

AN EMPIRICAL RESEARCH OF ENVIRONMENT MANAGEMENT
STRATEGY: EXPLORING THE RELATIONSHIPS AMONG
PERCEIVED CORPORATE SOCIAL RESPONSIBILITY,
ORGANIZATIONAL TRUST, PERCEIVED EXTERNAL
PRESTIGE AND ORGANIZATIONAL IDENTIFICATION

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Abstract

This study was designed to survey 200 employees of two big and important companies in Taiwan using an online questionnaire. The first company is Uni- President Corporation (UPC) and the second one is Taiwan Chinese Petroleum Corporation (CPC). From the 200 questionnaires that were delivered, 135 questionnaires were returned, 126 of them were valid, and 9 ones were discarded. The purposes of the survey were to discover why, how and under what circumstances employees of the above mention corporations respond to their organizations' Perceived Corporate Social Responsibility (PCSR) initiatives and also, to what extent their perceptions of the organizational trust (OT), perceived external prestige (PEP) and organizational identification (OI) are affected by these initiatives. The results were analyzed by descriptive statistics, ANOVA, hierarchy regression analysis for mediating testing and simple regression analysis for the impact relationship hypotheses testing. The results for the survey are as followings: The perceived CSR initiatives have a significant and positive impact on the perceived external prestige, organizational trust and

organizational identification of employees. Perceived External prestige shows a moderate positive influence on organizational identification. Organizational trust reveals a substantial positive impact on organizational identification. Furthermore, PEP has a partial mediating effect on the relationship between PCSR and OI. But OT has a full mediating effect on the relationship between PCSR and OI. Several suggestions and further research directions are provided to the practitioners and academia for the food and petroleum industry in Taiwan.

Keywords: Perceived Corporate Social Responsibility (PCSR), Organizational identification (OI), Organizational trust (OT), Perceived external prestige (PEP), Environmental management strategy (EMS)

Introduction

Research Background, Rationale and Purpose

Corporate Social Responsibility (CSR) is a term that describes the actions of organizations towards social and environmental concerns and also, how these actions are related to the stakeholders of each organization. To have a clear understanding of the meaning of corporate social responsibility, in this study the following definition was used that corporate social responsibility according to the World Business Council for Sustainable Development was defined as “the commitment of business to contribute to sustainable development, working with employees, their families and local communities”. While the goals of some organizations are set on generating profits they should also manage their operations in a way that they might contribute to social and environmental perspectives in the context of sustainable development.

The purpose of the study is to investigate to what extent organizations

are compromised with corporate social responsibility and how they apply the terms of sustainable development and social responsibility in a daily basis. In addition, to examine to what degree the perception of CSR impacts the organizational identification (OI), organizational trust (OT) and perceived external prestige (PEP) of each employee in an organization. The term social responsibility was also defined by Carroll (1999), which stated “the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point of time.”

The use of the term perceived CSR in this study would focus primarily in the perception that employees of an organization have of the CSR initiatives that their organization undertakes. It is well known that when an organization totally entirely engaged in CSR initiatives, their employees will have a positive perception about their organization. The engagements of employees in CSR activities will not only enhance their self-esteem but also will allow them to obtain a degree of identification with the

organization. The absolute engagement of an employee to their organization will benefit the organization in a long-term because employees will not feel the necessity to leave the organization and will by all means demonstrate fidelity. The perception of an employee will also have effect in their level of trust. Employees will only trust an organization that they perceive as being ethical. An organization that is responsible of their actions and seeks to cooperate in the well being of its community and the environment is an organization that can be trusted.

Therefore, due to these positive behaviors employees' will not only trust the organization but also, feel identified with it. Furthermore, another factor that will strongly influence the identification of an employee with its organization is the perceived external prestige. Perceived external prestige is the term used to describe the opinions, views or perceptions that outsiders have of an organization and, that will be perceived in a certain way by employees. The perceptions that employees acquire from external sources will shape their attitudes and behaviors towards the organization and depending on how positive or negative these perceptions might be, will dictate the level of trust and identification. Nowadays, business organizations are entirely concentrated in generating profits or services; they are also being pressured by severe competition. However, firms have the obligation to apply and implement sustainable development in their daily operations.

