusters describing the CSR intensity as perceived by employees of the respective companies which is illustrated in Table 1. Likewise, a separate cluster analysis yielded another 5 clusters for employee attitudes in each company.

Cluster Definition	
Clusters of CSR activities	N
CSR Inactive	636
CSR Active	408
Caring	512
Moral Owner	474
No CSR	322

Employees do not perceive CSR activities. Employees believe that the company does not get involved with helping society and the environment. The company does not appear to provide safety precautions required for their jobs. They also feel that their boss does not treat them well enough. However, the company may put emphasis on training, providing basic needs such as food and shelter, and supporting employees with scholarships.

Employees are aware of CSR activities that the company has done for them and society. Employees believe that the company is involved in providing training for them. Basic necessities are also provided in terms of social (national) insurance, food, shelter and medication. The boss also supports workers with benefits such as education, welfare, religion and philanthropy.

Employees appreciate the benefits their staff receive from the company's CSR activities but may feel that the boss is less moral. The company is greatly involved providing training, meeting, basic necessities and problem solving for their employees. However, the employees are not touched by the actions of the boss since the boss has little integrity and is not approachable. The boss also does not treat the employees as family. They are also not providing enough societal and environmental aid.

Employees perceive the morality from the head of the organisation (religious and integrity). Employees were trained by the head of the organisation and the head of the organisation is open-minded and understanding. The head of the organisation is religious and is seen to have integrity so (s)he is approachable. However, the company lacks involvement in providing societal and environment aid and lack safety precautions for their employees.

Employees do not perceive or recognise any CSR activities of the company. The company does not provide help to society and environment, lacks safety precautions and treats employees poorly. The company does not provide enough training, necessities (food and shelter), and benefits to their employees. Lastly, the company does not try to help their employees to solve their problems.

TABLE 1: Identified clusters for CSR activities

Cluster Definition	
Clusters of Staff's Attitude	N
Highly Satisfied	457
Proud	479
Disaffected	685
Wage Oriented	464
Prideless	267

Employees sense that they have more stability emotionally and physically while working in the company. They are satisfied with their salary and would remain loyal to the company even when other places offer them more. Working in this company allows them to become better people because they are taught moral values. Employees in this cluster like the working system in the company and feel that they have been treated fairly

Employees feel that they are capable of self-improvement. They are ready to be responsible for their actions. They are willing to help their colleagues and boss. However, they may feel that the working environment does not suit them. They may have problems working with their colleagues and be a part of the bigger family.

Employees do not like to work for the company and they feel that the company is not being fair. They would leave the company if they have better offers. They are not happy with their salary and working at this company does not provide them with stability.

Employees do not necessarily like to work for the company. They usually work for the money because they do not feel that they are being treated fairly. They believe that they can still improve and be helpful to others and hopefully earn more

They do not like to work at the company and do not believe that they are in the right place. If they have better choices, they would leave. They have little self-improvement in terms of work and are not ready to be responsible for their actions. They also are less likely to lend their hands to colleagues and boss.

TABLE 2: Identified clusters for employee attitude

Employee perception on CSR activities

Family Firm Sectors	Sig.	Total	5 Clusters: CSR activities				
			CSR Inactive	CSR Active	Caring	Moral Owner	No CSR
Hotel	0.000	2,188	27.4%	17.9%	22%	19.9%	12.8%
Fruit Processing	0.000	116	27.6%	10.3%	19%	16.4%	26.7%
Jewellery	0.000	48	10.4%	10.4%	16.7%	39.6%	22.9%
Total	0.000	2,352	27%	17.3%	21.8%	20.2%	13.7%

Table 3: Results from employee perception on CSR activities clusters

Table 3 shows the frequency crosstabs between the 5 clusters of CSR activities across the 3 business sectors. There are clear differences in the perception of CSR activities between these 3 sectors: A significant 39.6% of employees in the Jewellery sector have described their companies' CSR status as a "moral owner" company when compared to 19.9% and 16.4% of the hotel and fruit processing companies respectively. Only 10.4% of employees in the jewellery sector labelled their company as "CSR inactive" which is less than half of the hotel and fruit processing sectors. This could be a result of their flat hierarchical structure and the size of the FRBs (small and micro small only) which enables these employees to work within close proximity with their respective company owners. Employees in this sector are often of higher age and have worked longer within the company than hotel and fruit processing sector which could be the result of the nature of a jewellery company where specific skills are required, acquired through prolonged training, in order to perform their work effectively. Thus, owners of such FRBs are motivated to keep a close relationship with these employees through the use of intrinsic CSR to gain trust and loyalty from these employees. This can be supported by (Worthington, et al., 2006) who stated that employers engage in moral and paternalistic approaches to care for the welfare of their employees because doing so could help to foster employee loyalty and commitment towards the company itself, improving the organisation as a whole in the long run.

