## Research on the Impact of Corporate Social Responsibility Performance on Corporate Reputation and Employee Organizational Citizenship Behavior

## Qingzhao Liu, Yuge Song

College of Business Administration, Lyceum of the Philippines University, Manila, Philippines

Abstract: A good corporate image and reputation will help companies quickly gain the trust of stakeholders such as consumers, investors, communities, and employees, and achieve sustainable development. This article mainly focuses on the fulfillment of social responsibility by manufacturing enterprises. From the perspectives of sustainable development theory, stakeholder theory, and reputation theory, combined with the survey results of manufacturing enterprises, this paper measures the company's social responsibility performance from various dimensions such as corporate social responsibility factors, social responsibility policies, frequency of social responsibility activities, company reputation, and organizational citizenship behavior, as well as the interrelationships between these dimensions. It also proposes optimization suggestions for corporate social responsibility policies and activities.

**Keywords:** Social responsibility activities, company reputation, civic behavior

#### 1. Introduction

With the increasing attention of society to corporate social responsibility (CSR), the demands of consumers, investors, suppliers and employees for corporate social responsibility are increasing. The decision-makers of organizations are facing the problems of how to manage related activities and allocate limited resources in a balanced manner. Therefore, the research on CSR related issues, including environmental responsibility, sustainable development, stakeholder management, organizational behavior and human resource management, has generated strong organizational and social needs, and managers are increasingly concerned about how to formulate relevant policies to combine CSR with improving corporate image and employee initiative [1].

At present, the research on CSR at the macro level of organizational strategy, finance, corporate governance and so on has become increasingly mature. Most of these studies focus on the analysis of institutional factors such as law, norms and cultural cognition, and the research results are basically consistent. However, from the micro level, the perspective of CSR in policy making, activity implementation, corporate reputation and organizational citizenship behavior needs to be expanded. At the same time, the antecedents, consequences and other related variables of corporate social responsibility also need to be further explored. In view of this, this paper first reviews the theoretical basis of CSR related research; Secondly, it constructs a theoretical framework to study the reasons for CSR performance and the relationship between the variables of CSR related dimensions; Finally, combined with the social responsibility needs of manufacturing industry, relevant suggestions are put forward.

## 2. Theoretical Analysis and Research Hypothesis

Based on the close relationship between stakeholders and enterprises, stakeholders are divided into level I and level II [2]. Shareholders, employees, customers, investors, etc. are divided into primary stakeholders. Those groups that can influence or be influenced by the enterprise, but cannot determine the survival of the enterprise are divided into secondary stakeholders, such as the media. Wheeler and silanpaa believe that stakeholders can be divided into primary and secondary. Investors, consumers, managers, suppliers and employees are classified as major stakeholders. Government, media, regulatory agencies, trade groups, etc. are classified as secondary stakeholders. Based on stakeholders with one or more attributes of power, legitimacy and urgency, a stakeholder saliency identification

model is developed [3]. Therefore, we can expect that the company will pay the most attention to the legitimate stakeholder groups with power and urgency. In practice, this may mean that companies with employee conflicts will pay attention to employee issues, while those in the consumer market will consider issues affecting reputation, and stakeholder groups may become more or less urgent. Carrol believes that stakeholders refer to individuals or groups that have dynamic ties with the enterprise and have certain rights and interests in the enterprise. He further pointed out that customers, employees, the government and the natural environment should be the main stakeholders of the enterprise.

