Corporate Social Responsibility and Organizational Commitment of Semiconductor Companies in Kulim High Tech Park, Kedah: Employees perspectives

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ABSTRACT

The fact that corporate social responsibility has been an increasing focus in today's business world cannot be denied. Numerous organizations have started to understand that they should adopt corporate social responsibility practices as a strategy to gain and sustain their competitive advantages. Due to the little attention given to CSR strategies related to employee's commitment until recent years, Malaysia has remained largely unexplored. The aim of this research is to investigate the influences of Corporate Social Responsibility (CSR) toward organizational commitment in Malaysia. This study will investigate CSR through four dimensions of responsibilities, namely, economic responsibility, law responsibility, ethically responsibility and discretionary responsibility. Social exchange theory and social identity theory will help explore the preferences toward CSR dimensions, and to identify relationship between CSR and organizational commitment. This study was conducted in semiconductor companies at Kulim High Tech Park in Kedah. The model was tested on a sample of 150 executive officers working in Kulim High Tech Park. Findings indicated a significant positive relationship between CSR practices and employee organizational commitment. Meanwhile, ethical responsibility was the most significantly related of the factors to influencing organizational commitment. Organizations should emphasize the CSR action for enhancing employee's organizational commitment and improving organizational performance by emphasizing more on ethical actions related to CSR activities.

Key words: Kulim, CSR, organizational commitment, semiconductor, exchange theory, identity theory, Malaysia

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CHAPTER I

INTRODUCTION

1.1 Background of study

To compete successfully in a highly competitive environment, organizational leaders must offer a greater emphasis and purpose for their employees. In the business environment, the future belongs to those organizational leaders who can best manage their employees. Most of the time, competitive advantage lies within employee's skill, knowledge, creativity and experience. Therefore, the commitment and engagement of employees are playing a key role for organizations in to be successful in the long term.

No organization in an ambitious world can accomplish peak performances unless their employee's perform and act together for achieving an organization's goals. Therefore, employees who are engaged in their work and committed to their organizations provide an organization crucial competitive advantage, including higher productivity, lower employee turnover and decreased absenteeism (Angerer, 2003).

In today's typical workplace, organizational leaders cannot protect employees from job stress because stress seems to be unavoidable. Obviously, job stress affected negatively employee's job performance and even their commitment. Therefore, the best resort to lighten the burden of the employees is to provide a good organizational climate and resource support for employees. Commitment seldom occurs without reciprocity, and commitment does not happen unless the employees feel like they count for something. As a result, an organization must be committed to its employees for the sake of increasing organizational commitment.

Numerous ways exist for an organization to increase organizational commitment. Many, researchers have suggested that internal CSR activities have a significant impact on current employee's commitment (Turker, 2009; Brammer et al., 2007). CSR not only applies in the public realm for gaining an advantage, but internal mechanisms of CSR can also influence the workplace culture and employees commitment. Internal socially responsible actions primarily involve employees and relate to issues such as investing in human capital, health and safety. By treating employees fairly and ethically, companies can demonstrate their corporate social responsibility in workplace. When employees and management feel they are working for a company that has a true conscience, they will likely be more enthusiastic and engaged in their jobs, which in turn will affect their loyalty and commitment to the organization. Consequently, CSR can influence not only the organization's financial performance but also individual work outcomes.

Expanding upon the impacts of the internal CSR this research explores the relationship between corporate social responsibility practices and organizational commitment in Malaysia. This is because internal CSR practices in the workplace promote employees safety, health and well-being and training and address compensation issues. According to Mohamad et al. (2013), corporate social responsibility namely economic, legal, ethical and discretionary responsibilities are correlate to organizational commitment. So this study will examine the relationship between CSR practices and organizational commitment by employees.

1.2 Problem Statement

Organization commitment is of great concern issues in nowadays because it is a main driver for an organization in attaining outstanding achievement in the business world. However, turnover rate and job burnout are trends that are getting worse in the organizations and negatively affect on employee commitment.

In June 2013, the Hay Group a global management consultancy, conducted research called *Preparing for Take-Off* that, covered 19 countries to investigate the elements affecting employee turnover. The study found that 161.7 million employees left their current organizations in 2014 and concluded that, organizations needed to start planning now to enhance long-term commitment of their workers.

Porter et al. (1974) stated that intention to stay with the organization, a component of commitment, is strongly and negatively related to turnover and, that a high turnover rate could have negative effects on employee commitment. Highly turnover rates can negatively affect a company in many ways, including severance and the recruitment and training of new employees. A high turnover not only can negative effect productivity, costs, and attendance, it also can affect overall firm performance. To achieve maximum productivity, organizations must provide training programs for new employees. Besides that, productivity of organizations also would be effect because organizations have to provide a training program for new employees (Glebbeek & Bax, 2004).

The turnover rate in today's organization in Malaysia has becomes worse over time. In 2013, the General Industry Total Rewards Survey found that Malaysian employee's turnover rate in the general industry had increased 0.9% from 12.3% in 2012 to 13.2% in 2013 (Towers Watson, 2013).

Several models have linked organizational commitment conceptually to turnover issues (Mobley et al., 1979; Steers & Rhodes, 1978). Empirical research on organizational commitment generally has shown commitment to be a significant predictor of turnover (Aaron & Ronit, 2007). For example, when the organizational commitment of an organization is low, the turnover rate in that organization will be high. Therefore, companies must find ways for improving organizational commitment to resolve high turnover rate issues.

In today's competitive global marketplaces, every business is struggling with worldwide competitors to consistently improve productivity and shrink prices to create a competitive advantage. However, employee's feelings and burnout issues often hamper the search for this advantage. Employees who stay longer in a job often feel bored, lack motivation and feel unchallenged. Therefore, studying employee's psychology and feelings is critical in an organization because understanding them can help prevent the talented from leaving an organization and make hiring new, qualifies employees easier.

Job burnout issue is becoming an increasingly crucial phenomenon in Asian countries especially for developing countries. If not treated immediately, job burnout may leads to physical and mental illnesses such as exhaustion, lack of enthusiasm and motivation, and finally causes the depression (Marmaya et al. 2011). One way in which to address turnover and job burnout is to clarify what affects levels of commitment (Tat et al., 2012). Meanwhile, a high degree of commitment to an organization may serve to prevent an employee from becoming disgruntled with his or her pay or workplace environment, hence ensuring continued participation in an organization. Several studies have found that individuals who are highly committed to their organization are likely to stay at their jobs

compared to those who are less committed. Hence, individuals with low organizational commitment have more intention to leave their jobs compared to individuals with high organizational commitment (Arnold & Feldman, 1982).

Organizational commitment has been used as predictors of general turnover and job burnout. Higher levels of commitment will reduce job burnout and turnover intentions (Aaron & Ronit, 2007; Yangen et al., 2014). Several researchers have shown that high levels of commitment within leadership behaviors and cultural as a socialization process that influences in the commitment process (Morris & Sherman, 1981; Marsh & Mannari, 1977). However, only a few empirical studies have investigated the relationship between organizational commitment and employee perceptions of corporate social responsibility (Brammer et al. 2007). Therefore, this research applies the CSR practices in Malaysia to study organizational commitment in order to resolve the turnover and job burnout issues.

1.3 Research Question

The research questions for this study are:

1) Does the economic responsibility dimension of CSR affect the extent of organizational commitment?

2) Does the legal responsibility dimension of CSR affect the extent of organizational commitment?

3) Does the ethical responsibility dimension of CSR affect the extent of organizational commitment?

4) Does the discretionary responsibility dimension of CSR affect the extent of organizational commitment?

5) Which among the four independent variables (economic, legal, ethical, and discretionary responsibility) is the most dominant dimension related to organizational commitment?

1.4 Research Objectives

This research strives to respond to the call for research to explore how employees perceive the CSR actions developed by their organizations with respect to their reactions towards the organizational commitment.

Thus, the objectives of this study are as follows:

1) To ascertain the relationship between economic responsibility of CSR practices and organizational commitment;

2) To ascertain the relationship between legal responsibility of CSR practices and organizational commitment;

3) To ascertain the relationship between ethical responsibility of CSR practices and organizational commitment;

4) To ascertain the relationship between discretionary responsibility of CSR practices and organizational commitment;

5) To examine which dimension of CSR are more significantly related to organizational commitment;

1.5 Contribution of the Study

This research has developed a framework for studying the range of corporate social responsibility (CSR) practices in Malaysia and their impact upon employee commitment. One motives for conductings this study is that CSR practices are becoming a standard worldwide business practice. In order to have a deeper understanding of how employees perceive CSR in their organizational commitment, the model links four dimensions of CSR relative to organizational commitment. Therefore, the research has defined two theoretical and two practical implications.

1.5.1 Theoretical contribution

First, this research extends the knowledge of the organizational commitment through the use of CSR practices. This study enhances knowledge of corporative social responsibility in the workplace. Study of how CSR influences the perceptions of the internal stakeholders, especially employees (Ali et al., 2010; Brammer et al., 2007).

Second, employees in different countries and cultures have different employee's perception of CSR and respond differently to its practice (Gray et al., 2001). Brammer et al., (2007) suggested that future research could extend the association between CSR and organizational commitment in industrial and cultural settings. Meanwhile, Al-bdour et al. (2010) also recommended extending study of internal CSR and organization commitment in different sectors and other countries. Therefore, in order to obtain a deeper understanding the CSR practices in different nations, this study was conducted in the distinctive culture of Malaysia.

1.5.2 Practical implications

CSR practices have a high priority for developing a management system that meets all requirements and standards. Along with the theoretical contributions of the research, this research is useful for organizational leaders and management in implementing the CSR practices in the Malaysian organizational context.

