DOES CORPORATE SOCIAL RESPONSIBILITY INFLUENCE JOB STRESS AND TURNOVER OF EMPLOYEES IN PRIVATE COLLEGES OF PESHAWAR, KP-PAKISTAN?

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Abstract. The main aim of this research is to look into the impact of Corporate Social Responsibility on job stress and turnover of employees in private colleges of Peshawar-Pakistan. For this purpose, past literature has been reviewed. For empirical testing, adopted questionnaire was used and data was collected from the target population. The collected data was analyzed with the help of SPSS. The results revealed that Corporate Social Responsibility, job stress and turnover have negative relationship. The results of the study have practical as well as theoretical implications. The study addresses the existing gap as studies on CSR, job stress and turnover in colleges is non-existing.

Keywords: Turnover, Corporate Social Responsibility, Job stress, Private Colleges

Introduction
In the past few decades the significance of corporate social responsibility has been rising among the top most organizations of the world. Several researchers have examined that Corporate Social Responsibility influence an organizational repute and a business multiplier (Murphy, 1998; Zadek 1995). According to Fenwick (2010), is one of the important and progressively rising area of research. Most definitions and interpretations of corporate social responsibility refers to businesses task activities beyond what is obligatory in practical business practices to more environmental and social goals. There is not universally accepted definition of corporate social responsibility. However, there is an agreement that the concept of corporate social responsibility demands that businesses need to be conducted in ethical and sustainable way which addresses the concerns of all the stakeholders (Mitchell, et al. 1997).
According to Carroll (2016), one of the most common definitions for corporate social responsibility leans on “pyramid of corporate social responsibility”. “The social obligation of businesses includes the ethical, legal, discretionary expectations and economic that society has towards organization at a specified point of time”.

Turnover intention has been universally revealed to be a significant, applied precursor variable of turnover and the most important predictor of real turnover conduct (Griffeth, 2000). The risks are more, as refining upon turnover forecast potentials substantial consequences. From the applied perspective, more actual turnover forecast possibly offers extensive advances, assumed that voluntary turnover is related with high spare costs (Cascio, 2000), the loss of star performer (Trevor, 1997), and organization levels financial results (Glebbeek, 2004; Michele, Andrews, Rooy, Steilberg, & Cerrone, 2006; Shaw, Gupta, & Delery, 2005).

The present study purposes to create a connection between the job stress, employee turnover and Corporate Social Responsibility in organizations. Across the globe human resource is considered pillar of organization. Past researches have been shown that employee attracted towards those originations where corporate social responsibility is practically applicable (Dierkers & Zimmerma, 1994; Murphy, 1998; Zadek 1995). According to Coopers (2007), some studies recommend top manager considered workers as their valued strength, and organization can be boost up if their personal are to stay in organization. Concerning the turnover and corporate social responsibility many researchers views that employee favors those organizations that practice corporate social responsibility activities (Mowday, 2013).

The gap in the present research studies are less pragmatic research has been conducted in Pakistan perspective to examine influence of corporate social responsibility on job stress and turnover of employees in private colleges. The main aim of the study is to conduct an empirical research and fill the gap of the said problem in private colleges of Peshawar, KP-Pakistan by knowing the effect of the corporate social responsibility on job stress and turnover by using Carroll’s (1979) model. Carroll’s (1979) model of corporate social responsibility: ethical legal, Economic and philanthropic obligations (positive and proactive).

2. Contribution of the study

The three concepts i.e. job stress, employee turnover, and corporate social responsibility are significant for an organization’s success. The problem statement of this study is to investigate the influence of job stress, turnover and corporate social responsibility in private colleges of Peshawar, KP-Pakistan.
The key purpose of this study is to identify the influence of corporate social responsibility toward the job stress, turnover in maintainable business process especially in Peshawar, KP-Pakistan. There are main three aims which explain the concept of corporate social responsibility and its influence.

- To explain how does job stress, employees’ turnover effect by corporate social responsibility; and
- To concerned implement practical strategy for corporate social responsibility in private colleges as well as job stress, turnover of employees.

