"EXAMINING SOCIAL SUSTAINABILITY PRACTICES: THE INFLUENCE OF EMPLOYEES' PERCEPTIONS ON THEIR COMMITMENT"

Dr . Litha Mary Issac[1]*

[1]*Assistant Professor, Mar Athanasius Autonomous College, Kothamangalam, Kerala, India. lithaissac@macollege.in

Abstract:

This research investigates the influence of social sustainability practices on employee perceptions within organizations. As companies increasingly recognize the importance of their social impact, understanding how such initiatives shape employee attitudes and perceptions is crucial. Findings reveal the significant role of these practices in shaping organizational commitment. The study contributes to both academic literature and managerial practice by offering insights into the mechanisms through which social sustainability initiatives influence employee perceptions, thus informing strategic decision-making for sustainable organizational development. This study investigates the impact of social sustainability practices on employee commitment, focusing on how employees perceive these practices within their organizations. Social sustainability practices encompass initiatives aimed at promoting fairness, inclusivity, and supportiveness in the workplace, addressing issues such as diversity, well-being, and community engagement. Utilizing a mixed-methods approach, including surveys and interviews, data were gathered from employees across diverse industries. Results indicate a significant relationship between the adoption of social sustainability practices and employees' commitment levels. Specifically, employees who perceive their organizations as prioritizing social sustainability demonstrate higher levels of commitment across affective, continuance, and normative dimensions. These findings contribute to the understanding of how social sustainability initiatives impact organizational behaviour, underscoring the importance of integrating such practices into corporate strategies to foster employee commitment. The study concludes with practical implications for organizations and suggestions for future research directions.

Keywords: Social sustainability practices, employee perceptions, organizational commitment

Introduction:

In recent years, there has been a growing emphasis on corporate social responsibility (CSR) and sustainability practices, driven by increasing societal expectations and stakeholder demands for businesses to operate in a socially responsible manner. While much attention has been devoted to the external impact of these practices on communities, the environment, and stakeholders, their influence on internal stakeholders, particularly employees, remains a subject of ongoing exploration.

Employee perceptions play a crucial role in shaping organizational culture, productivity, and overall performance (Kalgi, Hire, & Dhole, 2023). As such, understanding how social sustainability practices within organizations impact employee perceptions is paramount for both academic inquiry and managerial decision-making. Social sustainability practices encompass a broad range of initiatives aimed at fostering positive social outcomes, including but not limited to community engagement, diversity and inclusion efforts, ethical sourcing, and philanthropic activities.

This research seeks to fill a gap in the existing literature by examining the relationship between social sustainability practices and employee perceptions within organizations. By focusing on employee perspectives, this study aims to uncover the mechanisms through which these practices influence employee attitudes like organizational commitment and overall well-being. Such insights are essential for organizations striving to enhance their social impact while simultaneously fostering a positive work environment and retaining talent.

Through its findings, this research contributes to both academic discourse and managerial practice by shedding light on the complex interplay between social sustainability practices and employee perceptions. By elucidating the mechanisms through which these practices shape employee attitudes, organizations can better align their CSR strategies with the needs and expectations of their workforce, ultimately fostering a more sustainable and socially responsible organizational culture.

Statement of the Problem:

Despite the growing recognition of the importance of social sustainability practices in organizations, there is a notable gap in understanding how these initiatives influence employee perceptions. While numerous studies have explored the external impact of CSR and sustainability practices, such as their effect on community welfare and organizational reputation,

relatively few have focused on their internal implications, particularly in terms of employee attitudes and perceptions. Therefore, this research seeks to address the following questions:
1. What are the key social sustainability practices implemented by organizations, and to what extent are they adopted?
2. How do these social sustainability practices influence employee perceptions and consequently their commitment?

Significance of the Study:

Understanding the influence of social sustainability practices on employee perceptions holds significant theoretical and practical implications. From a theoretical standpoint, this research contributes to the existing literature on CSR, sustainability, and organizational behaviour by shedding light on the internal mechanisms through which social sustainability initiatives affect employee perceptions. By exploring the relationship between social sustainability practices and employee perceptions, this study enriches our understanding of the multifaceted impact of CSR on organizational stakeholders.