CSR is quite a new management idea in Malaysia. Thus, the role of engagement of the organizational leaders in CSR initiatives in an organization is a relatively unexplored area. Most CSR current actions have emphasized community relations efforts and the economic effects of corporate social responsibility. Therefore, this study fills a gap by investigating the intangible effects of corporate social responsibility toward employee's commitment. Strengthening organization commitment is very critical for creating a comparative advantage. Consequently, organizational leaders could adapt dimensions of internal CSR as an instrument to manage their employees and increase the level of commitment to establish competitive advantage.

Organizational leaders also need to better know which CSR component has more significant impact upon employee commitment. Through this study, organization management will find out how to create an advantage by effectively managing employees through useful on corporate social responsibility practices. Hence, this study will provide an instrument for organizational leaders for applying CSR strategy to increase organizational commitment.

1.6 Definition of Terms

1.6.1 CSR (Corporate Social Responsibility)

CSR comprise the ways in whichs an organizations manages its economic, environmental and social interactions and the ways its becomes involved with stakeholders such as shareholders, employees, customers, business partners, governments and communities because these high methods are associated with an organization's long term success (Rahman, 2011). This study uses the definition of CSR drawn from Carroll (1999), which is that the social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that a society has of organizations at a given point in time.

1.6.2 Organizational commitment

Organizational commitment is the psychological state of an individual's feeling of responsibility and involvement towards the organization at which he or she is employed (Angle & Perry, 1981).

1.7 Organization of the chapter

This research has allocated in five chapters, which are as follows:

Chapter One is the introduction that discusses the about background of study, problem statement, research objectives, research questions, contributions of study and definition of key terms.

Chapter Two is the literature review. The chapter provides a brief overview of the main concepts of CSR and organizational commitment. Previous research is explored to explain the relationship CSR with the organizational commitment. The last part provides the framework and hypothesis.

Chapter Three is methodology. This chapter identifies the population and the sample used for study. The chapter describes the data collection method, the pretest of the survey instrument and analysis used for study.

Chapter Four presents findings and analysis. This chapter interprets the results of the study.

Chapter Five is the conclusion. This chapter discusses the need for future research, the study's limitations and recommendations. The last part is conclusion.

CHAPTER II

LITERATURE REVIEW

2.1 Introduction

This chapter begins with an introduction to the theoretical background, dimensions of corporate social responsibility and the framework. Overall the objective of this chapter is to build a deeper explanation of the impact of CSR in influencing an employee's influence the organizational commitment.

2.2 Theoretical background

This research examines the relationship between an employee's perceptions of CSR and organizational commitment based on the social identity theory (SIT) and social exchange theory (SET).

2.2.1 Social Identity Theory

Tajfel introduced social identity theory in 1970s, as "the individual's knowledge that he belongs to certain social groups together with some emotional and value significance to him of this group membership" (Hogg & Terry, 2000). The philosophy suggests that an individual's self-concept is based in part on perceived membership in relevant social group. This theory puts forward the idea that people try to associate themselves with social groups and develop strong ties in those relationships (Ashforth & Mael, 1989). Recently, the social identity theory has been applied to and developed in varied issues surrounding organizational behavior, such as, motivation and performance,

organizational justice, work group diversity and intergroup relations in organizations (Knippenberg & Sleebos, 2006).

In 1976, Cialdini et al. carried out a study, to explore the tendency to relate one's self publicly with successful others, even if that person does not contribute to the other's success. They referred to this process as "basking in reflected glory" (BIRG). This study was conducted among students in large lecture halls across seven different schools from prestigious football universities in the United Stated. Results showed that, after the next day after a game, students tended to wear with their own university jersey more often after the football team had won compared to when the football team had lost. Furthermore, an individual tended to use the word "we" more often in discussing team when that team had won and "they" more often when his team had lost. Hence, this study proved that an individual's self-image was affected by their in-group in that the victory provided a sense of "positive- distinctiveness" for the group. (Cialdini et al., 1976)

Ashforth and Mael (1989) discussed the relationship between social identity philosophy and organization. They suggested that there were three important consequences for organizations. First, they explained that social identification is a comprehension of oneness with a group of persons. Second, social identification tended to influence important group outcomes. Lastly, the stronger the social identification of employees was towards organizations, the more unique and positive practices were perceived compared to other organizations. Therefore, corporate social performance may positively affect to the attraction, retention and motivation of employees because they tends to associate themselves with social organizations characterized by a positive reputation (Brammer et

al., 2007). Therefore, corporate reputation is significantly related to organizational commitment (Ali et al., 2010).

2.2.2 Social Exchange Theory

The Social Exchange Theory (SET) is one of the most influential conceptual paradigms in organizational behavior and also one of the most analyzed theories (Mitchell & Cropanzano, 2005). Blau (1964) explained that social exchange relationship include unspecified responsibilities in which there are "favors that create diffuse future obligations, not precisely defined ones, and the nature of the return cannot be bargained about but must be left to the discretion of the one who makes it" (Wikhamn & Hall, 2012).

Mitchell and Cropanzano (2005) argued that responsibilities are created through a series of connections between parties who are in a state of give-and-take. However, a typical ideology of social exchange theory is that interactions start with trusting, followed by loyalty and commitments as long as the parties persist with the "rules and norms" of exchange. The rules of social exchange theory must include interchange, so that the actions of one party lead to a reactions or engagement by another.

In 2012, Wikhamn and Hall, showeds that there significant relationship existed between feeling obliged and initiative taking, but no relationship existed between feeling obliged and affective commitment.

According to Sak (2006), social exchange theory (SET) is a significance theory for explaining employee engagement and commitment in the workplace. According to Aselage and Eisenberger, (2003) employees increase their efforts and commitment on

behalf of the organization depending upon the amount of financial and socio emotional resources. Sak (2006) explained that a return of an employee to their organization is their stage of commitment, meaning that an organization could provide financial or non-financial resources and welfares to attract employee's engagement.

Put simply, if employees feel happy and satisfied within their corporation, they are likely to repay that favorable treatment and commitment (Brammer et al.,2007). Recently, a growing body of research suggests that to apply social exchange theory an explanation of the association between a company's corporate social responsibility principles and employee commitment should be given (Al-bdour et al., 2010).

In the nutshell, social identity theory is designed to explain how it is that people develop a sense of membership and bolster their self-image by identifying themselves with organizations to recognized their social engagement and responsibility.

When a company has CSR initiatives, employees are prouder of and committed to the organization. This is because personal identities are partly tied up in the companies for which we work for. Even though; the identification in social identity theory among employees could enhance their attitudes and behavior, social identification theory does not include the ideas of exchange, expectations and mutual obligations (Mitchell & Cropanzano, 2005). Therefore, this research applied the social exchange dynamics and identification processes in examining a sense of obligation and interaction together to in increasing the impact of CSR practices on employee commitment regarding the norm of reciprocity.

2.3 Corporate Social Responsibility (CSR)

In order to remain highly competitive in the global market, numerous organizations have utilized corporate social responsibility as a global business strategy to increase their corporation's reputation and brand name. Corporate social responsibility refers to a process with the aim of embracing responsibility for the company's policies, decisions, actions for providing positive impact value through its activities with respect to the related groups such as consumers, employees, communities, and other stakeholders (Abdullah & Rashid, 2012).

A common understanding of corporate social responsibility (CSR) is that it is associated with concerns such as providing event sponsorship, a safe working environment and educational assistance to employees, environment protection and relationship with customers. Today, the European Commission (2011) has previously defined Corporate Social Responsibility (CSR) as "a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis". However, Fenwick and Bierema, (2008) stated that, definitions of CSR are varied and widely contested, which mean that the definition of CSR is broad. The term corporate social responsibility (CSR) varies in terms and depend upon the issues that it is addresses. Even though terms are different all point in the same direction.

Concepts of corporate social responsibility have been evolving for decades. The concept of corporate social responsibility (CSR) in business began in 1950; Howard Bowen made the first significant scholarly contribution in his book *"The Social Responsibilities of the*

Businessman (1953)". Bowen proposed a definition of CSR as the strategies, decisions, and engagements that align a company with the concerns of society (Rahman, 2011).

Keith Davis (1960) provided a different definition of CSR as that of businessmen's decisions and actions decided upon for reasons other than their financial or non-financial benefits (Rahman, 2011). Meanwhile, McGuire (1963) recognized social responsibility in terms of namely ethical, economic, technical, and legal responsibilities (Mao & ai., 2009). Ten years later, Davis (1973) reinforced McGuire's interpretation of corporate social responsibility, stating that CSR included organizations' responsibilities for concerns in economic, ethical, and legal obligations to their stakeholders. About the same time, Frederick (1960) wrote that entrepreneurs should manage the operation of an economic system that fulfills total socio-economic welfare (Rahman, 2011).

The 1970s saw the term corporate social responsibility start to grow. Friedman said that social responsibility of business was a duty to increase the profit and revenue for their stockholders (Carroll, 1979). However, Eibert and Paket (1973), argued that social responsibility was to reflect "good neighborliness" an idea comprising of two phases. The first was protecting neighborhood interrelationships. The second was engaging in a voluntary assumption of the duty to solve neighborhood problems (Rahman, 2011). The term of CSR is a brilliant one; it could means different things to different people and not always the same thing to everybody, which meant the use of the term depended on who useds the concept (Votaw, 1973). In 1975, Sethi differentiated the term CSR in to three-levels and distinctions between various corporate behaviors included social obligation, social responsibility and social responsiveness (Rahman, 2011). Social obligation is corporate behavior in response to market forces or legal constraints. The criteria here

were economic and legal only. Social responsibility was congruent with societal norms. The third stage in Sethi's model was social responsiveness. He defined this as the adaptation, anticipation and use of preventive corporate behavior to meet social needs (Rahman, 2011).

Fewer explanations of CSR developed in the 1980s and 1990s (Carroll, 1999). However, in the 1990s, the term of CSR was extended to use with other theories such as, corporate citizenship, corporate social performance, stakeholder theory, and business ethic theory (Carroll, 1999), Carroll also suggested that looking ahead to the new millennium required paying more attention to measurement initiatives and theoretical developments.

