

## SOCIAL SCIENCE AND HUMANITIES

**Manuscript info:**

*Received November 4, 2018., Accepted November 17, 2018., Published November 30, 2018.*

# IMPACT OF INTERNAL CORPORATE SOCIAL RESPONSIBILITY ON FACULTY JOB SATISFACTION: A CASE STUDY OF SELECTED PRIVATE SCHOOLS IN HYDERABAD, SINDH, PAKISTAN

**Ikramuddin Junejo,**

Lecture, Department of Management Sciences,  
SZABIST Hyderabad Campus

**Fakhar Gohar,**

Student of MBA, SZABIST Hyderabad Campus

**Lavisha,**

Student of MBA, SZABIST Hyderabad Campus

**Nazish Rubab,**

Student of MBA, SZABIST Hyderabad Campus



<http://dx.doi.org/10.26739/2573-5616-2018-12-10>

**Abstract:** Purpose-The main source behind the success of an organization is the job satisfaction of an employee therefore, it plays a vital role for an organization to be successful and attain desired strategic goals.

Method/Design-There are two (02) variables namely independent variable and dependent variable. Independent variables include health and safety, disabled support, and employee rights, while dependent variable includes job satisfaction. The data was collected using Convenience Sampling Technique. Main research instrument for collecting data is questionnaire and it has two (02) parts such as "Demographics" and questions related to constructs. The data was put into IBM SPSS Statistics version 21 for further tests. Two (2) test were done namely Reliability (Cronbach's Alpha) and Linear Regression Analysis.

Results-The findings of this study revealed that all the above-studied variables are found significant and positive on job satisfaction in the context of private schools.

Originality-It is recommended that private schools should consider these above mentioned -factors for their faculty members which in turn will cause less job turnover and training cost. Faculty members should also keep these factors in their mind for future hiring in order to get job satisfaction and more commitment.It is then further recommended that this study can also be extended as a comparative analysis of both private and public schools.

**Key words:** Internal Corporate Social Responsibility, Job Satisfaction, Private Schools.

**Recommended citation:** Ikramuddin Junejo, Fakhar Gohar, Lavisha, Nazish Rubab. Impact of Internal Corporate Social Responsibility on Faculty Job Satisfaction: A Case Study of Selected Private Schools in Hyderabad, Sindh, Pakistan. 11-12. American Journal of Research P. 103-113 (2018).

## **INTRODUCTION**

### **1.1 Corporate Social Responsibility**

The complementary responsibility of the business for the community at local level excepting from its core business such as profit maximization (Taylor, 2013). It is about the management of business processes in order to create positive impact towards the society (Mallenbaker, 2004). It has been considered the major discussion topic by the researchers nowadays however it is done by a company to make their strong sustainable and competitive position within the society and as well as in a marketplace. Corporate social responsibility is also called corporate conscience, corporate citizenship. It is considered as company involvement towards society in terms of environmental impact, funds raising, volunteering to participate in community events and philanthropy such as educational facilities for disabled and child labor, health care facilities and most large companies are given charities in disaster areas and ethical labor practices for treating employees fairly. It is all about how the companies build and maintain more efficient business processes to create the long-lasting impact on the society such as on customers, suppliers, employees, Government and other stakeholders.

Corporate social responsibility includes two basic facets concerned with internal corporate social responsibility and external corporate social responsibility. Internal

Corporate social responsibility is concerned with respect to employees such as given them training, employee participation, high commitment, health and safety, disabled support and it enhance employee productivity and it create positive impact and external Corporate social responsibility with respect to outside stakeholders (customers, local community, suppliers) (Calveras, March 18th, 2013).