The stakeholder theory is relatively consistent with value maximization, which means that managers must pay attention to all stakeholder groups that may affect the earnings of enterprises. But the story of stakeholders goes far beyond that in this case, any enterprise decision-making theory must tell the decision-makers, that is, the managers and the board of directors, how to choose among many groups with conflicting interests. Customers want products or services with low price, high quality and considerate service. Employees want high wages, high-quality working environment and additional benefits, including holidays, medical benefits and pensions. Capital suppliers want low risk and high return. The community wants high charitable donations or increase the social expenditure of the company to benefit the whole community, increase local investment and stabilize employment. All conceivable stakeholders have their own unique needs. Managers of enterprises must know how to make trade-offs between these requirements to achieve management optimization. Learn from the stakeholder theory how to guide managers to think more broadly and creatively about how to effectively manage all important supporters of the company through policies. In fact, one of the basic principles of value maximization is that we need to pay attention to every important supporter, otherwise we cannot maximize the long-term market value of an organization. Without good relationships with customers, employees, financial supporters, suppliers, regulators and communities, we cannot create value [4]. This provides a theoretical basis for the study of multidimensional strategies of corporate social responsibility activities.

Therefore, based on the main and secondary stakeholders in the perspective of corporate stakeholders, this paper constructs a dimensional framework of factors related to the implementation of corporate social responsibility, and studies the reasons for corporate social responsibility. Combined with sustainable development theory, institutional theory, reputation theory and social exchange theory, the following research hypotheses are constructed.

# 2.1 Study 1: The relationship between corporate social responsibility activity frequency and corporate reputation

The definition of corporate reputation varies. Barnett et al defined it as "the stakeholder groups evaluate the long-term financial, environmental and social impacts of the enterprise, so as to form an overall evaluation of the enterprise" [5]. Scholars are committed to determining which attributes the public uses to evaluate a company jointly determine the reputation of the whole company [6]. The most famous is the attributes of the seven dimensions determined by reptrak, the reputation Institute, namely, the company's product and service innovation, workplace, management, open and transparent business, citizens, leadership and financial performance. It can also be said that corporate reputation is the evaluation of stakeholders' summary performance of the enterprise, and these evaluations are generally determined by whether the enterprise can effectively meet the expectations of stakeholders [7]. A company's reputation is determined by signals such as social responsibility and financial performance, product quality, ownership structure, scale, media popularity and industry [8]. Some scholars believe that corporate social responsibility activities have a positive effect on the promotion of corporate reputation [9]. Corporate social responsibility activities can increase consumers' positive evaluation of the company to some extent [10]. Therefore, companies with strong social responsibility are likely to increase the frequency of corporate social responsibility activities, gain trust from different stakeholders, and then improve the company's reputation.

To sum up, hypothesis H1a is proposed: the frequency of corporate social responsibility activities has no significant relationship with corporate reputation.

Alternative hypothesis H1b: the frequency of corporate social responsibility activities has a significant positive relationship with corporate reputation.

## 2.2 Study 2: The relationship between corporate social responsibility policy and employees' organizational citizenship behavior

Social exchange theory (set) believes that the relationship between people as individuals in society can be seen as a social exchange relationship in essence (a combination of material exchange and nonmaterial exchange). Rooted in the relevant theories of psychology and economics, the principle of "fair distribution", the principle of reciprocity and the principle of reward are the basic principles of social exchange theory. When applied to the organizational environment, employees will often give more positive feedback to the organization when they perceive that the organization cares, appreciates and affirms them. Social exchange is based on the principle of reciprocity between parties, and can be used to describe the motivation behind employees' behaviors that are neither formal rewards nor contract driven [11]. The level of employees' participation in corporate social responsibility behavior can reflect "the non monetary interests of employment relations, especially those rooted in the concept of social exchange". The policies favorable to employees in the corporate social responsibility policy will enhance employees' sense of identity and belonging to the organization through material exchange, labor and currency exchange, emotional exchange and psychological expectation exchange, so as to stimulate them to invest more in organizational citizenship behavior [12]. In addition, the existence and implementation of corporate social responsibility policies can also improve the management and cultural atmosphere within the organization. This includes establishing open communication channels, advocating integrity and transparency, and paying attention to employee development and welfare. These factors help to shape employees' awareness and behavior of civic behavior.

To sum up, hypothesis H2A is proposed: corporate social responsibility policy has no significant relationship with employees' organizational citizenship behavior.

Alternative hypothesis H2B: corporate social responsibility policy has a significant positive relationship with employees' organizational citizenship behavior.