Related Literature Review

The Evolution of Corporate Social Responsibility

The first signs of Corporate Social Responsibility (CSR) where emerged during the 1950's. It was during the emerging factory system in Great Britain, where child labor was considered normal. This issue was also present in America. A management historian called Daniel A. Wren suggested that the industrial betterment/welfare movement that was happening during that time was a complete mixture of humanitarianism, business insight and philanthropy. The objective of this movement was to prevent labor problems and to improve performance. In order for this to happen business and social actions had to be taken. Some of the actions were the settlement of medical centers, cafeterias, profit sharing, changing rooms, and accommodation (Wren, 2005).

During 1918 to 1929, a term known as 'community movement' helped to construct business views of philanthropy, one of the earliest forms of CSR. New perspectives of corporate social responsibility began to develop when business executives began to have close interaction with social workers. It was because of these business leaders that other entrepreneurs became familiar with social problems in society and became conscious of the mission of social workers. Corporate contributions were fundamental in the development of Corporate Social Responsibility.

The important definition of the social responsibilities of businessmen stated by Bowen was "Social responsibility refers to the obligations of businessmen to pursue those policies, or to follow those lines of action which are desirable in terms of the objectives and values of our society."

Corporate Social Responsibility Towards Environmental Management Strategy

The Corporate Environmental Management Strategy (CEMS) has become a topic of discussion since long time ago. The greening of corporate strategies and the urge of growing awareness for environmental conservation is what environmental activists are asking corporations to take into consideration. Welford (1995) stated that environmental management is one stage in society's development towards sustainable development.

Corporations should adopt the Corporate Social Responsibility towards Environmental Management Strategy in order to reduce or eliminate the impact of corporate actions to the environment. The impact of corporate actions on environment are considered as follows:

- A. Accidents
- B. Water pollution
- C. Consumption of natural resources
- D. Noise pollution
- E. Soil damage
- F. Atmospheric emissions
- G. Generation of hazardous wastes

Theoretical Foundation And Hypotheses Development

Perceived Corporate Social Responsibility (PCSR) and Perceived External Prestige (PEP).

Perceived External Prestige (PEP) tend to be the form in which employees assume outsiders view their organization (Herrbach & Mignonac, 2004). In other words, employees construct the image of their organization based on their perceptions of how outsiders perceive their organization. Perceived External Prestige is the employees' interpretation of the social status of their organization.

It is well known that the establishment of a solid reputation and image is an critical determinant for the prosperity or deficiency of an organization through out time (Worcester, 2009). In the past time, it has been recognized CSR as an important contributor in the development of corporate reputation (Worcester, 2009). Due to the singular and uncommon characteristics of an organization (Esch, et al., 2004), the corporate image is the final outcome of experiences, training, perceptions, knowledge, ideas and behaviors that employees have attained due to their relation with the organization (Worcester, 2009). Corporate image attractiveness is described as the attraction that causes the corporate image to the audience (Bhattacharya & Sen, 2003). If its various stakeholders perceive the corporate image of an organization as attractive it will give the organization an enormous advantage in the competition field (van Riel & Balmer, 1997). Brammer & Millington (2005) inspected the principles of corporate reputation from various

companies in the United Kingdom (UK). They discovered that organizations with high levels of humanitarian investments hold stronger reputation and are viewed as more competently in the social responsible sense.

Organizations that owns an indisputable external prestige due to their constant participation in socially responsible activities will be perceived by its employees as an reputable organization and trustworthy, which in return will enhance their organizational identification. Additionally, due to the external CSR practices that their organization is involved, employees are able to perceive that their organization is constantly aiming to maintain with the ethical and moral norms. Also, because of this, outsiders also play an important part because they are able to perceive these external CSR activities and hence consider the organization reputable and distinguishable, which in return gives employees a high- perceived external prestige. Based on the above reviews, the following hypothesis is proposed:

Hypothesis 1: The Perceived CSR initiatives of an organization have a significant and positive impact on the Perceived External Prestige (PEP) of employees.

Perceived Corporate Social Responsibility (PCSR) and Organizational Identification (OI).