### **1.2 Internal Corporate Social Responsibility**

Internal corporate social responsibility refers to the responsibilities held on the employers for the well-being of their employees in other words organizations responsibility towards their employees and how organization build excellent relationship between employees and organizations by caring for them. internal corporate social responsibility is also being defined as the wellbeing of employees by taking care of their needs like health, safety, security, growth, training, development and other factors which create the opportunities for their employees to nurture themselves, feel comfortable in the organization, get more experience to contribute more to organization profit and productivity, and make them committed towards organization. Internal corporate social responsibility is different from external corporate social responsibility because external

corporate social responsibility is the social responsibility towards the society wellbeing like protect the green environment but internal corporate social responsibility is related to the human resource practices such as training and development and the participation of employees (labors), that can also improve labor productivity and the profitability of the organization.

Internal corporate social responsibility involves the human resource policies (in which the total focus is on the employees) and they make the policies that can tell how the career of their employees are develop, giving them training so they cope with the changes and survive in the world, make the policies which protect the employee rights, provide them safety and health policies so they can feel secure and eliminate the fear of losing their jobs, for the employees welfares through investing in them by supporting them with the disability policies and provide them other facilities i.e. medical, insurance, transportation, and etc.

### **1.3 Private Schools Growth**

Under Article 25- A of the Constitution, it is the responsibility of the State to provide education. Though it is not their part to play, private schools are improving the government schools with the fulfillment of its moral and constitutional responsibility. Private schools graduates have risen to the highest ranks in Pakistan and on international grounds. Private schools increase the opportunities for

admission into leading national and international universities and open up unparalleled job chances for young, lower-middle class and middle-class Pakistanis.

The growth of low-cost private schools began as an urban trend in large cities. The demonstration effect led to the spread to smaller towns, villages and even rural areas, across Pakistan. Contrary to prevailing perceptions, long distances and difficult commutes are not just rural phenomena. Urban sprawl, because of the rural-urban migration, the population has shifted from the nearest government schools. And another problem is costs of transportation exceed fees at the nearest school as a result, convenience and security is an additional concern, especially for girls and children, and this also causes problems for parents. These facts apply to both large cities and the small towns that serve as pit stops for migrating populations.

Private schools emerge as a key in providing an excellent and quality education to the students since 1990 to 2000, however, these schools are not only minimizing the illiteracy rate but also boosting up the literacy rate for students and enrich the academic terms for teachers and professors. As per the comparison record of the private and public schools the increase in private schools is 69% between the years 2000 to 2014, but in public schools, the increase of schools is only about 8%. This shows that private schools are accepted by the people of

Pakistan and they also support the private school's system.

#### **1.4 Problem Statement**

The Previous scholar explored Internal Corporate Social Responsibility in banking sector, in small and medium enterprises, and services firms, has been conducted (Al-bdour, A. Ali., Elisha Nasruddin., and Soh Keng Lin, 2010), (Nguyen Ngoc Thang and Yves Fassin, 2016), (Humaira Qudsia Yousaf, 2016). Most of them conducted research on banking sector particularly selected commercial banks and almost all level of employees has been considered for this studies. A positive relationship between Internal Corporate Social Responsibility among job satisfaction, employee engagement, and organizational commitment were concluded.

#### **1.5 Significance of the study**

The impact of the internal corporate social responsibility is basically concerned with the three main stakeholders. Firstly, the faculty of private schools in terms they are more committed and loyal with their jobs and no one is switching job to any other schools, because they would be maintaining abalance betweenwork and life. Secondly, the students who are getting more benefits in terms of learning due to the job the satisfaction of their faculty. Finally, schoolswill also end up with satisfaction of their employees particularly the faculty and this will help them to better future recruitment.

#### **1.6 Research Hypotheses**

*Based on the objectives of the research thesis, the following are the proposed alternative hypotheses:*

H1:There is a significant impact onhealth and safety in selected private schools to become internally socially responsible Sindh, Pakistan.

H2:There is a significant impact of disabled support in selected private schools to become internally socially responsible Sindh, Pakistan.

H3:There is a significant impact of employee rights in selected private schools to become internally socially responsible Sindh, Pakistan.