Two distinct elements of corporate responsibility toward society there are implicit and explicit obligations (Moon & Matten, 2008). The explicit form of CSR reflects corporate activities that are closest to the welfare and benefits of society and usually tends to be deliberate, visible, and highly strategic. The implicit form refers to a corporation's role within the wider formal and informal institutions for society's interests that may result from some norms and values (Moon & Matten, 2008).

Branco and Rodrigues (2006) said that the purpose of social responsibility issues is in enhancing the intangible effects of CSR to increase the corporate image. They also contended that resource-based perspectives could be useful to the analysis of CSR. The resource based view theory is an approach for to creating competitive advantage, which include three stages: attraction, followed by accumulation, and the maintenance of resources that are hard to substitute and difficult to replicate (Prahald & Hamel 1990). Besides that, the resource based looks at enhancing specific intangible resources, such as name and reputation, cultures, employees' skill and knowledge, and capabilities within

the organization. Meanwhile, Branco and Rodrigues (2006) found that social responsibility activities could impact internal and external benefits to organization. Internal benefits are related to know-how and corporate culture. However, the external benefits of CSR are related to its effect on corporate reputation.

2.4 Organizational Commitment

What is organizational commitment? Buchanan (1974) reviewed the meanings of the idea of commitment in organization. These consisted of the degree of belonging to the organization, including a "willingness of an employee (member) to exert high levels of effort on behalf of the organization," "strong desire to stay with the organization," "acceptance of major goals and values" (of the organization) and "positive evaluation of the organization". Organizational commitment has been suggested as have main influences on organizational performances, organizational citizenship behavior (Hansen et al., 2011) and the employee turnover rate (Marsh & Mannari, 1977).

Porter (1974), conceptualized organizational commitment as the "level of involvement and identification for a person in an organization" (Unal, 2012). Nowadays, the investigation of commitment as related to organizational behavior has become important and common and research has tried to identify the variables that may affect levels of commitment (Buchanan, 1974). In order better understanding employee's organizational commitment, a lot researches indicates that organizational commitment related to the employee's absenteeism, turnover and job performance (Morris & Sherman,1981). For examples, (Marsh & Mannari,1977) used the term organizational commitment to explain why Japanese organizations have lower turnover rates than do American organizations.

Many researchers have found that employee's responses to CSR practices are related demographic factors (Salami, 2008; Mohamad et al., 2013). Such demographic factors included education level, age, gender, marital status, and working. Peterson (2004) suggested that the relationship between discretionary responsibility and organizational commitment is stronger for women than men. However, Smith et al., (2001) argued that women place a greater emphasis on ethical treatment in workplace. Furthermore, several variables such as the leadership style of top management, participative decision making, organizational support, financial and non-financial benefits, and job satisfaction help determine organizational commitment (Salami, 2008).

Mowday et al (1979) categorized organizational commitment into two groups: commitment-related attitudes and commitment-related behaviors. Attitudinal commitment exists when the identity of the individual is linked to the organization. However, behavioral commitment places more emphasis on the explicit. Examples of explicit commitment are extra attendance, tenure and outstanding performance. These reveals that an employee's willingness to involve in extra sacrifice for organization. Therefore, attitude reflects behavior and both reflect actual action on the part of an individual (Mishra, 2005).

Reichers' model (1986) developed an organizational commitment process theory consisting of three career stage and three categories: (1) psychological- expectation, challenge, conflict, (2) behavioral- irrevocable acts, volitional and (3) structural–tenure in organization, accumulated sunk costs. Reichers (1986) proposed that each class of variables was associated with each of the three career stages. The first was the early career-stage, the second was the mid-stage, and the final stage was the late-stage

commitment. During the early career stage, psychological linkage to the organization may be the major antecedents of commitment. Meanwhile Reichers (1986) argued that employee in the early-career stage has weak behavioral and structural link with the organization. In later career stages, not only do psychological and behavioral linkages become important, but sunk costs such as structural factors merge to fortify an individual's attachment to the organization.

This research adopted the framework model Jaros, (2007). Jaors's. model (2007) was revised to include three dimensions, which has some similarities with Allen and Meyer's (1997) model. Allen and Meyer said that an employee's commitment to an organization is a psychological state and suggested three components of commitment: affective, continuance and normative commitment.

Affective commitment refers to emotional attachment, enjoyment and involvement to the organization. For example, an employee's feelings about whether he or she enjoys and seldom feels bored with her/his job (Unal, 2012). Identification reflects whether an employee has a satisfying relationship with an organization, which leads to feeling pride in belonging to that organization. At the same time, an emotional connection to the workplace as an organizational resource, and employee's emotion has been found to benefit some organizational outcomes. Research has disclosed that a positive mood states increase employee work performance; however negative mood states reduces work performance (Hochschild, 1979). Meanwhile, some researchers have explained that affectively committed employees display outstanding performance, exhibit less absenteeism, and continue to stay longer with the careers (Wikhamn & Hall, 2012).

Jaros's (1995) study suggested that affective commitment had a significantly stronger correlation with turnover intentions than either normative or continuance commitment. Continuance commitment refers to the perceived high costs of leaving the organization and also has been. It also defined as the degree to which and number of investments that individuals make and the perceived lack of alternatives. [Continuance](#) commitment is similar with Becker's (1960) side-bet theory. An individual with a sense of continuance commitment will stay with an organization to avoid perceived costs of leaving. Those costs of leaving could be emotional, social, or economical loss that an employee would experience if that employee left the organization.

Costs comprise economic costs (such as bonuses) and social costs (relationships with colleagues) and costs of losing organizational membership. Side bet theory has been utilized primarily to understand the relationship between commitment and turnover. In the workplace, employee turnover carries a negative association. Turnover can be costly to an organization because turnover will negatively impact human capital investment. Finally, Becker (1960) mentioned that, a perceived lack of alternative employment opportunities also was related with continuance commitment, because if an employee does not have any alternative job opportunity, they will remain committed to their current organization.

Normative commitment means a moral obligation to remain with the organization (Unal, 2012). Normative commitment develops when an organization adopts the discretionary responsibility concept by provide employees additional training and education. All these "rewards in advance" may reflect a sense of 'moral' obligation to employees who, in turn, may then feel an obligation to reciprocate and; therefore stay with the organization to

"repay the debt." Scholl (1981) argued that, terms of reciprocity are a basics element for an organizational commitment setting. He stated that, reciprocity could work operate in the a contrasting way, if an employees obtained a benefit such as an educational opportunity provided by the employer, they would repay that benefit though outstanding performance. For example, employees might be willing to work an extra hour to complete tasks without pay, because such a sacrifice is considered worth it for them. Furthermore, Meyer et.al (2006) developed this reciprocity theme further, suggesting a two-dimensional concept of normative commitment that included an "indebted obligation" aspect reflecting the perceived need to meet other's expectations and a "moral imperative" aspect (Jaros, 2007).

This study used there metrics to measure organizational commitment which, were adopted the Jaros (2007) organizational commitment model that revised the Meyer and Allen's model. The difference is that Jaros (2007) proposed moral commitment and indebted obligation instead of Allen and Meyer's original Normative Commitment Dimension scale.

2.5 Relationship between CSR and organizational commitment

Two categories from previous research examined the impact of corporate social responsibility upon employees' commitment. The first category was how CSR affected the prospective employees (Turban & Greening, 1997). Prospective employees are more likely to apply work at organizations with strong reputations and good images. Hence, these types of organizations might have advantages in recruiting and hiring the most outstanding employees. Ashforth and Mael (1989) found that CSR activities affect

prospective employees much more than existing employees. Clearly, employees will be more likely work for an organization that has salient attributes including high prestige and good reputations so that organizational identity could enrich an employee's self-esteem if they join it (Ashforth & Mael, 1989).

The second category was how CSR motivates current employees to achieve improved levels of loyalty and commitment (Brammer et al., 2007). Human resources management seems to have a crucial role in creating a culture of CSR for existing employees. Albdour and Altarawneh (2012) suggested that work life balance was less significantly related to employee engagement. Besides that, Brik et.al (2009) investigated the relationship between CSR actions and organizational performance. The findings indicate that corporate social responsibility was correlate with employee commitment.

In 2011, Stancu et al., found that the level of engagement in CSR activities for the women was higher than for men. Meanwhile, studies point out three significant factors related engagement in the workplace. There are: employees' rights, fair wages and workplace safety. Stancu et al (2011) mentioned that CSR activities often remain unclear in an organization and most employees do not have much opportunity to be involved in CSR activities even those employees are aware of those opportunities.

Because CSR can includes as broad range of issues, activities and actions, studying cross-national corporate responsibility practices in different countries is critical. Lo et al (2008) investigated CSR practices to stakeholders and the natural environment in the different cultural and background country thereby China and the United states (US). In the result showed that, employee commitment in US companies was significantly and positively correlate with environmental corporate responsibility practices, but employee

commitment in Chinese companies was negatively correlated with environmental corporate responsibility practices. However, lo et al. stated that both a significant relationship in CSR practice toward organizational commitment existed in both countries.

Branco et al (2006) conducted research based on a resources based view to clarify why firms engaged in CSR actions and disclosure. The authors said that organizations were involved in corporate social responsibility actions because they believed this activity could able to establish a comparative advantage for them. Thus it is not surprising that the, external benefits of CSR directly and indirectly influence corporate image. They mentioned that firms holding higher social responsibility reputations might gain an extra advantage. In facts, this reputation could attract outstanding employees or increase the level of involvement and commitment to the organizations by existing employees.