#### 3. Research Methods and Data Sources

This study uses the methods of questionnaire analysis and case analysis, and combines quantitative and qualitative analysis to explore the impact of corporate social responsibility policies and activities on corporate reputation and employees' organizational citizenship behavior. The questionnaire consists of two parts: the first part mainly analyzes the reputation of enterprises; The second part mainly analyzes the situation of organizational citizenship behavior. The questionnaire assigns a value to each questionnaire result, uses Excel and spss26.0 to carry out descriptive statistics and model empirical analysis on the collected data, and based on the analysis conclusion of the relevant situation of corporate social responsibility, puts forward suggestions on optimizing corporate social responsibility policies and activities according to the research results.

The data of this study are from the management and ordinary employees of manufacturing enterprises with different organizational structures. A total of 300 questionnaires were distributed and recovered, and 300 valid questionnaires were obtained, with an efficiency of 100%.

## 4. Descriptive Statistics and Empirical Analysis

#### 4.1 Descriptive Statistics

#### 4.1.1 Basic information of the company

According to the results of the questionnaire on the basic information of enterprises, the surveyed enterprises are divided into four types. It is found that the four types of enterprises surveyed are evenly distributed, accounting for 24%-27%. Among them, Sino-foreign joint ventures account for the largest number, accounting for 26.7%, and foreign-funded enterprises account for the smallest number, accounting for 24.3%. In terms of company age, the number of companies with 11-20 years is the largest, accounting for 41%, and the number of companies with 21-30 years is the smallest, accounting for 9%. In terms of the number of employees, there are more companies with less than 500 people, among which companies with 50-100 and 100-500 people account for 33.3 and 35.3% respectively, and companies with more than 1,000 people account for the smallest number, accounting for 14.3%, See Table 1 for details. In terms of the establishment of social responsibility departments, 93.3% have corporate social responsibility departments, indicating that with the development of companies,

enterprises are paying more and more attention to the importance of social responsibility to the sustainable development of enterprises.

Table 1: Basic enterprise information statistics

				Effective	Cumulative
		frequency	percentage	percentage	percentage
Organization	State-owned				
name	enterprises	75	25	25	25
	Foreign-funded				
	enterprises	72	24	24	49
	Sino-foreign				
	joint ventures	80	26.7	26.7	75.7
	Private				
	enterprises	73	24.3	24.3	100
Years of the	10 years and				
company	less	115	38.3	38.3	38.3
	11-20 years	123	41	41	79.3
	21-30 years	27	9	9	88.3
	More than 31				
	years	35	11.7	11.7	100
Number of					
employees	50-100 people	100	33.3	33.3	33.3
	100-500	106	35.3	35.3	68.7
	500-1000	51	17	17	85.7
	1000 or more	43	14.3	14.3	100
Social					
Responsibility					
Department	Yes	280	93.3	93.3	93.3
	not	20	6.7	6.7	100

## 4.1.2 Company Reputation

According to the analysis of the questionnaire results of the company's reputation, the overall average value of the company's reputation is 3.67 points, indicating that the company's reputation is relatively good. Specifically, the average value of each company's reputation evaluation content is higher than 3.65 points, of which the company's reputation is respected and appreciated by people, with the highest scores of 3.70 and 3.69 respectively, indicating that the implementation of corporate social responsibility activities has created a good corporate reputation for the enterprise. In terms of the company's reputation and success, the average score of the enterprise is 3.65, indicating that within the industry, the company's reputation and prestige still need to be improved, and there is still room for improvement in the implementation of the company's social responsibility activities.