3. Review of Literature

3.1 Corporate social responsibility

Different literature specifies that Social identity theory (SIT) explains that the association between corporate social responsibility participation of firm and work attitudes and behaviors of its personnel. SIT shows that personnel feel satisfied to be related with organization working for the society and have best outer status (Ashforth & Mael, 1989; Dutton, Dukerich, & Harquail, 1994). There are excess of research exists on concept of corporate social responsibility. In early 1950’s it was incepted. Though, most investigators have showed researches on the idea and a lot of explanations and definitions had been created. The research emphasis (Carroll, 1979). According to him, organization has four main responsibility like ethical responsibilities, economical responsibilities, legal responsibilities and philanthropic responsibilities. According to Jones (1983), in over-all, the social responsibilities of organization seems to arise from difference of culture and political system with the financial system though, (Friedman, 1970) suggested that the effective operations of a society, was the mostly founded on the part concentration of its organizations. He also specified that firm is a financial institute which should be specializes in financial environment, generally accountable activities will be set by market through profit. According to Friedman (1970), business has one important social responsibility and that is, to defend their assets right of their stakeholders.

Organization is seen merely as legal entity unable of worth decision. A director who uses a firm’s capital for nonprofit social reason is consideration to be redirect economic competence and levy in illegal tax on the organization. Contrary (Frederick, et al. 1992) view, condemn the very basics of Friedman’s thesis the financial model. They assert that the role specialization and financial model of system are not operational as recommended. This come as a result of
the increase of oligopoly in various segments; the government participation in the economy and contrariwise industry participation in the political procedure through politicization, the parting of possession and management.

In addition, if corporation do not accept social responsibility, administration with possible for incompetence and concentrated executive ways may be required to intervene. According to Friedman’s suggestions that the lawful formation of corporation article memorandum of association limit a firm’s participation exclusively to financial position, it may be maintained which are bored enough to permit leaving for this slender pathway. According to Davis (1975), social responsibilities are also seen as a result of and a compulsion subsequent from the unparalleled raise of firm’s community power (as recruiters, tax spenders). Not a success to stability social power with social responsibility may eventually consequence in loss of this power and a succeeding failure of the firm (Davis, 1975).

According to Donaldson (1983), social responsibility, as a supplicatory obligation firm has towards society by another school of thought. It is society in the first place that has allowed firm to practice both human and natural capitals and has given them the right to execute their actions and to achieve their power rank. Thus, society has understood social agreement with the firm. As a result, outcome for the rights to use assets in the manufacture process, humanity had declared on the firm and must be privileges to control it.

Epstien, (1987) suggested that the particulars of this agreement may modify as communal changes however this agreement in common continuously remain the foundation of the legality of the demands for or declaration of the require of social responsibility. Majority of the researchers suggest this view unclear (Fisher & Smith, 2003; Hummels, 2004; White, 2004). Druker, (1974) suggested that firm must work for the wellbeing of people. They further suggested that being element of society firm must give some revenue to the society in term of benevolent deeds or wellbeing. Contrary, Freeman (1970) oppose the suggestions stated, the business of a business is to do business. Most of the investigators consisting of Stantwick (1988); Sturdivant and Ginter (1977); Maignan and Ferrel (2001); Kashyap, Mir and Lyer (2006) argued that firm or corporation must be accountable to share their information with stakeholders like consumer, community, competitors and government. Conferring to United Nation Compact lawful duty of businesses are functioning beside corruption, bribery and injustice.

Concerning lawful duty of firm Sarbanes Oxley Act, section 406 company financial officers should put up with for the ethics code that is to performance with honesty and integrity and neglecting professional and personal clashes.
Likewise, providing of actual record and which full fair to governing bodies is like exchange commission and securities.

3.2 Turnover of employee

The study has investigated that there are several reasons which effects employee turnover like intention to quit, organizational commitment and satisfaction (Griffeth, et al., 2000). A lot of causes are recognized by studies give details the reasons for peoples quitting their jobs. Among these causes organizational commitment and job satisfaction are prominent (Firth, et al., 2004).

