EXPLORING THE RELATIONSHIP BETWEEN CORPORATE SOCIAL RESPONSIBILITY AND ORGANIZATIONAL COMMITMENT: AN INSIGHT INTO THE TATA MOTORS PERSPECTIVE

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ABSTRACT

A growing number of studies have investigated the various dimensions of Corporate Social Responsibility (CSR) in the literature. However, relatively a few studies have considered its impacts on employees. The purpose of this study is to analyze how CSR affects the organizational commitment of employees based on the social identity theory (SIT). The growing imperative for business organizations to pursue socially responsible strategies has raised questions about the impact of such CSR initiatives on the behavior of external and internal stakeholders. While studies of the link between corporate social responsibility and stakeholders are common, considerably less research has addressed how aspects of CSR influence the attitudes of employees towards organization commitment. The analysis suggests that employee attitudes of CSR have a major impact on organizational commitment. It was found that perceptions of the organization’s responsibility towards society positively influenced commitment. This is important because external aspects of CSR are discretionary and provide, at best, an indirect benefit to employees. The results have significant implications for the implementation of CSR strategies. The positive relationship between employee perceptions of CSR and commitment emphasizes the payoff that may flow from investment in CSR. The relationship between external CSR and commitment suggests the benefits are not restricted to external reputation and external stakeholder management, but may also be reflected in the behavior of internal stakeholders. This emphasizes the importance firms should attach to the communication of CSR policies to employees.

KEYWORDS: Corporate Social Responsibility, Organizational Commitment, Social Identity Theory.