From a practical perspective, the findings of this research can inform strategic decision-making and organizational practices. By identifying the social sustainability practices that most strongly influence employee perceptions, organizations can tailor their CSR strategies to better meet the needs and expectations of their workforce. Moreover, insights into the mechanisms underlying the relationship between social sustainability practices and employee perceptions can guide the design and implementation of effective employee engagement initiatives, ultimately fostering a more positive work environment and enhancing organizational performance (Glavas, 2012).

Furthermore (Abraham, Kaliannan, Avvari, & Thomas, 2023), in an era where employee retention and talent management are critical concerns for organizations, understanding how social sustainability practices influence employee perceptions can provide a competitive advantage in attracting and retaining top talent. By cultivating a reputation as a socially responsible employer, (Isabelle Maignan, 2004) organizations can differentiate themselves in the labour market and appeal to employees who value ethical and socially conscious workplaces.

Overall, this study has the potential to generate actionable insights that enable organizations to enhance their social impact while simultaneously fostering a positive work culture and driving sustainable organizational success.

Research Gap:

There is a need for empirical research that delves deeper into the specific mechanisms through which social sustainability practices shape employee perceptions, which can consequently affect their positive attitudes towards their organisation.

Theoretical Background

Nyuur, Brecic, & Murphy, 2020 examine how managerial perceptions underpin firms' strategic sustainability activities. Over the past decade, numerous studies have delved into sustainability, with a significant focus on academic research exploring its dimensions and influence on corporate performance (Carroll, 2009; Carroll & Shabana, 2010). Sustainability, being complex and multifaceted, is subject to diverse interpretations. It encompasses economic, social, and environmental objectives, posing challenges for organizations as they navigate interconnected yet conflicting interests. Managers must grapple with these tensions, making judgments and decisions that address the intertwined economic, environmental, and social concerns.

Traditionally, discussions on sustainability have centred on trade-offs between economic, social, and environmental aspects. However, recent work, epitomized by the (Slaper & Hall, 2011), recognizes the interconnectedness of these dimensions. Viewing sustainability through a paradoxical lens highlights the divergent demands inherent in managing sustainability, exacerbated by external influences such as social and political factors (B.Carroll, 1991). This integrative perspective underscores the embeddedness of firms and managers within broader societal contexts.

Managerial cognition plays a pivotal role in navigating the complexities of sustainability. Managers' cognitive frames, ranging from a purely business-centric approach to a more nuanced understanding of sustainability's multiple dimensions, shape their decision-making processes. While some argue that firms primarily pursue sustainability for profit or legitimacy reasons, others emphasize the importance of stakeholder engagement and compliance with societal expectations (Nyuur, Brecic, & Murphy, 2020).

The legitimacy-seeking perspective posits that firms engage in sustainability activities to gain approval from stakeholders, enhancing their corporate image and long-term viability (Glaveli, 2020). Institutional pressures, stemming from societal norms and regulations, exert a significant influence on firms' sustainability practices. Stakeholder theory categorizes stakeholders into organizational, community, regulatory, and media groups, highlighting their diverse interests and expectations.

Studies delve into how firms employ sustainability strategies to achieve profit-seeking or legitimacy-seeking objectives. Compliance and strategic adaptation emerge as key strategies, with sustainability integrated into core business operations (Annosi, Mattarelli, Dentoni, & Antonio, 2024). Understanding managers' perceptions of sustainability activities sheds light on their nature, relevance, and impact on firms. Miska, Szőcs, & Schiffinger, 2018; through a triple-bottom-line sustainability perspective, investigate how organizational culture impacts companies' economic, social, and environmental sustainability practices. Social sustainability practices can influence their social performance and, ultimately, financial performance and how firms' social practices influence intermediate and bottom-line performance outcomes (Wang, Yang, Park, Um, & Ming, 2022). We can conclude that sustainability transitions can significantly impact the working environment, yet there is a lack of standardized measurement instruments to gauge employees' perspectives on these effects. (Moilanen & Toikka , 2023).

Employee perceptions of Corporate Social Responsibility (CSR) and their commitment to the organization are interconnected aspects of organizational behaviour (Al-bdour, Ali, Nasruddin, & Lin, 2010). Employees' perceptions of CSR initiatives can significantly influence their level of commitment to the organization. When employees perceive that their company is actively engaged in CSR activities, such as environmental sustainability, social welfare programs, or ethical business practices, they are more likely to feel a sense of pride and alignment with the organization's values. This, in turn, can lead to higher levels of commitment among employees.