On the other hand, hotel employees perceive the "CSR active" and "Caring" aspects of their companies more than other sectors. Also, employees of this sector have the least proportion who labelled their company as a company with "no CSR". This suggests that there is a standard procedure when it comes to CSR activities in hotels, especially when these hotel often have more employees than the other 2 sectors. The employees were able to recognise these CSR activities in terms of training, uniforms, food, accommodation, social insurance, and medication for wellbeing. Because hotels are bigger than the other 2 sectors in nature, the degree of formalisation within the organisation tends to be higher. Thus, FRB owners have to declare their CSR activities to their employees such that employees will know what benefits to expect when they work for the company. In a hotel, where businesses are medium or large-sized, owners generally work more closely with the managers in the hierarchy system. CSR policies are brought up to managers who will then deliver them to head of sections and shop-floor workers accordingly. According to Laysiroj, et al., (2017), CSR perception differ among hierarchies. Managers and head of sections usually have more favourable CSR perceptions than shop-floor employees. Family-run hotels often have high staff turnover rate, especially of low ranked employees because such position does not require a special skill set and CSR activities are more catered towards higher ranking employees who are less expendable. Thus, shop-floor employees in hotels may have less positive perception of the company CSR activities

which affects their satisfaction when working in the company, leading to lower commitment and loyalty and higher turnover rate. Many a time, hotel shop-floor workers put in effort into their work solely because of the benefits such as work experience and good salary (Laysiriroj, et al., 2017).

Spencer and Lozano (2000) explained that CSR in the context of SMEs involve improvements in terms of health, safety, work climate and productivity, and provide a platform for differentiation and visibility in the modern market. Morsing and Perrini (2009) suggested that CSR provides opportunities for companies to be more competitive. Despite these qualities of CSR and high competitiveness in the fruit processing industry in Thailand, it is surprising to see respondents from the fruit processing FRBs having negative CSR perception as compared to employees of the other 2 sectors. Table 3 highlighted that employees mostly perceive their company's CSR activities as "*CSR inactive*" and "*no CSR*". The "*Moral owner*" description was also mentioned least in the fruit processing companies. This is likely because the work process of the production is structured as a routine where shop-floor workers are responsible for operating fruit processing machines. Employee happiness affects quality of service more and because technology is used in the production of processed fruits, employee satisfaction is of less concern when it comes to the owners. Therefore, the majority of employees do not get to experience CSR activities by the company.

Employee attitude clusters

Family Firm Sectors	Sig.	Total	5 Clusters: Employee Attitudes				
			Highly Satisfied	Proud	Disaffected	Wage Oriented	Prideless
Hotel	0.624	2,188	19.7%	20.3%	28.9%	19.7%	11.4%
Fruit Processing	0.624	116	12.9%	20.7%	33.6%	22.4%	10.3%
Jewellery	0.624	48	25%	22.9%	29.2%	12.5%	10.4%
Total	0.624	2,352	19.4%	20.4%	29.1%	19.7%	11.4%

Table 4: Results from employee attitude on CSR activities clusters

Table 4 illustrates the 5 clusters of staff attitudes that was generated via the cluster analysis. The table clearly distinguishes employees into 5 characteristics with respect to the 3 business sectors. In Jewellery FRBs there is a highest proportion of employees who are "*Highly Satisfied*" and "*Proud*". The three sectors contain similar proportions of employees who are "*Disaffected*" with employees from fruit processing companies being slightly higher than the other 2 sectors. It is also notable that the amount of "*Wage Oriented*" employees among jewellery FRBs is at 12.5% which is significantly lower as compared to the hotel and fruit processing businesses. Fruit processing companies, in contrast, have the least amount of "*Highly Satisfied*" and the most amount of "*Wage Oriented*" and "*Disaffected*" individuals proportionately. "*Highly Satisfied*" and "*Wage oriented*" in the hotels is both at 19.7% which is in between the fruit processing and Jewellery companies. Although, only by approximately 1%, hotels have the highest relative amount of "*Prideless*" individuals. Overall, it appears that employees who belong in the Jewellery sector have characteristics which are more preferred by employers. "*Highly Satisfied*" and "*Proud*" individuals are more preferred because being happy and responsible allow for a better working environment and can turn into better effectiveness while working (Laysiriroj, 2017). "*Disaffected*" and "*Prideless*" characteristics are the traits that companies do not prefer as employees are not happy and have no room for