Carroll 1979) CSR definition will be adopted in this study because he was one of the first academics to make a distinction between different kinds of organization responsibilities and the definition addresses the entire range of obligations business has to society. In order to better understanding CSR, this research will follow Carroll's Three Dimensional Conceptual Model of corporate performance (1979) that comprises: economic, legal, ethical and discretionary responsibilities. Basically, the economic and legal responsibilities are "requested", the ethical responsibilities are "expected", and the discretionary responsibilities are "wanted" (Gouldner, 1960).

Economic Responsibilities

Profit is the bottom line of every organization and helps grow the business to become more economically stable**.** Organizations have an obligation to ensure the goods and

services fulfill societal requirements and are sold at a profit (Aupperle et al., 1985). McWilliams (2001) highlighted an important economic and management approach for using CSR to maximize profit. Commitment between organization and employees depends upon performance on work commensurate with their salary payment. IN receiving a salary, employees are concerned with organizational profits because that profit pays for the employee's salary and bonuses. Furthermore, a positive balance on the an organization's annual report can also help enhance confidence, leading to greater organization commitment among employees.

Lee et al., (2011) and Mohamad et al., (2013) verified that economic corporate social responsibility positively influenced organizational commitment. However, Dhanesh (2010) found that CSR practices were not a significant predictor toward the organizational commitment.

Thus, the hypothesis is:

Hypothesis 1: There is a relationship between economic responsibility and organizational commitment.

Legal responsibilities

Legal responsibilities are concerned with economic responsibilities that are approached within the confines of written law. Legal responsibilities for employees come from a various sources that consists, industrial agreements, employment and federal or state laws, whether is written or verbal. Most companies are reluctant to undertake Corporate Social Responsibility activities because they can be costly. However, some

CSR activities are compulsory and required under the law and administrative regulations. Employers and employees are expected to meet minimum legal requirements with respect to Health and Safety Acts at work. For example, an organization must provide employees' protective equipment to ensure their safety from exposure to hazardous materials even though this is costly. Meanwhile, current research has found a positive effect for legal obligations and organizational commitment (Mohamad et al., 2013; Lee et al, 2011). Therefore, it can be postulated that.

Hypothesis 2: There is a relationship between legal responsibility and organizational commitment.

Ethical responsibilities

Ethical responsibilities refer to obligations drawn from unwritten codes, norms, and values implicitly derived from society (Carroll, 1979). Ethical responsibilities are duties derived from a morally correct path and go beyond mere legal frameworks. Today, many organizations that uphold ethical principles have success in their business. The moral and ethical treatment of employees includes fair wages, workplace diversity and providing a safety and harmonious working environment. An organizational culture includes formal or informal interaction among all employees and the creation of an ethical culture requires development (Trevino et al., 1998). Although formal ethical system provide training in organizational codes of ethics for employee, informal ethical systems include peer behavior and passing along norms by employees.

Pablo et al. (2013) tested the relationship between an ethical culture and employee outcomes in Spain. In the results, ethical culture was positively related with employee job

satisfaction, affective commitment, and intention to stay. They suggested that an ethical culture, with its expected impact on goodness and emotional well-being, would significantly affect outcomes between an employee and organization values.

If an organization is committed to being ethical, this commitment can affect and increase organizational commitment (Unal, 2012). Therefore, Turban and Greening, (1997) and Mohamad et.al (2013) suggested that an employee's perception of a company's ethnic and values plays a significant role in attracting employees. Meanwhile, Dhanesh (2010) a study involving 500 respondents showed that ethical responsibility is the most significant factor related to organizational commitment. Thus, the following hypothesis was employed:

Hypothesis 3: There is a relationship between ethical responsibility and organizational commitment.

Discretionary responsibilities

Discretionary responsibilities of business are philanthropic actions that are difficult to evaluate (Aupperle et al., 1985). Discretionary responsibilities place emphasis on voluntary activities, not only legal obligations that nevertheless are expected of businesses. This duty is the highest dimension of social responsibility compared to others, because duty contributes greatly to the community's welfare (Mohamad et al. 2013). Strategy discretionary is defined activity is defined as a process that contributes to the social's interests of commercial activities, meanwhile serving the beneficiary organizations. This kind of strategy helps organizations gain a competitive advantage and,

in exchange, enhance the main activity (Grigore, 2010). That is because volunteering activities are not legally required and the actions are related to society's welfare.

Archie Carroll (1999) offered four measurements of CSR, beginning with economic performance at the bottom rung. An organization is forced to follow the law and regulations because those govern society with the intention of maintaining social order and preventing harm to individuals. As awareness of society and of stakeholder's issues has increased, numerous organizations have adopted initiatives and programs concerned with ethical responsibilities of the commercial activity. The last stage is discretionary responsibility, one could deliberate the circumstances discretionary responsibility that is preferred, but in fact discretionary responsibility is the least significant of the four dimensions of corporate social responsibility (Grigore, 2010).

Mohamad et al. (2013) found that discretionary responsibility, ethical responsibility, legal responsibility and economic responsibility were associated with organizational commitment (Mohamad et al. 2013; Peterson, 2004; Lee et al, 2011)

Hypothesis 4: There is a relationship between discretionary responsibility and organizational commitment.

This study therefore, examines the effects of CSR practices including economic, legal, ethical and discretionary responsibility on organization commitment based on the social identity theory and social exchange theory. Simultaneously the study, to investigate which CSR dimension is the more dominant in affecting organizational commitment. .

2.6 Research Framework

The research investigates the impact of corporate social responsibility on organizational commitment among employees is based on the following conceptual framework.

Independent variable

Dependent variable

Economic responsibility

Legal responsibility

ORGANIZATIONAL COMMITMENT

Ethical responsibility

Discretionary responsibility
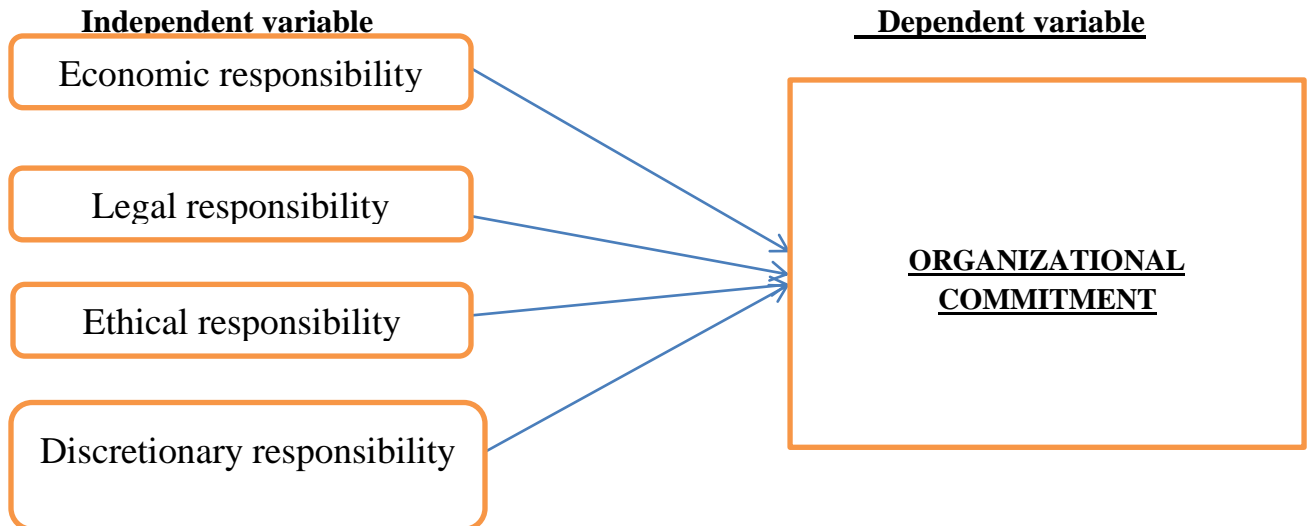
From the above conceptual framework, the following hypotheses were derived

Hypothesis 1 : There is a relationship between economic responsibility and organizational commitment

Hypothesis 2 : There is a relationship between legal responsibility and organizational commitment

Hypothesis 3 : There is a relationship between ethical responsibility and organizational commitment

Hypothesis 4 : There is a relationship between discretionary responsibility and organizational commitment

CHAPTER III

METHODOLOGY

3.1 Introduction

The previous chapter explained the framework and discussed the hypotheses that are to be studies. This chapter will explain the research methodology used for this study including the research design, populations, sample, sampling method, variable and measurement, data collection technique and data analysis.

3.2 Research Design

Quantitative methods for data collection were used in this study. A Quantitative method is the best way to investigate an individual's attitudes, emotional and behavioral states and their ways of thinking through various statistics (Judge et al., 2001). The primary data for this study was gathered collected through a questionnaire that was distributed to a selected population. The questionnaire statements were developed based on concepts from Carroll's pyramid of CSR – economic, legal, ethical and discretionary responsibilities (Ozdemir & Dincer, 2013). The concept organizational commitment was adopted from Jaros (2007). The secondary data was collected from literature reviews and relevant articles. Several secondary data were collected from journals of international business, Internet resources, online news, and books.

3.3 Population and sample of the study

The target population drawn for this research was located in the Kulim High Tech Park semiconductor companies. The Kulim High Tech Park was conceived and developed as one of the national strategies of Vision 2020 for Malaysia to become a fully industrialized nation by 2020, envisioned to be the "Science City of The Future". The reason the semiconductor companies in the Kulim High Tech Park from Kedah Darul Aman were chosen study was because the number of companies located there were limited and easy to target. Foreign companies owned most semiconductor companies so the study of internal CSR practices toward employee's commitment among foreign companies in Malaysia remains unclear.