Research suggests that employees who view their organization as socially responsible are more likely to exhibit affective commitment, which is characterized by emotional attachment and identification (Akbaş, Bozkurt, Oktay, & Yılmazer, 2019) with the organization. They may also demonstrate continuance commitment, feeling a sense of obligation to stay with the organization due to its positive impact on society or their values (Ayari & AlHamaqi, 2022). Additionally, employees who perceive their company as committed to CSR may develop normative commitment, feeling a moral obligation to remain loyal to the organization (Azim, 2016).

Methodology

The study collected data from employees working in listed companies and used Structural Equation Modeling (SEM) to analyze the relationship between employees' perceptions of sustainability activities and their effect on employee commitment with the help of a model (figure .1).
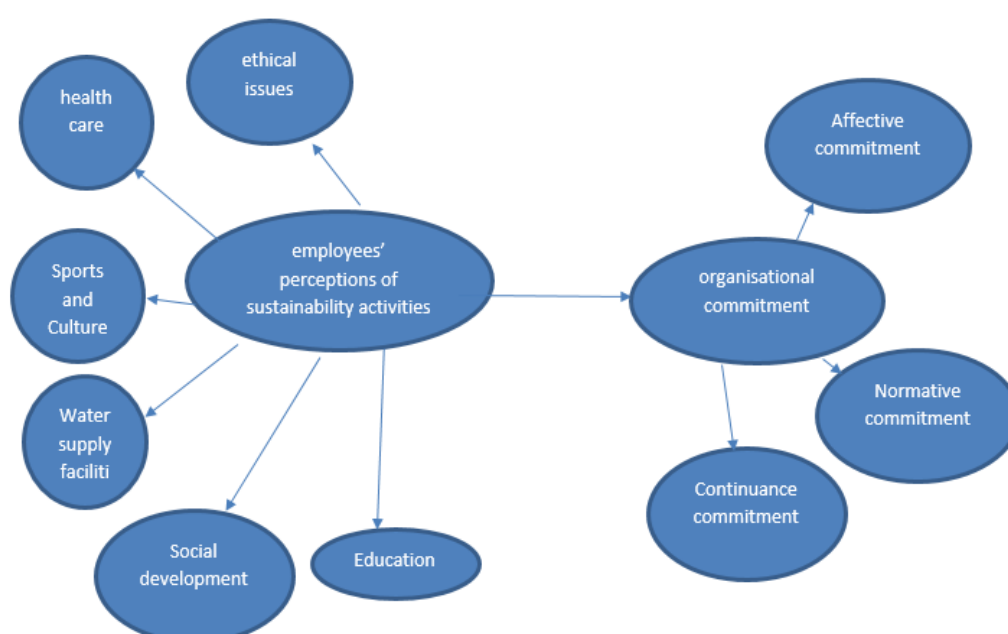

Figure 1: Employees' perception of sustainability activities of their employer(Business Firm) and its effect on their Organisational Commitment

Findings

The path from Employees' perception of SA to commitment shows a regression coefficient of 1.741, with a critical ratio (CR) of 12.833 and a p-value of less than 0.001(table. 1). This indicates a strong positive relationship between

Employees' perception of SA and their overall commitment to the organization. The variance explained by Employees' perception of SA in predicting commitment is substantial, at 30.3%.

Furthermore, the study finds that sustainability activities relating to ethical issues, education, water supply facilities, health care, social development, and sports and culture initiatives all significantly contribute to Employees' perception of SA. Each of these factors exhibits positive regression coefficients, with CR values ranging from 18.8986 to 31.1628, indicating their substantial influence on CSR perceptions. The variance explained by these factors in predicting Employees' perception of SA ranges from 56.8% to 85.3%.

Moreover, affective commitment, continuance commitment, and normative commitment all demonstrate significant positive relationships with overall commitment, with regression coefficients ranging from 0.885 to 0.988 and CR values exceeding 26. These findings highlight the importance of these dimensions of commitment in shaping employees' dedication to the organization. The variance explained by affective commitment, continuance commitment, and normative commitment in predicting overall commitment is notably high, ranging from 78.3% to 97.6%.