improvement. However, employees from all 3 sectors have relatively similar amount of employees who fall under these categories.

Associations between CSR activities and employee attitudes

Results from previous cluster analysis have indicated that there may be a connection between perceptions of CSR activities. Therefore a crosstabs analysis between CSR activities perception and employee characteristics in the companies have been conducted. Table 5 illustrates the association between CSR activities as perceived by employees and the type of employees that work under these companies.

5 Clusters: Employee Attitudes	Sig.	Total	All sectors: 5 Cluster: CSR activities				
			CSR Inactive (N = 636)	CSR Active (N = 408)	Caring (N = 512)	Moral Owner (N = 474)	No CSR (N = 322)
Highly Satisfied	0.000	457	9.8%	45.1%	5.5%	38.3%	1.3%
Proud	0.000	479	8.8%	16.9%	40.3%	18.2%	15.9%
Disaffected	0.000	685	21.5%	8.6%	31.1%	23.8%	15%
Wage Oriented	0.000	464	71.6%	12.7%	5.8%	8.8%	1.1%
Prideless	0.000	267	26.2%	1.1%	20.2%	3%	49.4%
Total	0.000	2,352	27%	17.3%	21.8%	20.2%	13.7%

Table 5: Associations between CSR activities and employee attitudes clusters

According to Table 5, “Highly satisfied” individuals often label their companies as “CSR Active” and “Moral Owner” companies. This means that employees are able to reach out to their boss when there are disagreements as well as being able to appreciate the CSR activities that the company has directed to them. “Proud” employees are associated with companies they label as “Caring”. “Caring” companies focus on the welfare of employees and thus employees are willing to work in these companies despite not having high salary. There is no clear cut association between employees who are “Disaffected” and what kind of company they label theirs. However, the closest connection is “Caring” companies with 31.1% of employees who call their company “Caring” are “Disaffected”. This is because while they understand and recognise that the companies are providing benefits and engaging in intrinsic CSR activities, the CSR activities that were involved did not seem enough or have not met their needs and wants. There is a clear positive relationship between “CSR Inactive” companies and “Wage Oriented” employees. Employees in this type of company appear to be uninterested in, or motivated by social activities or ethical congruence, so they are mainly interested in economics. Employees who are “Prideless” are often associated to “CSR Inactive” companies and companies with “No CSR”. Employees often feel that they have no other choice but to work for their current company because they may be earning just enough and would not be employed elsewhere.

4. Conclusions

The project shows that employees among different FRBs in the 3 business sectors have distinct CSR perceptions of their company. The pattern suggests that employees from the hotel and jewellery FRBs appear to have better perception of CSR activities of their companies. This CSR perception is then correlated to the employees’ attitudes and characteristics whether it is because positive CSR perception influences positive attitudes of employees or employees with positive attitudes are attracted to companies with relatable CSR activities. The case of jewellery business indicates that positive

CSR perceptions create positive employee characteristics because of the long work length of the employees in jewellery FRBs. Likewise, negative CSR perception also brings about negative employee characteristics. It is an interesting find that highly satisfied employees are working in companies that they perceive as “CSR active” or with “Moral Owners”. In contrast, companies that are perceived as “CSR Inactive” employ workers who are generally “Wage Oriented”. This is highly indicative that a company’s CSR performance is largely associated with the type of employees they are able to attract. However, there are also employees who recognise but do not appreciate CSR which has resulted in CSR activities creating negative or neutral attitudes of the employees. It was developed earlier that social conditions of employees are also a notable factor of how CSR activities can affect their attitudes. Therefore, it would be interesting to study the connection between CSR perceptions of employees across organisation hierarchies in the future.

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