#### 4.1.3 Organizational citizenship behavior

According to the analysis of the questionnaire results of organizational citizenship behavior, the overall average score of organizational citizenship behavior is 3.07, indicating that the level of corporate organizational citizenship behavior is general. Specifically, the average scores of helping colleagues, protecting and protecting the property of the organization, fully completing the assigned duties, and performing the duties specified in the job description were the highest, which were 3.73, 3.66, 3.66, and 3.67 respectively, indicating that the employees of the company were more active in expressing their behavior in performing their duties, maintaining the property of the company, and being willing to help colleagues, creating a good working atmosphere. In terms of behavior matters such as taking inappropriate breaks, spending a lot of time on private phone conversations, complaining about unimportant things at work, and neglecting all aspects of the work they are obliged to do, the average score is low, which is 1.99, 2.11, 2.33, and 2.09 respectively, which also proves from the negative side that employees can perform their duties relatively well in terms of work content and have a relatively high degree of recognition for the enterprise. In general, organizational citizenship behavior still has some room for optimization, and the organization and employees should be condensed into a closer community of interests through social responsibility policies and activities.

#### 4.2 Empirical analysis

#### 4.2.1 The impact of corporate social responsibility activity frequency on corporate reputation

It can be seen from table 2 that the frequency of corporate social responsibility activities is taken as the independent variable, while the corporate reputation is taken as the dependent variable for linear regression analysis. From the above table, the model formula is: corporate reputation=1.458+0.637\* corporate social responsibility activity frequency, and the R value of the model is 0.237, which means that the frequency of corporate social responsibility activities can explain the 23.7% change of corporate reputation. The model passed the F-test (f=92.779, p=0.000<0.05), which means that the frequency of social responsibility activities must have an impact on the company's reputation, and the impact is positive. Therefore, reject the original hypothesis H1a and accept the hypothesis H1B, that is, the frequency of corporate social responsibility activities has a significant positive relationship with corporate reputation.

	Non-normalized coefficients		Normalization	t	n	Collinear	
			factor			diagnostics	
	В	Standard error	Beta	l l	p	VIF	Tolerance
constant	1.458	0.233	-	6.251	0.000**	-	-
Frequency of							
social	0.637	0.066	0.487	9.632	0.000**	1	1
responsibility							
activities							
$\mathbb{R}^2$	0.237						
Adjust R <sup>2</sup>	0.235						
F value	F (1,298)=92.779,p=0.000						
D-W value	2.174						
Dependent variable: Company reputation							
* p<0.05 ** p <0.01							

Table 2: Results of linear regression analysis (n=300).

#### 4.2.2 The impact of corporate social responsibility policy on organizational citizenship behavior

From table 3, we can see that taking corporate social responsibility policy as the independent variable and organizational citizenship behavior as the dependent variable for linear regression analysis. From the table above, we can see that the model formula is: organizational citizenship behavior=-0.374+0.934\* corporate social responsibility policy, and the model R value is 0.526, which means that corporate social responsibility policy can explain 52.6% of the change of organizational citizenship behavior. The model passed the F test (f=331.070, p=0.000<0.05), which means that corporate social responsibility policy must have an impact on organizational citizenship behavior. Therefore, reject the original hypothesis H2A and accept the hypothesis H2B, that is, there is a significant positive relationship between corporate social responsibility policy and employees' organizational citizenship behavior.

	Non-normalized coefficients		Normalization	t	p	Collinear	
			factor			diagnostics	
	В	Standard error	Beta		r	VIF	Tolerance
constant	-0.374	0.191	-	-1.951	0.052	-	-
Social							
Responsibility	0.934	0.051	0.725	18.195	0.000**	1	1
Policy							
$\mathbb{R}^2$	0.526						
Adjust R <sup>2</sup>	0.525						
F value	F (1,298)=331.070,p=0.000						
D-W value	1.58						
Dependent variable: Organizational citizenship behavior							
* p<0.05 ** p <0.01							

Table 3: Results of linear regression analysis (n=300).

#### 5. Conclusion and Recommendations

Through the above empirical analysis of corporate social responsibility policy activities, corporate reputation and organizational citizenship behavior, the following conclusions are drawn: first, corporate social responsibility policy has a significant positive impact on organizational citizenship behavior. Second, the corporate social responsibility policy enhances the impact of corporate social responsibility activities on corporate reputation. Therefore, based on the above conclusions and from the perspective of stakeholders, this paper puts forward relevant suggestions from the aspects of corporate social responsibility policy formulation, corporate social responsibility activities implementation and organizational citizenship behavior, so as to enhance the company's reputation and promote the sustainable development of the company.