When an organization strives to promote outstanding CSR initiatives, newcomers will feel undoubtedly attracted. Working for an organization that demonstrates interest in the well being of

its customers, community, natural environment, and all stakeholders in general, will develop a sense of trust and self-worth in employees. Having knowledge that their organization seeks to operate for the welfare of its stakeholders develops a sense of pride in being part of such organization.

Employees really play an important role in an organization. They are part of the multiple stakeholders that an organization has; therefore, they participate in any discussion related to actions of CSR (Aguilera, Rupp, Williams, & Ganapathi, 2007). Employees have the right to suggest, assist with, take part in, and command CSR initiatives (Rupp, Williams, & Aguilera 2011), researchers have attested that when an organization is perceived as socially responsible, employees feel motivated, supportive and attracted to the organization (Stites & Michael, 2011; Valentine & Fleischman, 2008). Furthermore, researchers demonstrated that CSR impacts employee's performance and conducts, which can be further considered as a type of organizational identification (Jones, 2010).

It has been demonstrated that CSR initiatives are an important indicator by which employees assess the uniqueness and attractiveness of their organization (Carmeli, Gilat, & Waldman, 2007). CSR is an ongoing plan that comprises spontaneous actions for the prosperity and benefit of numerous stakeholders (El Akremi, Gond, Swaen, De Roeck, & Igalens, 2015). Because of the implementation of these actions and functions, organizations expect that stakeholders will treasure and esteem these actions

and functions. The employees who perceive their organization as being socially responsible will likely hold their organization in great respect. Also, they will consider their organization as being unique, worthy and attractive. In order to strengthen their self-worth and self-enhancement, employees will attempt to identify with an organization that is well known to be socially responsible. For this reason, it is known that CSR plays an important role in employee identification.

When there exists a strong identification with the organization, employee's personal identification will be entrenched in their organizational identification (Ashforth, Harrison, & Corley, 2008). Employees will be honored to belong to the organization (Dutton, Dukerich, & Harquail, 1994).

The image of an organization is the determinant of the level of identification an employee can achieve. Organizations sponsor their organizational image in order for employees to attain identification with such organization (Dutton & Dukerich, 1991). If an organization owns an acceptable reputation, an employee will probably establish a strong connection to his or her organization (Cialdini, Borden, Thorne, Walker, Freeman, & Sloan, 1976). Seeing that Social Identity Theory demonstrates that employees will feel honored to be a part of an organization with an outstanding prestige (Ashforth & Mael, 1989; Dutton, Dukerich, & Harquail, 1994; Maignan & Ferrell, 2001), it is hypothesized that a positive relationship exists between CSR and organizational identification. Having

found a relationship between PCSR and organizational identification, the second hypothesis in the study is as follows:

Hypothesis 2: The perceived CSR initiatives have a significant and positive impact on Organizational Identification (OI).

Perceived External Prestige (PEP) and Organizational Identification (OI).

Perceived External Prestige (PEP) is a concept that defines the way in which the employees of an organization assimilate the reputation of their organization. It depends on what employees perceive about their organization that will designate their levels of identification, fidelity, sincerity, and support to the organization. It is also important to mention that when the degree of perception is positive, this can lead to high levels of job satisfaction and excellent job performance.

When a person considers looking for a job, they consider a list of options. These options encompass a list of factors that may be of personal consideration, for example, personal development, salary, pleasant atmosphere, and reputation. An organization's reputation not only involves the organization itself, but also each employee who works in it. Working in a respectable organization is the dream job for every individual. Therefore, every person will seek to belong to a decent organization.

In the research (Elsbach & Kramer, 1996) that conducted, they found that employees working for an organization are susceptible to examine their way of

viewing the organization due to the information they perceive about its external image. How outsiders view the organization will dictate to what extent the employees identification will be affected. The external image of an organization can be interpreted as appealing for some employees. It is interpreted as appealing because the image of the organization most likely possess factors that are valuable and significant, factors that employees must likely feel identified with. For this reason, the identification of employees with the organization creates a constructive social identity.

The employees of an organization who witness Perceived External Prestige as greatly appealing are more attracted and heavily identified with their organization. Employees who don't find Perceived External Prestige appealing would demonstrate low levels of identification. Carmeli (2005) demonstrated that the higher engagement of employees to an organization is due to strong perceptions of Perceived External Prestige (PEP). Therefore, the following hypothesis is proposed:

Hypothesis 3: The employees' Perceived External Prestige (PEP) has a significant and positive impact on their Organizational Identification (OI).