The objective of this study was to test the correlation of perceptions of corporate social responsibility with organizational commitment among employees; hence the samples were mainly aimed at the executive level. According to the dictionary tenants of KHTP, the total number of semiconductor companies as five, there included Intel (M) Sdn.Bhd, Silterra (M) Sdn Bhd, AIC semiconductor (M) Sdn Bhd, Infineon Technologies Sdn Bhd and Fuji semiconductor (M) Sdn Bhd. However, only two companies were willing to participate in survey. There were: Silterra (M) Sdn Bhd and Intel (M) Sdn Bhd. The total numbers of executive level employees in two companies was 260. Based on the rules of thumb for determining sample size sample size by Morgan and Krejcie, (1970) the sample size for a population 260 is 155. The unit sample was the executive level of employees and 150 personally administrated questionnaires had been distributed in Silterra (M) Sdn Bhd and Intel (M) Sdn Bhd.

3.4 Sampling Method

In this study, simple random sampling was the sampling method chosen. Simple random sampling is a probability method which means that subjects are chosen in a random manner. Simple random sample is an unbiased surveying technique (Sekaran & Bougie, 2009). This techique is used to draw a representative sample, from population (Onwuegbuzie & Collins, 2007). The scope of study was focused on semiconductor companies in Kulim High Tech Park, and the respondents were chosen because they had the characteristics that the researcher wishers to study.

The study is using simple random sample method to collect the data because this method is highly representative if all subjects participate. Therefore, this survey or questionnaires were distribute for the target respondents and collect after a reasonable period.

3.5 Variables and Measurement

The questionnaire was adopted from Ozdemir and Dincer (2013) and Jaros's (2007) revised Meyer and Allen Model of Organizational Commitment and the English language was used. The type of scales used in the questionnaire included both nominal scales and ordinal scales. The questionnaire had three sections including the demographic information in Section A. Section B measured corporate social responsibility factor. Section C examines organizational commitment for each employee. The measurement scales for Section B and C were based on a Likert Scale ranging from 1 to 5, in which 1= strongly disagree, 2=disagree, 3= neutral, 4=agree and 5=strongly agree. A sample of questionnaire used in this study is presented in **Appendix 1.**

3.5.1 Independent variables

This research investigated the influence of corporate social responsibility on employee organizational commitment; therefore the independent variable in this study was the dimension of corporate social responsibility. Chapter Two provided four dimensions for measuring corporate social responsibility Carroll (1979). The instrument used to measure corporate social responsibility (CSR) practices of corporation was adopted from (Ozdemir and Dincer, 2013). The four independent variables, which included 18 items, were economic, legal, ethical and discretionary responsibility.

3.5.1.1 Economic responsibility

The economics' responsibility included, the following statement: "we strive to lower our operating costs", "We closely monitor employees' productivity", "We have been successful at maximizing our profits" and "top management establishes long-term strategies for our business" (Zheng, 2010; Lee et al, 2011; Galbreath, 2010).

3.5.1.2 Legal responsibility

Questions for measuring legal responsibility in this area were drawn from Zheng (2010) and Galbreath (2010). These statements included: "The managers of this organization try to comply with the law", "Our company seeks to comply with all laws regulating hiring and employees' benefits.", "We have programs that encourage the diversity of our workforce (in terms of age, gender or rare)" and "Internal policies prevent discrimination in employees' compensation and promotion".

3.5.1.3 Ethical responsibility

The ethical responsibility dimension included these statement: "Our business has a comprehensive code of conduct", "We are recognized as a trustworthy company", "Fairness towards co-workers and business partners is an integral part of our employee evaluation process" and "A confidential procedure is in place for employees to report any misconduct at work (such as stealing or sexual harassment)" and "Our salespersons and employees are required to provide full and accurate information to all customers" (Zheng, 2010; Lee et al, 2011; Galbreath, 2010).

3.5.1.4 Discretionary responsibility

The discretionary responsibility's dimension included the following statement: "Flexible company policies enable employees to better coordinate work and personal life", "we encourage partnerships with local businesses and schools", "Our company supports employees who acquire additional education" and "Our company gives adequate contributions to charities". The last scale was "a program is in place to reduce the amount of energy and materials wasted in our business" (Zheng, 2010; Lee et al, 2011; Galbreath, 2010).

3.5.2 Dependent variable

In Section C is test about organizational commitment and using the Jaros (2007) revised Meyer and Allen Model of organizational commitment scale items. As Jaros (2007) noted some researchers have argued that the original Meyer and Allen model of organizational commitment scale items indefensibly overlaps and overstate outcomes (Jaros, 2007). He

pointed some issues about in the Meyer and Allen model of commitment and boosted this model with revised subscales for affective commitment, continuance commitment and normative commitment. In Section C consists of 12 items that measure three dimensions namely, affective commitment, continuance commitment and normative commitment.

3.5.2.1 Affective commitment

Jaros (2007) revised an item measuring affective commitment an item because that particular item either explicitly or implicitly mentions staying and leaving behavior in it wording. Therefore, the first question is changed to be''I am very happy being a member of this organization''.

The remainder of the scale would consist of the original affective commitment items drawn from Meyer and Allen model. There are: 1) **"**I really feel this organization problem is my own". 2) "I enjoy discussing about my organization with people outside it". 3) "This organization has a great deal of personal meaning for me".

Continuance commitment

Jaros (2007) suggested that newly written items to replaced eight of the original continuance commitment items from Meyer and Allen model, because he argue that all of the eight item revealed the "high sacrifice: theme and included affective terms:

1) "I worry about the loss of investment I have made in this organization". 2) "I am loyal to this organization because I have invested a lot in it, emotionally, socially, and economically". 3) "If I wasn't a member of this organization, I would be sad because my life would be disrupted". 4) "I often feel anxious about what I have to lose with this organization".

Normative commitment

Jaros (2007) suggested that normative commitment involved two items, which revealed indebted obligation and moral imperative dimension of Meyer et.al (2006).

The statements measuring indebted obligation are: 1) "I feel that I owe this organization quite a bit because of what it has done for me" and 2) "My organization deserves my loyalty because of its treatment towards me". The measurements of moral imperative are: 1) "this organization has a mission that I believe in and am committed to" and 2) "I feel it is 'morally correct' to dedicate myself to this organization".

3.6 Pilot test

Face validity was used during the development of the questionnaires. This involves asking an expert to judge whether the developed instrument is likely to measure what it is intended to measure (McBurney & White, 2010). In this research, the questionnaire was sent to experienced senior lectures and PhD students for obtaining opinions and advice. Also, other comments were gathered from international business experts in the College of Law, Government and International Studies (COLGIS) to refine the further questionnaire. This is an absolutely necessary step to test the questionnaire before using it to collect data and ensure that all kinds of errors that are associated with questionnaire are reduced.

A pilot test pretests the reliability of a questionnaire before conducting the research. This test was done among management employees of Sillterra (M) sdn. bhd in Kulim High Tech Park. Thirty respondents not included in the main study were selected randomly to take get pilot test. The pilot to determined potential understanding of respondents with

instrument's item in the instrument and ensured that the instrument meets the requirements of the study.

A reliability test was done to check the internal consistency using Cronbach's alpha. Cronbach's alpha is the most commonly used method to measure the reliability of internal consistency. According Sekaran (2009) values that are greater than 0.7 are acceptable and those that are less than 0.60 are poor level. In fact, all alpha values were more than 0.800. Therefore all alpha values were considered to be good.

The summary of reliability test is shown in Table 3.1 below

Table 3.1
reliability analysis- scale (alpha) for pilot test

	Conbach's Alpha
Economic responsibility	0.658
Legal responsibility	0.886
Ethical responsibility	0.835
Discretionary responsibility	0.691
Affective commitment	0.812
Continuance commitment	0.725
Normative commitment	0.868

3.7 DATA COLLECTION TECHNIQUE

A major concern for collecting data is maintaining its objectivity and accuracy. In this study, both primary data and secondary data sources were used, but the primary data dominated the analysis. The primary data for this research study was collected through the structured questionnaires. A questionnaire comes in a wide range of forms and can be distributed using a variety of ways, such as written surveys; oral surveys and electronic surveys. In this research, written questionnaire were used. A set of closed-ended questionnaire was prepared, and it consists of 11 questions in Section A to gather about background information, Section B consisting of 18 questions to examine perceptions corporate social responsibility and Section C consisting of 12 questions describing feelings about his or her job or organization. This survey was develops in English and 150 questionnaires were directly distributed to respondents in Silterra (M) Sdn Bhd and Intel (M) Sdn Bhd Therefore. This survey was conducted in two phases, in first phases the self-explanatory questionnaires were distributed among respondents. In second phase the questionnaires were collected from respondents after a reasonable time.

3.8 DATA ANALYSIS

Several statistical methods were used to analyze the data collected from the respondents. In this research, the Statistical Package for the Social Sciences (SPSS, version 19.0) was descriptive statistical analysis, Pearson correlations and multiple regressions.

Descriptive statistic analysis describes the characteristics and attributes of a sample. It uses to summarize the large amounts of data with measures of centrality (including mean, median, and mode) and measures of dispersal (including range, variance, and standard

deviation) frequencies and distributions. Such statistics typically examine gender, age, working experience, educational level and marital status (Sekaran & Bougie, 2009).

The Pearson correlation was used to explore the inter-relationships amongst the variables. Analysis of Pearson correlations includes the level of correlation and statistical significance. The level of correlations or 'r' value is interpreted as follows; 0.10 to 0.29 or -0.10 to 0.29 is a weak relationship, 0.30 to 0.49 to -0.30 to -0.49 is medium and 0.50 to 1.0 or -0.50 to -1.0 is strong relationship (Sekaran & Bougie, 2009). A correlation is statistically significant when p is less than or equal to .05.

Multiple regression analysis is used to predict the value of a single dependent variable based upon two or more other variables. The model sufficiently explained the variance or coefficient of determination or the R squared in the dependent variable (Sekaran & Bougie, 2009). The relationshp is statistically significant when p is less than or equal to .05.

3.9 CONCLUSION

This chapter discussed the study sample, sampling methods and variable measurements for all independent variables. In addition, an explanation for the data collection technique and data analysis was included.