#### **LITERATURE REVIEW**

(Francisco J. Perez, Marina Romeo and Montserrat Yepes-Bald? et al, 2018), how the corporate social responsibility policies work for disable employees identification, absenteeism and commitment. A questionnaire was used to collect data from 104 respondents and result is analyzed by correlation, common variance method and linear regression. Based on this analysis result indicate that there is a supportive relation of designed strategies is helpful for disable employees and organizational commitment. It is recommended to check other companies with this issue for conformity of this study.

(Choongo, 2017), how firms performance in small and medium enterprises in Zambia impacted by longitudinal study of corporate social responsibility, 153 entrepreneurs were selected as samples , the data was collected by twice, in order to

check accuracy of this study and data is analyzed through small PLS structural equation on this bases the result show close connection between corporate social responsibility and financial performance but relation with corporate reputation and commitment of employees is less significant.

(Inyoung Shin, Won-Moo Hurand and Seongho Kang et al, 2016), corporate social responsibility and job performance with respect to employees through mediation model in sequential, for the result of study 250 employees considered as respondents and analysis is done by statistical methods i.e. reliability, validity and common method bias. The result signifies that there is a positive and significant impact of corporate social responsibility on employee job performance they feel committed.

(Humaira Qudsiya Yousaf, Iftikhar Ali, Ali Sajjad and Muhammad Ilyas et al, 2016), internal corporate social responsibilities impact on employee engagement in moderate mediatin model, sample size was comprised of 163 employees of five commercial banks, for analysis statistical measure used are descriptive statistical and Cronbach's alpha. The result indicates that internal corporate social responsibility has both direct and indirect impact on employee engagement. It is recommended further studies should be done on all banks to confirm this study.

(Aisha Mirghani Shibeika and Yousif Abdelbagi Abdalla, 2016), how internal corporate social responsibility practices helped by organizational commitment evidence from Sudanese banking sector, 375 employees are taken as respondents and result is analyzed by statistical measure i.e. factor analyses, reliability assessment, and regression. The result signifies that impact of corporate social responsibility is supportive of organizational commitment.

(Nguyen Ngoc Thang and Yves Fassin, 2016), Effect on organization commitment by internal corporate social responsibility study of Vietnamese service firms. For conclusion, 256 employees selected as respondents and analyses is done by statistical methods i.e. mean, standard deviation and multiple regression. Based on this analysis result tell that internal corporate social responsibility shows the positive and supportive impact on organizational commitment.

(Chepkwony, Protus Kiprop, Ambrose Kemboi and Sila Kiprotich Mutai et al, 2015), Influence on employee job satisfaction by internal corporate social responsibility practices evidence from commercial banks in Kenya, 283 employees have been taken as the sample through a questionnaire. For analysis of the gathered data, the methods used were Cronbach's alpha to check reliability, person correlation and multiple regression. The conclusion of result indicates a positive

connection between internal corporate social responsibility and job satisfaction.

(Yongrok and Yanni Yu, 2014), Corporate sustainability practices impact on employees and organization performance, for result 683 employees were considered as respondents and analysis is done by reliability test, validity test and confirmatory factor analysis (CFA). The result of study signifies that there is a positive effect of corporate practices on employee's commitment and their performance.

## **METHODOLOGY**

### **3.1 Data Source**

The data source of the study is 'Primary', which involves the collection of research data directly from the respondents. In other words, the primary source is the direct data source related to the subject or problem. Here, data will be collected directly from the participants using a structured adopted questionnaire based on private schools to follow internal corporate social responsibility.

### **3.2 Population of the Study**

The population of a research study is participants or the respondents of the study that possess similar characteristics or traits (Weiss, 2012). As the aim of the study is to explain private schools to follow internal corporate social responsibility in Hyderabad Sindh province of Pakistan, therefore the population of the study consists of a faculty of private schools.

### **3.3 Sampling Strategy**

In a primary research, sampling is an important component, which determines the number of respondents participating in the research study. Due to several constraints, including time, geographic and finance, it is important for a study to select a subset of the population. The sampling process can be either probability or non-probability. In this case, 'convenience sampling' technique is used, which is a form of non-probability sampling and considers accessibility and proximity of the respondents (Weiss, 2012).