3.3 Economic factor

Different researches investigate that turnover of employees are affected by economic reasons like low wages or salary particularly for turnover of labor (Weisbach, 1988). Though, few researchers are suggested that big organization with enhanced opportunity high pay show to be the basis of workers pull towards their organizations (Idson & Feaster, 1990).

3.4 Job stress

Different researches show that stress is one of the essential reasons for turnover, like (Kahn, et al., 1990), have examined the role uncertainty guide to confusion and misunderstanding which defiantly reasons turnover. Likewise, uncertain prospect of supervisors or colleague, uncertainty in performance appraisal method, work strains and more compulsory bewilderment on duty guide to less participation of workers and displeasure with their job therefore, employee leave his job (Mollica, 1997).

3.5 Pay and rewards

In the study of Fitz-Enz, (1990) examined a few important factors responsible for turnover of employee like intrinsic and extrinsic rewards, compensation, working environment, social relation and support from boss and organizational justice. Ihsan and Naeem, (2009) also explained that salary and pay scale an important element for employee turnover.

4. Relationship between the Study Variables

4.1 Corporate social responsibility and employee turnover

Several studies have provided the negative relationship between corporate social responsibility and turnover intention (Chaudhary, 2017; Hansen, et al. 2011; Hollingworth & Valentine, 2014; Riordan, et al., 1997). Riordan, et al. (1997) stated that employees less likely to think of leaving the organization.
with favorable perception of organization’s social performance. Though, less
research has been conducted showing direct relationship between employees’
corporate social responsibility and turnover intention. Also, some studies found
that there is no influence of corporate social responsibility on turnover
intention (De Gilder, et al., 2005; Jones, 2010).

Although, in the above mention findings indication towards a credible
indirect relationship of corporate social responsibility perceptions on turnover
intentions. Different mediators show in the literature including organization
commitment and trust (Hollingworth & Valentine, 2014), job satisfaction
(Hansen et al. 2011; Vlachos, et al., 2010), organizational identification (Jones,
2010). Likewise, Hollingworth and Valentine (2014) in a study amongst US
based financial services firms stated an indirect relationship of corporate social
responsibility on turnover intention through organizational commitment.

When organization completes their workers expectation about corporate
social responsibility, they can get superior job attitudes, better output and
reduce in turnover rate (Trevino & Nelson, 2004). Most studies revealed that
organization aptitude to maintain employees is a sign of success (Coopers,
2007). Many researchers examined that when skillful employees retain with
organization, its performance will be boost up (Huselid, 1995). Research
showed that job stress and work environment had important relationship.
Likewise, friendly working setting has a positive effect on low absenteeism and
organizational commitment (Colquitt, et al., 2001).

4.2 Corporate social responsibility and job stress

Corporate social responsibility perceptions and employee stress have remained
concerns of the managers and academicians. Some studies perceived that
ethical climate and ‘role stresses in organization are closely linked and that
violating ethical norms affect commitment, turnover intention, satisfaction and
job performance (Babin, et al., 2000). Many researches show that corporate
social responsibility that work environment is positive influence on employee
performance and will reduce job stress and turnover intention issues in
organization (Turker, 2009).

Job stress is an important factor that decreases job satisfaction and
organizational commitment. To increase job satisfaction and organization
commitment in personnel, then the stress factor must be handled. For this
purpose a tool like corporate social responsibility is important concept which
will not only increase organization commitment but also contribute to decrease
the negative effect of Job stress (Ali, et al., 2010). Job stress is a rising issue
that consequences in considerable costs to employee and work organizations on
the job (Cooper, et al., 2001).
Different firms in Pakistan are typically concerned with only making profits. The present state of corporate social responsibility in Pakistan is still insufficient. On the hand, some organizations have adopted corporate social responsibility approaches, frequently multinationals following their own corporate social responsibility approach. The local industry in Pakistan is unluckily unaware of the benefits of corporate social responsibility or they don’t want intentionally to adopt corporate social responsibility (Windsor, D.2001).