Regression Coefficients (table.1)				
Path	Regression Coefficient	CR	P value	Variance explained
Employee perception of SA → Commitment	1.741	12.833	<0.001	30.3
Activities related to Ethical issues → Employees' perception of SA	0.843	23.7514	<0.001	71.1
Activities related to Education → Employees' perception of SA	0.753	18.8986	<0.001	56.8
Activities related to Water supply facilities → Employees' perception of SA	0.853	24.4383	<0.001	72.3
Activities related to Health care → Employees' perception of SA	0.924	31.1628	<0.001	85.3
Activities related to Social development → Employees' perception of SA	0.835	23.2301	<0.001	69.7
Activities related to Sports and culture → Employees' perception of SA	0.884	26.8823	<0.001	85.3
Affective commitment → Commitment	0.988	49.2788	<0.001	97.6
Continuance Commitment → Commitment	0.885	26.9709	<0.001	78.3
Normative Commitment →Commitment	0.931	32.1296	<0.001	86.7

The results of the regression coefficients analysis revealed significant relationships between the perception of employees of the firms' sustainability activities and their impact on employee commitment. Thus it is proved that there is a positive relationship between employees' perceptions of sustainability activities (SA)of the firm and their organisational commitment (p value<0.01).

The model fit indices presented in table 2 provide valuable insights into the adequacy of the Confirmatory Factor Analysis (CFA) model assessing the relationship between Corporate Social Responsibility (CSR) activities and employee commitment.

Model fit Indices for CFA- Corporate social responsibility activities and commitment of employees. *(table. 2)*											
Employees' Perception and Their Commitment	χ^2	DF	P	Normed χ^2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
	91.360	13	.000	7.028	.950	.828	.983	.959	.985	.463	.127

All the characteristics were found to load significantly onto the latent constructs *(table.1)*. The model fit indices indicate that while the proposed CFA model assessing the relationship between CSR activities and employee commitment demonstrates a statistically significant fit.

Conclusion

In conclusion, this study has shed light on the intricate relationship between social sustainability practices, employee perceptions, and their commitment to the organization. Through a comprehensive examination of these factors, several key findings have emerged:

Firstly, the research reveals a significant positive relationship between employees' perceptions of social sustainability practices and their overall commitment to the organization. Employees who perceive their organization as prioritizing social sustainability initiatives demonstrate higher levels of commitment across affective, continuance, and normative dimensions.

Secondly, the study highlights the importance of various factors in shaping employees' perceptions of social sustainability practices. Ethical functioning, education, access to water supply facilities, healthcare provisions, social development initiatives, and sports and culture programs all play significant roles in influencing employees' perceptions of social sustainability practices within the organization.

Moreover, the research underscores the crucial role of affective, continuance, and normative commitment in fostering overall commitment among employees. These dimensions of commitment are found to be strongly associated with employees' perceptions of social sustainability practices, emphasizing the importance of aligning organizational values and initiatives with employees' personal beliefs and values.

Overall, the findings of this study emphasize the importance of integrating social sustainability practices into corporate strategies to enhance employee engagement, commitment, and organizational success. By fostering a positive organizational culture that prioritizes social responsibility and sustainability, organizations can cultivate a sense of shared purpose and commitment among employees, ultimately driving sustainable growth and success in the long term.

References:

1. Abraham, M., Kaliannan, M., Avvari, M., & Thomas, S. (2023). Reframing talent acquisition, retention practices for organisational commitment in Malaysian SMEs: A managerial perspective. *Journal of General Management*, https://doi.org/10.1177/03063070231184336.
2. Akbaş, H. E., Bozkurt, S., Oktay, S., & Yılmazer, S. (2019). Analyzing the Effect of Corporate Social Responsibility Perception on Organizational Identification from Employee Perspective. *Ethics, Social Responsibility and Sustainability in Marketing*, 65-81.
3. Al-bdour, Ali, A., Nasruddin, E., & Lin, S. K. (2010). The relationship between internal corporate social responsibility and organizational commitment within the banking sector in Jordan. *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering*, 1842-1861.
4. Annosi, a. C., Mattarelli , E., Dentoni, D., & Antonio. (2024). The micro-foundations of ambidexterity for corporate social performance: A study on sustainability managers' response to conflicting goals. *Long range Planning*, https://doi.org/10.1016/j.lrp.2023.102412.
5. Ayari, A., & AlHamaqi , A. (2022). Investigation of Organizational Commitment and Turnover Intention: A Study of Bahraini Oil and Gas Industry. *Employee Responsibilities and Rights Journal*, 123–138.
6. Azim, M. T. (2016). Corporate Social Responsibility and employee behavior: mediating role of organizational commitment. *Review of Business Management*, 207-225.
7. B.Carroll, A. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholder. *Business Horizons*, 39-48.
8. Caputo, F., Carrubbo, L., & Sarno, D. (2018). The Influence of Cognitive Dimensions on the Consumer-SME Relationship: A Sustainability-Oriented View. *Sustainability*, https://doi.org/10.3390/su10093238.
9. Carroll, A. B. (2009). A History of Corporate Social Responsibility: Concepts and Practices. *The Oxford Handbook of Corporate Social Responsibility*, DOI: 10.1093/oxfordhb/9780199211593.003.0002.
10. Carroll, A. B., & Shabana, K. (2010). The Business Case for Corporate SocialResponsibility: A Review of Concepts, Research and Practiceijmr_27. *International Journal of Management Reviews*, DOI: 10.1111/j.1468-2370.2009.00275.x.
11. D'Aprile, G., & Talo, C. (2015). How Corporate Social Responsibility Influences Organizational Commitment: a Psychosocial ProcessMediated by Organizational Sense of Community. *Employee Responsibilities and Rights Journal*, DOI: 10.1007/s10672-015-9265-6.
12. Glavas, A. (2012). Employee Engagement and Sustainability: A Model for Implementing Meaningfulness at and in Work. *Journal of Corporate Citizenship*, DOI:10.9774/GLEAF.4700.2012.su.00003.
13. Glaveli, N. (2020). Corporate social responsibility toward stakeholders and customer loyalty: investigating the roles of trust and customer identification with the company. *Social Responsibility Journal*, https://doi.org/10.1108/SRJ-07-2019-0257.

14. Isabelle Maignan, O. (2004). Corporate social responsibility and marketing: An integrative framework. *Journal of the Academy of Marketing Science*, 3-19.

15. Kalgi, D., Hire, J., & Dhole, V. (2023). A study on the impact of organizational culture on Employee productivity in the hospitality and tourism industry. *Environmental, Industrialization, Management, Economics, Agriculture, Rural and Urban Development Towards Sustainable Potential*, 69-176.

16. Mark Anthony Camilleri. (2017). Corporate sustainability and responsibility: creating value for business, society and the environment. *Asian Journal of Sustainability and Social Responsibility*, 59–74.

17. Miska, C., Szőcs, I., & Schiffinger, M. (2018). Culture's effects on corporate sustainability practices: A multi-domain and multi-level view. *Journal of World Business*, https://doi.org/10.1016/j.jwb.2017.12.001.

18. Moilanen, F., & Toikka , A. (2023). Measuring employees' perceptions of sustainability transitions at work: a novel survey with findings from Finland. *Discover Sustainability*, https://link.springer.com/article/10.1007/s43621-023-00163-5.

19. Nyuur, R., Brecic, R., & Murphy, P. (2020). Managerial Perceptions of Firms' Corporate Sustainability Strategies: Insights from Croatia. *Sustainability*, https://doi.org/10.3390/su12010251.

20. Rahim, N. M. (2014). Trends in CSR Practices in Developed and Developing Countries. *CSR, Sustainability, Ethics & Governance book series (CSEG)*, 41-74.

21. Slaper, T. F., & Hall, T. (2011). The Triple Bottom Line: What Is It and How Does It Work? *Indiana Business Review*, 4-8.

22. Toth, L. (2022). *The role of emotions in sustainability advertising: Proactive strategies to reduce consumers' negative emotional responses to sustainability ads.* Edinburgh: University of Edinburgh Business School.

23. Wang, L. (2011). *Factors affecting perceptions of corporate social responsibility implementation: an emphasis on values.* Finland: University of Helsinki,

24. Wang, X., Yang , M., Park, K., Um, K.-H., & Ming. (2022). Social Sustainability of a Firm: Orientation, Practices, and Performances. *International Journal of Environmental Research and Public Health.*, 10.3390/ijerph192013391.