Organizational Trust (OT) and Organizational Identification (OI).

The definition of trust was employed by Mayer, Davis, & Schoorman (1995). They stated that trust is "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other party will per-

form a particular action important to the trustor irrespective of the ability to monitor or control the other part".

Organizations can foster their Organizational Identification by introducing to their new employees, their organizational culture and also by setting boundaries. Employees should become familiar with the different roles in their organization, that is, their roles and co-workers' roles. The Organizational Identification literature suggests that individuals will be more involved in practices that reinforces their organizational identity and values, and therefore, allowed them to feel identified (Ashforth & Mael, 1989). Various researchers have shown that the high involvement in extra curricular activities, supportive behaviors, and high motives and intentions to endure in the organization are related to Organizational Identification (Abrams, Ando, & Hinkle, 1998; Wan-Huggins, Riordan, & Griffeth, 1998).

For employees who possess a high Organizational Identification, the goals and achievements of their organization will be taken as their own success, and the relationship with their employer will be strengthened and will acquire a long-term relational nature. Therefore, higher levels of Organizational Identification will lead to higher levels of trust. Higher levels of trust for employees will lead to greater commitment and engagements towards the organization. Additionally, the employee may contribute to any improvement attempt if necessary. For employees with high Organizational Identification the relationship with their employer can be observed as a "long-term"

and/or “relational”, while for employees with low Organizational Identification, the relationship can be observed as “short- term” and/or “transactional” (Lee, 2004). Having observed the relationship between Organizational Identification and Organizational Trust, the following hypothesis is proposed:

Hypothesis 4: Organizational Trust (OT) of employees, has significant and positive impact on their Organizational Identification (OI).

Perceived Corporate Social Responsibility (PCSR) and Organizational Trust (OT).

Organizations that are thoroughly involved in CSR initiatives provide important feedback to employees about the organizations ethics and values. By providing this significant feedback, employees can decide to what extent their organization can be trusted (Rupp, Ganapathi, Aguilera, & Williams, 2006). Employees follow closely the associated ethics behaviors in CSR activities of their organization; hence, organizations are the ones to be trusted (Balmer, Fukukawa, & Gray, 2007). Pivato, Misani, & Tencati (2008) suggested trust as to be the “first result of a firm’s CSR activities” or the actual result of CSR activities. Trust is an instantaneous result of CSR perceptions. If employees perceive their organization as being socially responsible, this may help to model their behaviors. Employees will definitely trust an organization if they perceive it as being committed with the welfare of its various stakeholders. It is a comprehensive advantage for organizations when employees have trust in them because

they are committed to the welfare of the organization and they will make every effort for the prosperity of such organization, but it will all depend to what extent the CSR initiatives impact the employees.

If the CSR perceptions are positive, then employees will sense their organization as being responsible and they will even feel proud of belonging to such a prestige organization, but if there exist no knowledge or perception of any activity for the benefit of different stakeholders, they will likely lose interest in such organization and even decrease their interest in the organization. Employees will definitely react to the signals that come from organizations CSR strategies directed to those outside the organization (Rupp, Ganapathi, Aguilera, & Williams, 2006). As these signals will give them a perfect panorama of how their organizations treat and seek the welfare of their stakeholders.

As described by Balmer & Greyser (2002), the term corporate marketing and several identity literatures displayed the importance of employee’s trust, which propose that employee’s perceptions and behaviors regarding an organization’s ethics perform a fundamental role in modeling their attitudes and behaviors related to, and affiliation with, the organization. Recommendations of Organizational Behavior literature and marketing literature suggests that employees evaluations of the organization’s social responsibility perform a crucial role in modeling their organizations’ trust, which successively determines their performance and attitudes (Perrini & Castaldo, 2008; Rupp, Ganapathi,

Aguilera, & Williams, 2006). Employees' perceptions of CSR have a strong significance in their connection to the organizational trust (Lee, Song, Lee, Lee, & Bernhard, 2013). Due to the important association between perceived CSR and Organizational Trust, the following hypotheses are proposed:

Hypothesis 5: Employees' perceived CSR initiatives have a significant and positive impact on their Organizational Trust (OT).