CHAPTER IV

FINDINGS AND ANALYSIS

4.1 Introduction

Chapter Four of the thesis included of three main sections. The first part summarizes the responses based on the descriptive analysis. Descriptive analysis was aim to describe the demographic and profile of the respondents. The second sections show the results of hypotheses testing by using the Pearson correlation. Lastly, multi regression analysis examined the predictive ability of four dimensions of CSR on organizational commitment.

4.2 Reliability Test

According to Sekaran (2009), closer for the Pearson coefficient gets to 1.0, the better it is, and those values over 0.8 are considered as good. A value in the range of 0.7 is considered as acceptable and value less than 0.6 is considered as poor. The Cronbach's alpha value for the independent variables and dependent variable are shown in Table 4.1 below. These include economic responsibility, legal responsibility, ethical responsibility, discretionary responsibility and organizational commitment and the relationships, are all considered to be good.

Table 4.1
reliability analysis- scale (alpha) for operational measures

	Conbach's Alpha
Economic responsibility	0.635
Legal responsibility	0.820

Ethical responsibility		0.831
Discretionary responsibility		0.683
Affective commitment		0.774
Continuance commitment		0.747
Normative commitment		0.836

4.3 Descriptive Analysis

A total of 155 questionnaires were distributed to respondents. Table 4.2 below summarizes the demographic characteristics of the respondents.

Table 4.2 Descriptive Analysis

	Categories	Frequency	Percentage (%)
1. Gender	Male	60	40
	Female	90	60
2. Marital Status	Single	66	44
	Married	78	52
	Separated	1	7
	Divorced	5	3.3
3. Age	18-24	15	10
	25-33	77	51.3
	34-44	36	24
	45-55	21	14
	56 +	1	7

4. Department	Finance	9	6
	Human Resource	46	30.7
	Account	7	4.7
	Customer Services	9	6
	Marketing	43	28.7
	Management	21	14
	Production	15	10
5. Education Level	Primary	3	2
	Secondary	39	26
	Diploma/Certificate	41	27.3
	Bachelor's Degree	51	34
	Master's Degree	15	10
	PHD/Doctorate	1	7
6. Nationality	Malaysian	150	100
7. Working experience	less than 1 year	24	16
	1-5	21	14
	6-10	69	46
	11-15	12	8
	16-20	9	6
	21-50	6	4
	More than 25 year	9	6

Table 4.2 above summarizes the data from Section A. More than half of the respondents (52% or 78) respondents were married. While, 66 respondents or 44% were single, 3.3 % or 5 respondents were divorced and only one respondent is separated.

The research showed that 40% or 60 respondents were male and that 60% or 90 were female respondents. Furthermore, 51 of the respondents have Bachelor's Degree qualifications, 10% or 15 respondents were Master's holder, while 27.3% or 41 respondents were Diploma holders, followed by 3 or 2% primary and 39 or 26% secondary holders. Only one respondent was a PHD/ Doctorate holder.

The majority of the respondents were from human resource department 30.7 % or 46. Data shows that respondents from marketing department were 28.7% or 43, followed by 14 % or 21 from the management department, from the production department of 10% or 15 and 6 % or 9 from both the finance and customer service departments. The remaining 4.7 % or 9 of the respondents came from account department.

With respect to age 51.3 % or 77 of respondents were within in the age range of 25 to 33, while 24% or 36 of respondents were within the age of 34 to 44. This was followed by 14% or 21 of respondents who were within the age of 45 to 55 and 10% or 15 of respondents within the age of 18 to 24 groups. Only 1% or 7of respondents were from the age group of more than 56.

The majority of the respondents have working experience ranging from 6 to 10 year of 46% or 69. Followed by less than 1 year of 16% or 24, 1 to 5 years of 14% or 21, 11 to 15 years indicates that 8%, 16 to 20 year and more than 25 year were 6%. . The remaining 4% of respondents more than 25 year working experience.

Lastly, all respondents were Malaysian.

4.4 Pearson correlation coefficient

Correlation analysis was applied to determine whether CSR dimensions and organizational commitment are related to each other, which discussed in Chapter Two. The test of correlation was employed to determine the relationship between the independent variables (economic responsibility, legal responsibility, ethical responsibility and discretionary responsibility) and dependent variables (organizational commitment). Table 4.4 below shows the results of correlation tests.

Table 4.4: Correlation analysis between CSR practices and organizational commitment

	Economic responsibility	Legal responsibility	Ethical responsibility	Discretionary responsibility	Organizational commitment
Economic responsibility	1				
Legal responsibility	0.376**	1			
Ethical responsibility	0.658**	0.319**	1		
Discretionary responsibility	0.485**	0.174*	0.438**	1	
Organizational commitment	0.536**	0.357**	0.573**	0.416**	1

Note: * Correlation is significant at the $p < 0.05$ level (2 tailed);
      ** Correlation is significant at the $p < 0.01$ level (2 tailed).

Based on the analysis illustrated in Table 4.4 above, the results indicate that there a positive correlation exists between the four independent variables (economic, legal, ethical and discretionary responsibility) and organizational commitment.

Hypothesis 1

Pearson correlation was implemented to measure the relationship between economic responsibility and organizational commitment. Table 4.4 above, shows a positive relationship between economic responsibility and organizational commitment where the results obtained from Pearson correlation was significant (p value < 0.05). Therefore, the conclusion can be made that economic responsibility is a critical factor in influencing organizational commitment. Hence, the hypothesis 1 was accepted.

Hypothesis 2

The hypothesis predicted that organizations that obey the law and workplace regulations are more likely to exhibit increased organizational commitment. The result shows in the table presents that there is a significant relationship between legal responsibility and organizational commitment where the p-value was less than 0.05. Additionally, the result (r = 0.357**) also suggests that the variables have positive relationship between each other. Therefore, hypothesis 2 was supported.

Hypothesis 3

Hypothesis 3 predicted that when organizations exhibit the high ethical duties in workplace organizational commitment among employees would be increased. The result that shows on the table indicates there is significant relationship in between ethical responsibility and organizational commitment. The result shows p value of < 0.001 level that is much lower than the required (p value of <0.05) for correlation test. Therefore hypothesis 3 was supported.

Hypothesis 4

Hypothesis 4 proposed that an increased emphasis on discretionary responsibility by an organization would result in an increased organizational commitment among employees. According to the results shown in the table 4.4 above, a significant relationship between discretionary responsibility and organizational commitment where P value is less than 0.05. Additionally, the result (r = 0.416**) also suggests that both of the variables have positive relationship between each other .Thus, hypothesis 4 was supported.

4.5 Regression Analysis

Regression analysis was used to assess the ability of four dimensions measure (economic responsibility, legal responsibility, ethical responsibility and discretionary responsibility) to predict organizational commitment. According to Sekaran and Bougies (2010) multiple regression analysis is the regression coefficient shows the relation of each independent variable in the prediction of the dependent variable.

The findings from the analysis were then compared against the hypotheses developed in this study.

Table 4.5: Regression analysis between CSR and Organizational commitment.

R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.F
0.64	0.409	0.393	0.35721	25.110	0.000

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	.463	.332		1.392	.166			
	Economic	.208	.104	.182	1.995	.048	.536	.163	.127
	Legal	.136	.061	.155	2.236	.027	.357	.183	.143
	Ethical	.355	.091	.337	3.888	.000	.573	.307	.248
	Discretionary	.147	.072	.153	2.058	.041	.416	.168	.131

Note: a. Dependent Variable: Commitment

Hypothesis 1: There is a relationship between economic responsibility and organizational commitment.

The relationship between economic responsibility and organizational commitment were tested using regression analysis. The result shows a significant relationship between the independent variable and the dependent variable ($\beta=0.182$ and $p<0.05$). It means that the independent variable of economic responsibility was related with organizational commitment. Hence, H1 is accepted.

Hypothesis 2: There is a relationship between legal responsibility and organizational commitment.

The relationship between legal responsibility and organizational commitment was tested using regression analysis. The results revealed significant relationship for these two

variables (β= 0.155 and the p value is less than 0.05). Therefore, legal responsibility in this study had a significant relationship with organizational commitment. Hence, H2 is accepted.

Hypothesis 3: There is a relationship between ethical responsibility and organizational commitment.

The relationship between ethical responsibility and organizational commitment was tested using regression analysis. A significant positive relationship existed between for this two variables (β=0.337, p<0.05). In short, ethical responsibility in this study possesses the strong positive relationship as a predictor of organizational commitment .Hence, H3 is accepted.

Hypothesis 4: There is a relationship between discretionary responsibility and organizational commitment.

The relationship between discretionary responsibility and organizational commitment was tested using regression analysis. Another significant positive relationship was also reported for the two variables (β=0.153, p<0.05). Therefore, discretionary responsibility in this study indicated a positive linear relationship towards organizational commitment. Hence, H4 is accepted.

Table 4.6: Summary of Hypotheses Results

Hypotheses	Results
H1: There is a relationship between economic responsibility and organizational commitment.	Accepted
H2: Hypothesis 2: There is a relationship between legal responsibility and organizational commitment.	Accepted
H3: Hypothesis 3: There is a relationship between ethical responsibility and organizational commitment.	Accepted
H4: Hypothesis 4: There is a relationship between discretionary responsibility and organizational commitment.	Accepted

4.6 Conclusion

In conclusion, descriptive analysis, Pearson correlation and regression analysis were useful in providing the researcher with the tools to answer the research questions. Results show that all hypotheses in the research are accepted. This means that economic, legal, ethical and discretionary responsibilities are significant related to the organizational commitment among employees. Meanwhile, regression analysis indicates that ethical responsibility is the most significant dimension related to organizational commitment compared to the other tested dimensions.