5. Conceptual Frame Work

![Conceptual Framework](image)

Figure 1: Conceptual Framework

5.1 Hypotheses

H1. Corporate social responsibility affects job stress.

H2. Corporate social responsibility affects employee turnover.

5.2 Methodology

5.2.1 Population and sample technique

Data was collected through questionnaire which primary in nature. Five-point Likert scale was implemented, starting from strongly disagree to strongly agree for corporate social responsibility while for Job stress and Turnover intention are seven Likert point scale was used for responses ranging from Nor agree to Always agree. The questionnaires were distributed among the lecturers and administrative staff of Private colleges of District Peshawar, KPK-Pakistan to gather information about corporate social responsibility, job stress and Turnover through simple random sampling. Adopted questionnaires were used and 102 questionnaires were distributed among the employees and about 79 were return out of total. The response rate was 79%. The regression and correlation analysis was tested by SPSS.

6. Results

About, 80% lecturers and 22% were administrative responded. The lecturers were 78% of the total sample of 24% administrative staff.
Table 1  *Correlation between Corporate Social Responsibility and Job Stress*  

<table>
<thead>
<tr>
<th></th>
<th>Job Stress</th>
<th>Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Stress</td>
<td>-0.246</td>
<td></td>
</tr>
<tr>
<td>Turnover</td>
<td>-0.378</td>
<td></td>
</tr>
</tbody>
</table>

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

Table 1 explains that there is a significant weak correlation present between corporate social responsibility, job stress and turnover. The person correlation value between corporate social responsibility, Job stress and Turnover intention is -0.378 and -0.246 which explain both have a negative weak correlation. The p value 0.001 which also explain the association is significant. Therefore, it requires that null hypothesis H0 is rejected and Alternative hypothesis H1 and H2 is accepted indicated that the relationship is present between corporate social responsibility, job stress and turnover.

Table 2: *Regression Analysis*

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>R2</th>
<th>Adjusted R2</th>
<th>P-value</th>
<th>Hypotheses supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>0.144</td>
<td>0.131</td>
<td>.002</td>
<td>Yes</td>
</tr>
<tr>
<td>H2</td>
<td>0.141</td>
<td>0.138</td>
<td>.003</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**P<0.01**

In table 2 the regression analysis explain that R² is 0.144 or 14.4%, it means that corporate social responsibility actions can bring 14.4% significant change in evasion of overall turnover of employees. Also, r² for job stress is .141, so it means organization should pay attention to corporate social responsibility to reduce job stress and retained employees with organization. So, it is concluded from the above results that corporate social responsibility has very important role in organizational growth by keeping its employee retain and decreasing turnover of employee. The turnover will decrease if organization practices the corporate social responsibility performance. If organization wants to retain their employees so they should pay attention to corporate social responsibility.

7. Conclusion and Future Recommendations

It is concluded that for an organization growth and development corporate social responsibility is indispensable. Corporate social responsibility should be strategically implemented and should be practice widely. Government should pay attention to corporate social responsibility actions in private organizations generally in private colleges of Peshawar in order to maintain their personnel and reduce the level of job stress and turnover. A practical strategy would be plan by the government and policy makers to initiate the idea of corporate social responsibility in private organizations. In addition, they can entice the costumers, evaluate their position in the society and ultimately growth their
profits. Also, the employees of such organization can be reserved and therefore faithful to them. As a result, job stress and turnover rate will be decreased.

Further it is recommended that the researchers should consider other important variables like organization commitment, Green HRM and Job satisfaction for credible results. The sample size and population must consider as telecom sector and another important sector. Future research should conduct using moderating variable which will helps for further researches. Researchers in Corporate Social Responsibility area encourage to test the planned research model in varying cultural and organizational settings for the improvement of the further studies. Adapting corporate social responsibility approaches there is opportunities for employees to be more committed and satisfy and will be reduce turnover rate and job stress.

Therefore, it will be more important to consider the altering nature of relationship among variables over time due to instable business setting and social performance of the organization.

References