### 5.1 Guide organizational citizenship behavior participation

Firstly, companies can establish a supportive culture and incentive mechanism. By creating a corporate culture that encourages employees to participate in social responsibility, companies can enhance employees' awareness of social responsibility through training and communication. At the same time, social responsibility activities are combined with performance evaluation and reward mechanism to encourage employees to actively participate in and show civic behavior. Secondly, companies should pay attention to employee welfare, and value the working environment, welfare benefits, and career development of their employees. Enterprises implement fair and inclusive human resources policies, focusing on employee safety, health, work life balance, and career growth opportunities, to enhance overall employee satisfaction and participation.

## 5.2 Promote the common promotion of multiple interests

(1) Enterprises strengthen community participation and support, actively participate in and give back to local communities, promote the development of education, culture, health and other fields, carry out volunteer activities and community projects, and contribute to social progress. (2) By strengthening quality and safety assurance, enterprises ensure the quality and safety of products and services, safeguard consumer rights, comply with laws, regulations, and ethical standards, and strengthen product quality supervision and safety management. (3) Establish a sound supply chain responsibility for enterprises, promote sustainable management of the supply chain, ensure that suppliers and partners comply with social and environmental responsibilities, establish supply chain transparency, and review supplier behavior and practices. (4) Enterprises participate in social investment and charitable causes, support public welfare through social investment and charitable donations, cooperate with non-governmental organizations and charitable institutions, and jointly promote social development. (5) Enterprises explore ways to promote environmental protection and sustainable development, formulate environmental protection measures, implement sustainable business practices such as energy conservation, emission reduction, and resource recycling, and reduce the impact of enterprises on the environment.

#### References

- [1] Morgeson F P, Aguinis H, Waldman D A, et al. Extending corporate social responsibility research to the human resource management and organizational behavior domains: A look to the future[J]. Personnel psychology, 2013, 66(4): 805-824.
- [2] Clarkson M E. A stakeholder framework for analyzing and evaluating corporate social performance [J]. Academy of management review, 1995, 20(1): 92-117.
- [3] Mitchell R K, Agle B R, Wood D J. Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts[J]. Academy of management review, 1997, 22(4): 853-886.
- [4] Jensen M C. Value maximization and stakeholder theory[J]. Harvard Business School Working Knowledge. July, 2000, 24.
- [5] Barnett M L, Jermier J M, Lafferty B A. Corporate reputation: The definitional landscape[J]. Corporate reputation review, 2006, 9: 26-38.
- [6] Berens G, Van Riel C B M. Corporate associations in the academic literature: Three main streams of thought in the reputation measurement literature[J]. Corporate reputation review, 2004, 7: 161-178. [7] Fombrun C, Shanley M. What's in a name? Reputation building and corporate strategy[J].

#### Academic Journal of Business & Management

## ISSN 2616-5902 Vol. 6, Issue 9: 204-210, DOI: 10.25236/AJBM.2024.060928

Academy of management Journal, 1990, 33(2): 233-258.

- [8] Brammer S J, Pavelin S. Corporate reputation and social performance: The importance of fit[J]. Journal of management studies, 2006, 43(3): 435-455.
- [9] Standand A J S, Lwin M O, Murphy P E. Consumer perceptions of the antecedents and consequences of corporate social responsibility[J]. Journal of business ethics, 2011, 102: 47-55.
- [10] Brown T J, Dacin P A. The company and the product: Corporate associations and consumer product responses[J]. Journal of marketing, 1997, 61(1): 68-84.
- [11] Settoon R P, Bennett N, Liden R C. Social exchange in organizations: Perceived organizational support, leader—member exchange, and employee reciprocity[J]. Journal of applied psychology, 1996, 81(3): 219.
- [12] Blau P. Exchange and power in social life[M]. Routledge, 2017.