CHAPTER V

DISCUSSION, IMPLICATIONS, AND LIMITATIONS

5.1 Introduction

Chapter Four discussed the findings of the data acquired through testing of the research model. In this last part of the study, the empirical tests are interpreted and discussed from the viewpoint of the theoretical literature and practical implications. Moreover, the chapter provides a research framework to present the relationship between the corporate social responsibility practices and organizational commitment among employees. Finally, the limitations of the study and recommendations for future studies are provided.

5.2 Discussions and implementation for practice

This research uses the quantitative method to answer the research questions, which are: (1) Does economic responsibility affect the extent of organizational commitment? ; (2) Does legal responsibility affect the extent of organizational commitment? ; (3) Does ethical responsibility affect the extent of organizational commitment? ; (4) Does discretionary responsibility affect the extent of organizational commitment?; and (5) Which among the four independent variables is the most dominant related to organizational commitment?

The purpose of this research is to explain the influence of CSR practices on employee organizational commitment in Kulim High Tech Park. Table 5.1 below shows listing whether a hypothesis accepted or rejected. A discussion each of the hypotheses follows

Table 5.1: Summary of Hypotheses Results

Hypotheses	Results
Hypothesis 1: There is a relationship between economic responsibility and organizational commitment.	Accepted
Hypothesis 2: There is a relationship between legal responsibility and organizational commitment.	Accepted
Hypothesis 3: There is a relationship between ethical responsibility and organizational commitment.	Accepted
Hypothesis 4: There is a relationship between discretionary responsibility and organizational commitment.	Accepted

Based on the results gathered in Chapter Four, this section will provide a clearly discussion on each of the result of the hypotheses. The discussion will started from hypothesis from 1 to hypothesis 4. The results and findings are presented as below:

H1: **There is a relationship between economic responsibility and organizational commitment.**

This study predicted that organizations might increase organizational commitment by highlighting an important of economic and management approach to CSR by using profit-maximizing CSR.

According to Lee et al.(2008), economic responsibility is significantly positive related to the organizational commitment with the results ($\beta=0.163$, $p<0.05$).Meanwhile, Mohamad et al. (2013) also disclosed that economic responsibility was positively related to increasing organizational commitment.

The positive results for the impact of economic responsibility upon organizational commitment can be interpreted as meaning that employees desire to join organizations with strong financial and economically success. This finding suggests that, when organizations turn employee productivity into profits, employees will become more committed to organizations' success. Therefore, the findings in this study showing that the relationship between economic responsibility and organizational commitment is significant, and that both of the variables are positively related to each other (p value < 0.05, $\beta = 0.444$) helps explain this conclusion.

H2:   There is a relationship between legal responsibility and organizational commitment.

The results show that legal responsibility and organizational commitment have a positive, significant relationship. However, the legal dimension had the weakest relationship among the four independent variables in this study. Perhaps this was because employees believed that following the law and statutory regulations was a compulsory task for organizations and thus did not provide any extra benefits for employees. Therefore, these results show perceived legal compliance by employees does not increase commitment that much in the context of the Malaysian employees studied here.

The data support the hypothesis and the results of this study also are consistent with previous research concerning legal responsibility as independent variable and organizational commitment as a dependent variable (Lee et al., 2008; Mohamad et al., 2013; Dhanesh, 2010).

H3:   There is a relationship between ethical responsibility and organizational commitment

The findings suggest a positive relationship between ethical responsibility and organizational commitment. This is based on the social exchange theory that organizational commitment reflects one side of the reciprocal relationship between organizations and the employees. Employees assume that if their organizations are morally upright, the organization will also treat them in an ethical manner. Therefore employees are committed to organizations that emphasize moral and ethical conduct. Hypothesis 3 was the most strongly significant with respect to organizational commitment. These results were similar with Peterson (2004) and Dhanesh (2010), who found that ethical responsibility of corporate social responsibility was more significant to organizational commitment compared to other dimensions.

H4:   There is a relationship between discretionary responsibility and organizational commitment.

This hypothesis posits that a significant relationship between discretionary CSR and organizational commitment may occur, when organizations conduct discretionary CSR activities and employees feel proud of their organization's efforts. This study offers empirical support for Mohamad et al (2013), who showed that discretionary dimensions were related significantly to organizational commitment. This hypothesis was support by the findings in this research, in which the regression analysis indicates that the relationship between discretionary responsibility and organizational commitment is

significant and both of the variables have a positive linear relationship to each other (β = 0.153, p < 0 05).

The findings of this study have vital implications for the implementation of corporate social responsibility strategies by an organizational leader. Even if an organization has numerous talented and skillful employees on hand, the commitment and involvement of employees could be low and, as a result, organizational performance will suffer. High commitment has been associated consistently with lower employee turnover rate, decreased absenteeism, longer job tenure, and enhanced performance (Tat et al., 2012; Glebbeek & Bax, 2004; Peterson, 2004).

Here, this study suggests that, in certain settings, organizational leaders could reduce employee turnover by applying efficiency tools to leverage stages of employee commitment to, and engagement in, the organization's CSR practices. This study offers empirical support for Mohamad et al.'s (2013) conclusions. All dimensions of CSR practices are significant relative to organizational commitment. But, ethical responsibility is most dominant dimension to influence organizational commitment, followed by, economic, legal and discretionary responsibility.

Results of the research give crystal clear directions for organizational leaders to target specific CSR programs to increase organizational commitment. Therefore, matters of organizational ethics and truthfulness, which were the most significant dimensions of the corporate social responsibility concept, should be addressed properly. In order to enhance organizational commitment, organizations need to develop and improve upon ethical activities such as diversity programs, comprehensive codes of conduct and ethical or moral issues before seeking to solve larger societal problem.

5.3 Implications for Theory

Corporate social responsibility (CSR) is often debated in theoretical and industry circles in relationship to employee commitment and its impact upon company performance.

This study presents a new perception that can allow for more research focused on CSR action in the organizational commitment. Peterson (2004) highlighted that few research studies exist about organization's performance on social issues for employees. Therefore, this study fills this information gap based on social identity theory and social exchange theory. Organizational identification emphasizes the link between organization's image and self-concept. Employees are more likely to join an organization with a high reputation. Therefore, organizations should develop social practices to polish their reputation. Social exchange theory indicates that when employees obtain financial and social-emotional benefits from their organization, they develop outstanding commitment.

Studies of corporate social responsibility (CSR) strategies in Asian countries lag behind those in Western countries. According Gray et al. (2002), differences in social cultural should be expected to affect corporate social responsibility studies. Al-bdour (2010) suggested that the study of CSR and organizational commitment should include multiple countries and sections. To fill this identified gap, this study was conducted in Malaysia to examine the contribution of CSR practices and organizational commitment. The results showed that Malaysia employee's perceptions of CSR practices are related significantly with the organizational commitment. Consequently, the outcomes of this study could lead to an improved understanding of CSR's impact on Malaysia employee's commitment.

5.4 Limitations

Although this study made several contributions to knowledge about corporate social responsibility (CSR in semiconductor industries in Malaysia, it has limitations.

The main limitation of this study is time constraint. Study of organizational commitment should be longitudinal. However, this research was conducted in a three-month period, which can be considered to be a short period.

The next limitation of this study is the generalizability of the results. The scope of study was limited to executive level of employees within the semiconductor industries in Kulim High Tech Park (KHTP), and some semiconductor companies did not take part in this study. Hence, the findings may have limited generalizability to employees outside of the KHTP and semiconductor industries.

Finally, numerous factors might affect the dependent variables. For examples, some other mediators or moderators such as personality, differences of gender to perceived CSR practices and length of time in organization, were not included in this study. Nonetheless, this study is an important step towards linking individual CSR perceptions with organizational commitment

5.5 Recommendations

This study was conducted in Kulim High Tech Park, which is an industrial park in Kedah. Hence, the outcomes of this study may be applicable to the semiconductor or large organizations that have similar characteristics. This means that similar research could be conducted on other industries for the sake of generalizability of the model and findings in

presented in this research. Future study should extend the investigation to involve other factor as mediating or moderating variables in order gain a better understanding CSR practices that influence organizational commitment.

5.6 Conclusion

This research was concerned about the relationship between corporate social responsibility and organizational commitment. This study met all the objectives set and suggested various implementations to create stronger commitment by employees. The findings showed a relationship between all the dimensions of corporate social responsibility and organizational commitment. Ethical treatment and issues were the main factors that could be used with respect to employees to increase commitment levels to the organizations. However, the results also showed that other factors such as economic, legal and discretionary CSR practices also play positive significant roles related to organizational commitment. Based on this study and its findings, a full and effective implementation of the four dimensions of corporate social responsibility mentioned could create a model for all organizations in Malaysia to emulate.

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APPENDIX I

SAMPLE OF QUESTIONNAIRE

Dear sir and madam,

You are invited to take part in a research project of a survey on Corporate Social Responsibility perception and organizational commitment.

 If you are able to be involved in the study, please respond to the attached questionnaire. The questionnaire will take you less than 15 minutes.

Please kindly return the completed questionnaire to the one who sent you this questionnaire. Your views are highly valuable and your response will be anonymous. Participation in this research is voluntary.

The data from the study will be use only for research purpose to meet the requirements of a Master of Science International business from University Utara Malaysia.

Thank you for your participation. Wish you every success in your future career.

SEAH YETT MING (814500)

Master of Science International Business

SECTION A: BACKGROUND INFORMATION

Read and tick (/) the boxes for questions below.