### **3.4 Sample Size**

The most acceptable way of determining sample is 10:1 (10 samples for one item). According to Roscoe (1975) proposed a rule of thumb that in case of quantitative and Multiple Regression Analysis is good enough to sample size criteria as (number of items \*10). In our case, total number item is 11\*10 =110. In order to get a more reliable result, 250 respondents are considered in this study.

### **3.5 Research Instrument**

The data source of the study is primary, and therefore data will be collected directly from the research participants with the help of 5-point Likert scale Questionnaire. **Likert scale is measured as follows:**

- 1-Strongly Disagree
- 2-Disagree
- 3-Neutral
- 4-Agree
- 5-Strongly Agree

**Research instrument of the study is adapted from a single source, the questionnaire is measuring various motivations and obstacles factors, business graduate to become entrepreneur.**

Section	Variable	No. of items	Five Likert Scale	Source
1.	Job satisfaction	4	Likert Scale	Inyong Shin, Won-Moo Hur and Seongho Kang (2016)
2.	Health and safety	2	Likert Scale	Aisha MirghaniShibeika (2015)
3.	Disabled support	2	Likert Scale	Aisha MirghaniShibeika (2015)
4.	Employee rights	3	Likert Scale	Aisha MirghaniShibeika (2015)

*Table 4: Layout of Questionnaire*

## RESULTS AND DISCUSSION

### 4.1 Reliability Analysis

Name of variable	Cronbach's Alpha	No of Items	Remarks
Job satisfaction	.849	4	Excellent
Health and Safety	.737	2	Excellent
Disabled support	.757	3	Excellent
Employee rights	.561	2	Good

*Table 5: Reliability Analysis of All Variables  
 Source: Author' Estimations*

You can see in above table 5 the Reliability Statistics, the value of Cronbach's Alpha is used for final decisions about the reliability of studied data. On that basis, we can level of reliability in terms of poor or good, in our case Cronbach's Alpha value of Job satisfaction 0.849 or 84.9% (Excellent), Health and safety .73.7 or 73.7% (Excellent), Disabled Support. 757 or 75.7% (Excellent) and employee rights .561 or 56.1% (Good). The conclusion for reliability for all the variables can be drawn as data is reliable.

## 4.2 Multiple Regression Analysis

Variables	R
Health and Safety (HS) Disabled Support (DS) Employee Right (ER)	.597 <sup>a</sup>

*Table 6: Model summary*  
 Source: Author' Estimations

- a. Predictors: (Constant), HS, DS, ER
- b. Dependent Variable: JS

In table #06, model summary indicates the relationship between an estimated value of the dependent variable and studied variables. All mentioned independent variables show the R-value is in this study 59.7%. R-value also indicates overall fitness of model.

## 4.3 ANOVA

Model	Sig.
Regression	.000 <sup>a</sup>

*Table 7: ANOVA*  
 Source: Author' Estimations

- a. Predictors: (Constant), HS, DS, ER
- b. Dependent Variable: JS

Table # 07 indicates fitness of model, in our case the value of p is 0.00 which is less than 0.05. This p-value concludes our studied research model is fit and we can predict the results of dependent variables with respect to independent variables.

## 4.4 COEFFICIENT

Model	Standardized Coefficients	P value	Collinearity Statistics
	Beta		VIF
(Constant)	6.241	.000	
HS	.791	.000	1.341
DS	.155	.039	1.293
ER	.238	.009	1.203

*Table 8: Coefficient*  
 Source: Author' Estimations

A coefficient table shows two important values, the value of beta and p-value. The value of beta usually determines the relationship between dependent variable with independent variables whereas p-value shows the level of significance. We can see in this study all studied variables Health and Safety (HS), Disabled Support (DS), Employee Right (ER) are found to have a positive and significant relationship with dependent variable Job Satisfaction (JS). We can see that in VIF column our all studied variables have values less than 10 that indicates in our research model has no multicollinearity. In this regard, our stated results are not overestimated.