Hypothesis 6: Perceived External Prestige has a significant mediating effect on the relationship between employees' Perceived CSR and their Organizational Identification.

Hypothesis 7: Organization Trust

has a significant mediating effect on the relationship between employees' Perceived CSR and their Organizational Identification.

Research Design and Methods

Conceptual Framework

According the background, rationale, purpose and literature review mentioned above in this study, the theoretical research framework is as follows.

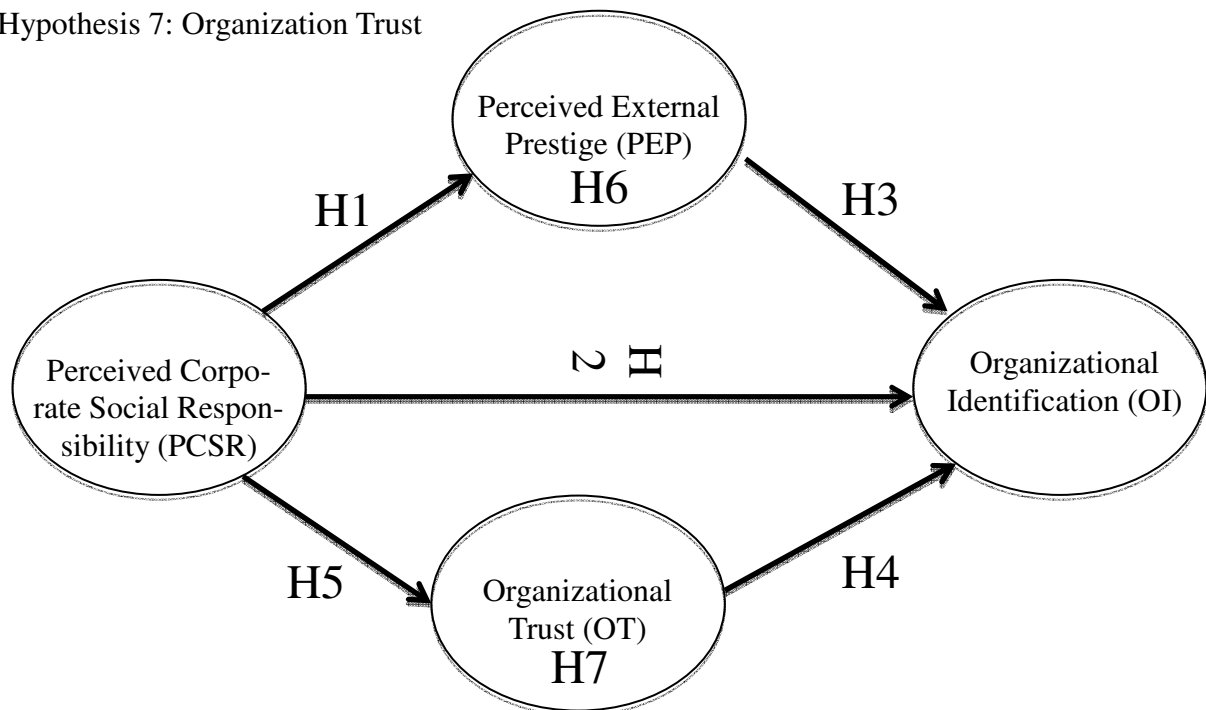


Figure 1. Theoretical Conceptual Framework

Sample Selection

Data for this study was obtained from two big and important corporations in Taiwan, the Uni- President Corporation and the CPC Corporation. An online questionnaire was designed and distributed to employees from both companies. A link redirecting to the questionnaire was sent to the email of 200 employees, 100 employees from Uni- President Corporation and 100 employees from CPC Corporation. The questionnaire was directed to employees of different ranking positions in the companies, which included top- level, middle- level, first level managers and also, employees working in different company areas.

Measurement of Constructs

All items of the questionnaire were conducted in both Mandarin Chinese and English. The questionnaire was carefully translated by a bilingual expert from English to Mandarin Chinese and was validated by translation- back- translation to guarantee that both versions were compatible and each item of English version was made on a Likert- type scale ranging from 1 (strongly disagree) to 5 (strongly agree). However, the Mandarin Chinese questionnaire was designed based on 6- point scale because it is believed that 6- pint scale tends to produce a better distribution of data.

