

Perception of Corporate Social Responsibility and Enhancing Compassion at Work through Sense of Meaningfulness

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Abstract : Contemporary business environment, given the circumstance of stringent scrutiny toward corporate behavior, organizations are under pressure to develop and implement solid overarching Corporate Social Responsibility (CSR) strategies. In that milieu, in order to differentiate themselves from competitors and maintain stakeholder confidence banks spend millions of dollars on CSR programmes. However, knowledge on how non-western bank employees perceive such activities is inconclusive. At the same time recently only researchers have shifted their focus on positive effects of compassion at work or the organizational conditions under which it arises. Nevertheless, mediation mechanisms between CSR and compassion at work have not been adequately examined leaving a vacuum to be explored. Despite finding a purpose in work that is greater than extrinsic outcomes of the work is important to employees, meaningful work has not been examined adequately. Thus, in addition to examining the direct relationship between CSR and compassion at work, this study examined the mediating capability of meaningful work between these variables. Specifically, the researcher explored how CSR enables employees to sense work as meaningful which in turn would enhance their level of compassion at work. Hypotheses were developed to examine the direct relationship between CSR and compassion at work and the mediating effect of meaningful work on the relationship between CSR and compassion at work. Both Social Identity Theory (SIT) and Social Exchange Theory (SET) were used to theoretically support the relationships. The sample comprised of 450 respondents covering different levels of the bank. A convenience sampling strategy was used to secure responses from 13 local licensed commercial banks in Sri Lanka. Data was collected using a structured questionnaire which was developed based on a comprehensive review of literature and refined using both expert opinions and a pilot survey. Structural equation modeling using Smart Partial Least Square (PLS) was utilized for data analysis. Findings indicate a positive and significant ($p < .05$) relationship between CSR and compassion at work. Also, it was found that meaningful work partially mediates the relationship between CSR and compassion at work. As per the findings it is concluded that bank employees' perception of CSR engagement not only directly influence compassion at work but also impact such through meaningful work as well. This implies that employees consider working for a socially responsible bank since it creates greater meaningfulness of work to retain with the organization, which in turn trigger higher level of compassion at work. By utilizing both SIT and SET in explaining relationships between CSR and compassion at work it amounts to theoretical significance of the study. Enhance existing literature on CSR and compassion at work. Also, adds insights on mediating capability of psychologically related variables such as meaningful work. This study is expected to have significant policy implications in terms of increasing compassion at work where managers must understand the importance of including CSR activities into their strategy in order to thrive. Finally, it provides evidence of suitability of using Smart PLS to test models with mediating relationships involving non normal data.

Keywords : compassion at work, corporate social responsibility, employee commitment, meaningful work, positive affect

Conference Title : ICBECRSR 2020 : International Conference on Business Ethics and Corporate Social Responsibility

Conference Location : London, United Kingdom

Conference Dates : February 13-14, 2020