**4.5 Hypothesis Testing**

Name of Independent variable	Hypothesis	Outcome
Health and Safety	There is a significant impact on health and safety in selected private schools to become internally socially responsible Sindh, Pakistan.	Accepted
Disabled Support	There is a significant impact of disabled support in selected private schools to become internally socially responsible Sindh, Pakistan	Accepted
Employee Right	There is a significant impact on employee rights in selected private schools to become internally socially responsible Sindh, Pakistan	Accepted

*Table 9: Hypothesis Testing*

You can see in table #9 all studied variables Health and Safety, Disabled Support and Employee rights are found to have a positive and significant impact on job satisfaction. Based on all revealed results in this study alternative hypothesis are Accepted.

**CONCLUSION AND RECOMMENDATIONS**

**5.1 Conclusion**

The main purpose of this research was to find the impact of internal Corporate Social responsibility on private schools in Hyderabad, Sindh, Pakistan. In the previous studies, researchers explained the behavior of internal

corporate social responsibility mainly on Human resource practices based variables such as training and development and work-life balance etc. are studied. In this study, we have limited and specify the scope of internal corporate social responsibility by studying related variables such as Health and Safety, Disabled Support and Employee Rights. For the conclusion of the study selected private schools were selected based on internal corporate social responsibility practices within them. The faculty members are encouraged in order to test the proposed hypothesis based on previous literature.

In this analysis, three independent variables Health and Safety, Disabled Support and Employee Rights impact on a dependent variable such as Job Satisfaction are considered. The findings of this study revealed that all the above-studied variables are found significant and positive on job satisfaction in the context of private school.

### 5.2 Recommendations

The private school should consider these factors for their faculty members. This will may as a result of less job turn over and training cost.

Faculty members also should keep these factors in their mind for

future hiring in order to get job satisfaction and more committed.

### 5.3 Future Recommendations

This study can also further be extended in comparative analysis terms of private and public school.

Other than just private schools, other services sector i.e. Insurance company, NGOs, hospitals can also participate in future research

This study can also further be extended to other provinces of Pakistan.

This study can be explored to all level of employees in the context of schools rather than just faculty members.

### References:

- Aisha Mirghani Shibeika and Yousif Abdelbagi Abdalla. (2016). Investigation of the Organizational Commitment Towards Internal Corporate Social Responsibility Practices in Sudanese Banking Sector. *Journal of Global Business and Social Entrepreneurship*, 2(1), 88-97.
- AL-Awawdeh, Seif Obeid ALshbiel and Waleed M et al. (2011). Internal Social Responsibility and Its Impact on Job Commitment: Empirical Study on Jordanian Cement Manufacturing CO. *International Journal of Business and Management*, 6(12), 94-102
- Al-bdour, A. Ali., Ellisha Nasruddin., and Soh Keng Lin. (2010). The Relationship between Internal Corporate Social Responsibility and Organizational Commitment within the Banking Sector in Jordan. *International Journal of Economics and Management Engineering*, 4(7), 1844-1861.
- Al-bdour, A. Ali., Ellisha Nasruddin., and Soh Keng Lin et al. (2010). The Relationship Between Internal Corporate Social Responsibility and Organizational Commitment Within the Banking Sector in Jordan. *International Journal of Economics and Management Engineering*, 4(7), 1842-1861.
- Belaid Rettab, Anis Ben Brik and Kamel Mellahi et al. (2009). A Study of Management Perceptions of the Impact of Corporate Social Responsibility on Organisational Performance in Emerging Economics: The Case of Dubai. *Journal of Business Ethics*, 371-390.
- Bryman, A. &. (2007). *Business Research Methods*. Oxford University Press.
- Calveras, A. (March 18th, 2013). external and internal CSR evidence from hotel industry. *Universitat de les Illes Balears*.
- Chan, L. Y. (spring 2014). *corporate social responsibility of multinational corporations*. University of Washington.
- Chepkwony, Protus Kiprop, Ambrose Kemboi and Sila Kiprotich Mutai et al. (2015). Effects of Internal Corporate Social Responsibility Practices on Employee Job Satisfaction: Evidence From Commercial Banks in Kenya. *International Journal of Business and Management Review*, 3(1), 24-40.