Perceived Corporate Social Responsibility (PCSR).

All organizations actions are to some extent being judge by the public eyes. Consumers are being more critical in deciding which products to consume

or purchase and what services should they use. Due to these overall pressures and considerations, it is highly expected that CSR initiatives would dictate the different norms and values of an organization and would be highly perceived as appealing to employees working for such organizations (De Roeck & Delobbe, 2012). The scale established by Turker (2009) was used to evaluate this CSR measure. The scale identifies four types of CSR initiatives: CSR to employees, CSR to customers, CSR to government, and CSR to secondary social stakeholders and non- social stakeholders (society, environment, NGO's and future generations). The scale was consistent and reliable were Cronbach's α was found to be 0.89. High scores in the scale show that the participants have a high degree of perception of their organizations CSR actions.

Perceived External Prestige (PEP).

Perceived External Prestige (PEP) was evaluated according to three items established by Bartels, Pruyn, & de Jong, (2009) composed to measure employees' interpretation of their organization reputation. The scale was consistent and reliable were Cronbach's α was found to be 0.924 which indicates that respondents have a high degree of perception from their organizations' external prestige.

Organizational Trust (OT).

Organizational Trust was evaluated according to three items determined by Dulac, Coyle- Shapiro, Henderson, & Wayne, (2008) composed to measure employees' level of trust in their organization. The scale was consistent and reliable were Cronbach's α was found to

be 0.928. High scores on the scale show that participants trust their organization more.

Organizational Identification (OI).

Organizational Identification was determined by using a scale established by Mael & Ashforth (1992). Cronbach's α was found to be 0.662, which is considered acceptable and of fair reliability.

Data Collection

The questionnaire was distributed to employees of Uni- President Enterprises Corporation and CPC Corporation. The questionnaire was developed using Google Forms and it was divided into four sections. All questionnaire responses were anonymous and confidential. All participants were asked to provide information regarding their gender, professional position, level of education, age, and length of time in position. A total of 200 surveys were distributed. Of the 135 returned questionnaires obtained, 9 were discarded due to high number of missing data. One hundred and twenty-six (126) questionnaires were valid and effective returned rate was 63%. Before analysis, variables were examined procedures for accuracy of data entry and missing values. The data from the questionnaires were analyzed using SPSS 21.0 statistical soft package program.

Analysis, Results and Discussions

Construct Validity Analysis

Through the implementation of research methods and procedures, the results of the study are as following, and

some needed discussions are also provided.

According to original studies from researchers De Roeck & Delobbe (2012), the results demonstrate that the four-factor model has a favorable fit ($\chi^2=281.60$; $df=146$; $\chi^2/df=1.93$; $\Delta\chi^2(\Delta df)=99.73^{**}$; RMSEA= 0.08; NNFI= .94; CFI= .95; SRMR= .09) and was notably superior to the rest of constrained models.

Simple Regression Analysis- Hypotheses Testing

The five hypotheses mentioned above were tested by using simple regression analysis. For hypothesis 1 (Perceived CSR impacts Perceived External Prestige (PEP)), we found a significant relationship ($\beta = .686$; $p < 0.001$; $R^2 = .540$), which means that Perceived CSR has a strong significant influence on Perceived External Prestige (PEP). Therefore, hypothesis 1 is accepted. For hypothesis 2 (Perceived CSR impacts Organizational Identification (OI)), we found that Perceived CSR only have a moderate influence on employees' Organizational Identification (OI) even though the p- value is significant ($\beta = .368$; $p < 0.001$; $R^2 = .177$). For hypothesis 3 (Perceived External Prestige (PEP) impacts Organizational Identification (OI)), we found that Perceived External Prestige (PEP) also does not have a substantial influence in employees' Organizational Identification (OI) even though the p- value reflected a significant value ($\beta = .307$; $p < 0.001$; $R^2 = .107$). For hypothesis 4 (Organiza-

tional Trust (OT) impacts Organizational Identification (OI), we found a significant relationship ($\beta = .422$; $p < 0.001$; $R^2 = .240$), which means that Organizational Trust (OT) has a moderate influence on the employees' Organizational Identification (OI). Therefore, hypothesis 4 is accepted. For hypothesis 5 (Perceived CSR impacts Organizational Trust (OT)), we found a satisfactory relationship ($\beta = .698$; $p < 0.001$; $R^2 = .474$), which means that Perceived CSR has a strong influence in employees' trust. Therefore, hypothesis 5 is accepted.