A1. Gender: ☐ Male ☐ Female

A2. Marital status:
☐ Single ☐ married ☐ separated ☐ divorced

A3. Your current age: _____ years.
☐ 18-24 ☐ 25-33 ☐ 34-44 ☐ 45-55 ☐ 56+

A4. Your working experience: _____ years. (Please specify)

A5. Your current department: _____

A6. Your education level:

☐ **Primary**

☐ **Secondary**

☐ **Diploma/ Certificate**

☐ **Bachelor's Degree**

☐ **Master's Degree**

☐ **PhD/Doctorate**
Others: _____ (Please specify)
☐

A7. Nationality
☐ **MALAYSIA** ☐ **Others : _____(please specify)**

SECTION B: CORPORATE SOCIAL RESPONSIBILITY

Below is a list of statements that describing one's perceptions about his/her organization. Please indicate the extent to which you agree or disagree with each of the following statements using the scale as follows:

Strongly Disagree (SD)=1 , Disagree (D)= 2, Neutral (N)=3, Agree(A)=4,

Strongly Agree (SA)= 5

	SD	D	N	A	SA
B1. We strive to lower our operating costs.	1	2	3	4	5
B2.We closely monitor employees' productivity.	1	2	3	4	5
B3. We have been successful at maximizing our profits.	1	2	3	4	5
B4. Top management establishes long-term strategies for our business.	1	2	3	4	5
B5. The managers of this organization try to comply with the law.	1	2	3	4	5
B6. Our company seeks to comply with all laws regulating hiring and employee benefits.	1	2	3	4	5
B7. We have programs that encourage the diversity of our workforce (in term of age, gender, or race).	1	2	3	4	5
B8.Internal policies prevent discrimination in employees compensation and promotion.	1	2	3	4	5
B9. Our business has a comprehensive code of conduct.	1	2	3	4	5

	1	2	3	4	5
B10. We are recognized as a trustworthy company.	1	2	3	4	5
B11.Fairness toward co-workers and business partners is an integral part of our employee evaluation process.	1	2	3	4	5
B12. A confidential procedure is in place for employees to report any misconduct at work (such as stealing or sexual harassment).	1	2	3	4	5
B13. Our salespersons and employees are required to provide full and accurate information to all customers.	1	2	3	4	5
B14. Our company supports employees who acquire additional education.	1	2	3	4	5
B15. Flexible company policies enable employees to better coordinate work and personal life.	1	2	3	4	5
B16. Our company gives adequate contributions to charities.	1	2	3	4	5
B17. A program is in place to reduce the amount of energy and materials wasted in our business.	1	2	3	4	5
B18. We encourage partnerships with local businesses and schools.	1	2	3	4	5

SECTION C: ORGANIZATIONAL COMMITMENT

Below is a list of statements that describing one's feeling about his/her job or organization.. Please indicate the extent to which you agree or disagree with each of the following statements using the scale as follows:

Strongly Disagree (SD)=1 ,   Disagree (D)= 2,   Neutral (N)=3,   Agree(A)=4,

Strongly Agree (SA)= 5

	SD	D	N	A	SA
	1	2	3	4	5
C1. I really feel this organization problem is my own.					
C2. I enjoy discussing about my organization with people outside it.	1	2	3	4	5
C3. This organization has a great deal of personal meaning for me	1	2	3	4	5
C4. I am very happy being a member of this organization	1	2	3	4	5
C5. I worry about the loss of investment I have made in this organization.	1	2	3	4	5

	1	2	3	4	5
C6. I am loyal to this organization because I have invested a lot in it, emotionally, socially, and economically.	1	2	3	4	5
C7. If I wasn't a member of this organization, I would be sad because my life would be disrupted.	1	2	3	4	5
C8. I often feel anxious about what I have to lose with this organization.	1	2	3	4	5
C9. I feel that I owe this organization quite a bit because of what it has done for me.	1	2	3	4	5
C10. My organization deserves my loyalty because of its treatment towards me.	1	2	3	4	5
C11. This organization has a mission that I believe in and am committed to.	1	2	3	4	5
C12. I feel it is 'morally correct' to dedicate myself to this organization.	1	2	3	4	5

APPENDIX II

ANALYSIS OUTPUT

RELIABILITY ANALYSIS- SCALE (ALPHA) FOR OPERATIONAL MEASURES

	Corrected Item-total correlation	Conbach's Alpha
Economic responsibility		
1. We strive to lower our operating costs.	0.496	
2. We closely monitor employees' productivity.	0.358	
3. We have been successful at maximizing our profits.	0.370	
4. Top management establishes long-term strategies for our business.	0.497	
		0.635
Legal responsibility		
1. The managers of this organization try to comply with the law..	0.643	
2. Our company seeks to comply with all laws regulating hiring and employee benefits.	o.677	
3. We have programs that encourage the diversity of our workforce (in term of age, gender, or race).	0.698	
4. Internal policies prevent discrimination in employees compensation and promotion	0.567	0.820
Ethical responsibility		
1. Our business has a comprehensive code of conduct.	0.533	
2. We are recognized as a truthworthy company.	0.608	
3. Fairness toward co-worker and business partners is an integral part of our employee evaluation process.	0.724	
4. A confidential procedure is in place for employees to report any misconduct at work (such as stealing or sexual harassment).	0.688	
5. Our salespersons and employees are required to provide full and accurate information to all customers.	0.607	
		0.831

Discretionary responsibility

1. Our company supports employees who acquire additional educations.	0.592	
2. Flexible company policies enable employees to better coordinate work and personal life.	0.485	
3. Our company gives adequate contributions to charities.	0.568	
4. A program is in place to reduce the amount of energy and materials wasted in our business.	0.206	
5. We encourage partnership with local business and schools.	0.342	0.683

Affective commitment

1. I really feel as if this organization's problems are my own.	0.603	
2. I enjoy discussing about my organization with people outside it.	0.509	
3. This organization has a great deal of personal meaning for me.	0.689	
4. I am very happy being a member of this organization.	0.531	0.774

Continuance commitment

1. I worry about the loss of investment I have made in this organization.	0.563	
2. I am loyal to this organization because I have Invested a lot in it, emotionally, socially, and economically	0.521	
3. If I wasn't a member of this organization, I would be sad because my life would be disrupted	0.538	
4. I often feel anxious about what I have to lose with this organization.	0.550	0.747

Normative commitment

1. I feel that I owe this organization quite a bit   0.537
   because of what it has done for me.
2. My organization deserves my loyalty because   0.635
   of its treatment towards me.
3. This organization has a mission that I believe   0.747
   in and am committed to.
4. I feel it is 'moral correct' to dedicate myself   0.763
   to this organization.   0.836

Statistics

		gender	maritalstatus	age	workingexperience	department	educationlevel	nationality
N	Valid	150	150	150	150	150	150	150
	Missing	0	0	0	0	0	0	0

gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	60	40.0	40.0	40.0
	female	90	60.0	60.0	100.0
	Total	150	100.0	100.0	

maritalstatus

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	single	66	44.0	44.0	44.0
	married	78	52.0	52.0	96.0
	separated	1	.7	.7	96.7
	divorced	5	3.3	3.3	100.0
	Total	150	100.0	100.0	

age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	15	10.0	10.0	10.0
	25-33	77	51.3	51.3	61.3
	34-44	36	24.0	24.0	85.3
	45-55	21	14.0	14.0	99.3
	more than 56	1	.7	.7	100.0
	Total	150	100.0	100.0	

workingexperience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 1	24	16.0	16.0	16.0
	1-5	21	14.0	14.0	30.0
	6-10	69	46.0	46.0	76.0
	11-15	12	8.0	8.0	84.0
	16-20	9	6.0	6.0	90.0
	21-25	6	4.0	4.0	94.0
	more than 25	9	6.0	6.0	100.0
	Total	150	100.0	100.0	

department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	finance	9	6.0	6.0	6.0
	human resource	46	30.7	30.7	36.7
	account	7	4.7	4.7	41.3
	customer services	9	6.0	6.0	47.3
	marketing	43	28.7	28.7	76.0
	management	21	14.0	14.0	90.0
	production	15	10.0	10.0	100.0
	Total	150	100.0	100.0	

educationlevel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	primary	3	2.0	2.0	2.0
	secondary	39	26.0	26.0	28.0
	diploma/certificate	41	27.3	27.3	55.3
	bachelor's degree	51	34.0	34.0	89.3
	master degree	15	10.0	10.0	99.3
	Phd/doctorate	1	.7	.7	100.0
	Total	150	100.0	100.0	

nationality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	malaysia	150	100.0	100.0	100.0

Correlations

		Economic	Legal	Ethical	Discretionary	Commitment
Economic	Pearson Correlation	1	.376[**]	.658[**]	.485[**]	.536[**]
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
Legal	Pearson Correlation	.376[**]	1	.319[**]	.174[*]	.357[**]
	Sig. (2-tailed)	.000		.000	.033	.000
	N	150	150	150	150	150
Ethical	Pearson Correlation	.658[**]	.319[**]	1	.438[**]	.573[**]
	Sig. (2-tailed)	.000	.000		.000	.000
	N	150	150	150	150	150
Discretionary	Pearson Correlation	.485[**]	.174[*]	.438[**]	1	.416[**]
	Sig. (2-tailed)	.000	.033	.000		.000
	N	150	150	150	150	150
Commitment	Pearson Correlation	.536[**]	.357[**]	.573[**]	.416[**]	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	150	150	150	150	150

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.640[a]	.409	.393	.35721	.409	25.110	4	145	.000

a. Predictors: (Constant), Discretionary, Legal, Ethical, Economic

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.816	4	3.204	25.110	.000[a]
	Residual	18.501	145	.128		
	Total	31.317	149			

a. Predictors: (Constant), Discretionary, Legal, Ethical, Economic

b. Dependent Variable: Commitment

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Correlations		
		B	Std. Error	Beta	t	Sig.	Zero-order	Partial	Part
1	(Constant)	.463	.332		1.392	.166			
	Economic	.208	.104	.182	1.995	.048	.536	.163	.127
	Legal	.136	.061	.155	2.236	.027	.357	.183	.143
	Ethical	.355	.091	.337	3.888	.000	.573	.307	.248
	Discretionary	.147	.072	.153	2.058	.041	.416	.168	.131

a. Dependent Variable: Commitment