- Choongo, P. (2017). A Longitudinal Study of the Impact of Corporate Responsibility on Firm Performance in SMES in Zambia. *Sustainability*, 9, 1-19.
- Collins, L. H. (2004). Enacting entrepreneurial intent: the gaps between student needs and higher education. *Education and Training*, 454-463.
- (n.d.). corporate social responsibility in pakistan.
- Creswell, J. W. (2013). *Research design: Qualiative, quantitative and mixed methods approaches*. Sage publications.
- Francisco J. Perez, Marina Romeo and Montserrat Yepes-Bald? et al. (2018). The Corporate Social Responsibility Policies for the Inclusion of People with Disabilities as Predictors of Employees Identification, Commitment and Absenteeism. 34, 101-107.
- Futa, S. M. (2013). The Relationship Between Social Responsibility and Organization Citizenship Behavior in 4 stars Hotels Operating in Petracity. *European Scientific Journal*, 9(14), 118-133.
- Hummaira Qudsia Yousaf, I. A. (2016). Impact of Internal Corporate Social Responsibility on Employee Engagement a Study of Moderated Mediation Model. *International Journal of Sciences: Basic and Applied Research (IJSBAR)*, 226-243.
- Hummaira Qudsia Yousaf, Iftikhar Ali, Ali Sajjad and Muhammad Ilyas et al. (2016). Impact of Internal Corporate Social Responsibility on Employees Engagement a Study of Moderated Mediation Model. *International Journal of Sciences: Basic and Applied Research*, 30(5), 226-243.
- Inyoung Shin, Won-Moo Hurand Seongho Kang et al. (2016). Employees' Perceptions of Corporate Social Responsibility and Job Performance: A Sequential Mediation Model. *sustainability*, 1- 12.
- kotler and lee. (2005). *corporate social responsibility of multinational corporations*. university of washington.
- Mack, N. W. (2005). *Qualitative research methods: a data collector's field guide*.
- mallenbaker. (2004). *definition of corporate social responsibility*.
- Mirza, K. (2015). *Private schools: The truth and untold story*.
- Nguyen Ngoc Thang and Yves Fassin. (2016). Impact of Corporate Social Responsibility on Organization Commitment . *Internal Business Management*, 784-792.
- Nguyen Ngoc Thang and Yves Fassin. (2016). The Impact of Internal Corporate Social Responsibility on Organizational Commitment: Evidence from Vietnamese Service Firm. *International Business Management*, 10, 784-792.
- Peter Turyakira, Elmarie Venter and Elroy Smith et al. (2014). The Impact of Corporate Social Responsibility Factors on Competitiveness of Small and Medium Enterprises. 157-172.
- Pock, H. (1935). Chapter:5 , *Job Satisfaction*.
- Recruiters, Smarter. (n.d.). top 20 corporate social responsibility initiatives. Retrieved from [www.smartrecruiters.com](http://www.smartrecruiters.com).
- taylor, s. a. (2013). *research methodology*.
- Vida Skudiene and Auruskeviciene. (2012). The Contribution of Corporate Social Responsibility to Internal Employee Motivation. *Baltic Journal of Management*, 7, 49-67.
- Vives, A. (2006). Social and Environmental Responsibility in Small and Medium Enterprises in Latin America. 39-50.
- Weiss, N. A. (2012). *Introductory Statistics*. Pearson Education.
- Yongrok and Yanni Yu. (2014). The Influence of Perceived Corporate Sustainability Practices on Employees and Organizational Performance. *Sustainability*, 348-364.