Hierarchical Regression Analysis- Mediating Effect Testing

In the testing of the mediating variable Perceived External Prestige (PEP) in hypothesis (H6), results from hierarchical regression analysis were obtained. Separate regression models were used where the predictors were entered together with the control variables. In model 1, the results revealed that there is a significant influence between Perceived CSR and employees' Organizational Identification (OI) ($\beta = .421$; $p < .000$; $R^2 = .177$). In model 2, when Perceived External Prestige (PEP) was incorporated, the relation between Perceived CSR and employees' Organizational Identification (OI) decreased ($\beta = .392$; $p < .001$; $R^2 = .178$) demonstrating a weaker influence of Perceived CSR to employees' Organizational Identification (OI) but still significant. β value is decreased from 0.421 to 0.392. The incorporation of Perceived External Prestige (PEP) did not exhibit a

strong contribution ($\beta = .039$; $p < .745$; $R^2 = .178$), which means that Perceived External Prestige (PEP) has no full mediating effect. Therefore, due to this result that hypothesis (H6) was partial accepted, that is to say, PEP has partial mediating effect on the relationship between PCSR and OI.

In the testing of the mediating variable Organizational Trust (OT) in hypothesis (H7), results were also obtained by hierarchical regression analysis. The predictors were also entered together with the control variables. In model 1, the results revealed that Perceived CSR also has a significant influence on employees' Organizational Identification (OI) ($\beta = .421$; $p < .000$; $R^2 = .177$). In model 2, when Organizational Trust (OT) was incorporated, the relation between Perceived CSR and employees' Organizational Identification (OI) was not significant ($\beta = .159$; $p < .142$; $R^2 = .253$). The incorporation of Organizational Trust (OT) exhibited a strong and significant contribution ($\beta = .381$; $p < .001$; $R^2 = .253$). In other words, Organizational Trust (OT) has a full mediating effect. Therefore, hypothesis (H7) is accepted.

Conclusions and Suggestions

This study approves the significant and positive relationship that exists between Perceived CSR and Organizational Identification (OI). Organizational Identification is fundamental when attempting to have a superior understanding of the different behaviors and reactions of employees' to the various CSR

Table 1. Mediating Effect Hypothesis Testing (H6)

	Model 1		Model 2	
	OI Beta	p	OI Beta	p
Perceived CSR	.421	.000	.392	.001
PEP			.039	.745
R ²	.177		.178	

Table 2. Mediating Effect Hypothesis Testing (H7)

	Model 1		Model 2	
	OI Beta	p	OI Beta	p
Perceived CSR	.421	.000	.159	.142
Organizational Trust (OT)			.381	.001
R ²	.177		.253	

initiatives. Trustworthy CSR actions of an organization can be of great advantage because it will cultivate an atmosphere of organizational trust, which in turn will promote employees' identification. Results obtained indicated a direct positive and significant influence relationship of Perceived CSR on Organizational Identification. Also, PEP had partial mediating effect between Perceived CSR and Organizational Identification. On the other hand, Organizational Trust had a fully mediating effect between Perceived CSR and Organizational Identification. In other words, employees' identification with the organization, due to the different perceptions of CSR initiatives, can be strengthened through the reinforcement of Organizational Trust and partial through PEP. This study hopes to contribute with a greater understanding of the numerous benefits that

are involved with the implementation of CSR initiatives in an organization, especially in employees' attitudes and behaviors. Due to our findings regarding the partial mediating effect of PEP, we suggest further research to test other possible significant mediating variables that could provide a more suitable relationship between Perceived CSR and employees' OI. A possible significant mediating variable could be Organizational Pride. Moreover, our results reflected that supervisors of both companies have higher Perceived CSR than that of the general staff, middle managers and senior executives, hence we suggest to each company to promote the programs or activities related to PCSR so that all employees of the company are equally involved and have a greater knowledge of the importance of PCSR.

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