

Research on the Influence of Corporate Social Responsibility on Organizational Performance based on Structural Equation Model

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Abstract

With the economic and social transformation, corporate social responsibility has become an important factor affecting the enterprises performance. In this paper, we make an empirical analysis of the relationship between corporate social responsibility and organizational performance by using structural equation model. The result shows that CRS has an impact on the human resource management practice and organizational performance, at the same time, the HRM system has played an intermediary role. Enterprises to fulfill corporate social responsibility will significantly enhance the efficiency of human resource management, and obtain recognition of employees. So that it is necessary for enterprises to undertake the social responsibility in the long-term, and CRS will provide potential value for enterprises' competitive advantage.

Keywords: *Corporate social responsibility; organizational performance; Competitive advantage; structural equation model*

1. Introduction

With the transformation of China's economic and social, enterprises take the initiative to take social responsibility in practice is very important. In particular to take the subject of corporate social responsibility of a company, enterprise or organization, from the perspective of system, resources and competitive advantage, the enterprise bear the social responsibility is not only necessary and to the survival and development of enterprises and competitive advantage are potential value. The relationship between corporate social responsibility and corporate financial performance of long debate and research still continues, with the stakeholder theory is put forward, and were more likely to enterprise stakeholders [1]. The construct, and enterprise staff is enterprise key stakeholders, is the important resources of enterprises, business objectives or performance is obviously affect employee goals and can be influenced by the employee, the enterprise must on today's human resource issues active response, and to obtain the legitimacy of enterprise operation, coordination of the enterprise and employee relations, taking the way of harmonious relationship between employees and organizations to realize the sustainable development of enterprises. Enterprises to the human resources and social issues management, into the enterprise human resources management policy and practice operation, affect employee behavior and attitude to meet the demand of human resources and obtain competitive advantage and organizational performance.

Carol put forward the Pyramid model of corporate social responsibility; corporate social responsibility is divided into economic responsibility, legal responsibility, and ethical responsibility. Many disputes about corporate social responsibility mainly focus on enterprise, such as principal-agent theory, property rights theory, from the perspective of the nature of these enterprises to find the main body of social responsibility [2]. Corporate social responsibility from the

legal point of view is to personality, the enterprise itself cannot bear the social responsibility, but by the basic elements of the enterprise "people" to achieve and assume social responsibility. Department of human resources management as one of the important function departments of the enterprise management staff, corporate staff and social responsibility of the subject, to fulfill its social responsibility to employees is mainly involved in enterprise employee social responsibility for strategic action and the employees about the corporate social responsibility any issues and human resource management policy, system and Practice are closely linked, and through the development of human resource management practice to reflect the enterprise on employee's commitment to social responsibility[3]. In recent years, the research of corporate social responsibility in the field of organizational behavior theory made some progress and the corporate social responsibility from organizational behavior level research on strategic management and human resources management level of enterprise social responsibility practice trend. And human resource management from the level of organizational behavior research itself has a long history and a large number of literature heritage, which means that the corporate social responsibility and human resource management at the level of organizational behavior to fusion has important research value and practical significance. From the perspective of corporate social responsibility theory from the strategic view, resource view, knowledge management, organizational learning in organizational level research actively absorbed into organization of the function of management activities, become the source of the management innovation and organizational change theory.

2. Literature Review

2.1. Corporate Social Responsibility

In 1923, British scholar Oliver Sheldon for US companies and proposed the CSR, and the corporate social responsibility and meet the people inside and outside the industry needs, and that corporate social responsibility includes moral factors. This definition to corporate social responsibility as to meet people's needs of a mission has a direct influence on the later development of corporate social responsibility theory, thus opening the research starting point of the modern significance of the theory and practice of corporate social responsibility [4]. After corporate social responsiveness defined, but the three stages of corporate social responsiveness of the elements and management as strategy, process management and performance measurement, new technology and management skills and institutional policy; three of the five project management process: understanding process, deal with the process, the institutionalization process. Hafedh (2014) in response to social further development argues that the enterprise must implement the enterprise now and in the future the behavior produce minimal side effects of policies and plans [5], and form should be the ability to deal with the challenges. Therefore, the enterprise must foresight and to prevent patients suffering from in the bud. Then this part of the enterprise behavior characteristics of the social response. And for the first time the corporate social response type is divided into defensive type, reactive type and defensive type. This classification method has great influence on the concept of corporate social performance.

Carroll proposed corporate social performance three-dimensional model, and the responsibilities are divided into four categories: economic responsibility, legal responsibility, ethical responsibility and discretionary responsibility, to solve the second question about the responsibility of controversy and Bowen previously proposed enterprise should bear what responsibility; corporate social responsiveness

strategy is divided into: reaction type, adaptation and defense and proactive. At the same time, it also puts forward the responsibility of consumers, environment, race discrimination, product safety, occupational safety and stakeholders [6]. Corporate social responsibility in the 1980s and stakeholder theory combining attributed to Freeman's book, theory method was published, in the 1990s the theory comprehensively and corporate social responsibility research combined to become has lead the corporate social responsibility is the dominant paradigm in the study of theory and practice. The definition of stakeholders is defined as stakeholders are able to influence the realization of an organizational goal or by an organization to achieve its goal of the process of individual groups. Later, the definition of stakeholders according to different research areas, the definition of its definition has a different theoretical scope. In recent years, stakeholder theory has been widely used in four areas: organizational theory research, corporate governance, corporate social responsibility and strategic management. Other scholars believe that corporate social responsibility refers to the enterprise should bear the interest related parties as the object, including economic responsibility, legal responsibility and moral responsibility, a comprehensive responsibility [7]. Many domestic commitments to research on corporate social responsibility of scholars still follow the western theories, from different angle of view and the definition of corporate social responsibility, which became Chinese scholars since the development of the mainstream of the concept of corporate social responsibility. The concept of corporate social responsibility and sustainable development with consistency, because corporate social responsibility movement team environment protection and resource sustainable utilization and sustainable development of the concept of consistency, corporate social responsibility and sustainable development concept for enterprises to survive the pressure by consistency, corporate social responsibility and enterprise's sustainable development, promote the enterprise bear the social responsibility, help to the enterprise and society and environment comprehensive, coordinated and sustainable development.

2.2. Organizational Performance

Christian (2013) argues that corporate social responsibility and human resource management work together to produce a significant impact on organizational performance [8]. Corporate social performance also from the employee's perspective, concerned about the employees' work and life quality plan, and work family border, employee assistance program and organizational demography characteristics a baby tide of positive response, the positive impact on enterprise human resources reputation index, through the human resources reputation index to attract those with the value of corporate social responsibility view the same human resources to join the company and with the enterprise practice of corporate social responsibility, in order to achieve organizational performance. Organizational performance means the configuration read the reason for people to attention, mainly originated in the 20th century, the basic answer to a problem caused by why some organizational performance to than other organizations better. From a theoretical point of view, organizational performance is the core of organizational theory and strategic management research. The scholars have different views and understanding of organizational performance, mainly due to the differences in the understanding of the nature of the organization. Scholarly understanding of the definition and meaning of performance, there are two representative views: one is from the point of view of the starting to understand that: performance is a work related outcomes, some representative scholars think:

performance should be defined for the results of the work, because the results with the organizational strategic objectives, customer satisfaction and investment go most closely. To the view of scholars is not difficult to see that is from an investment perspective, that performances need to invest, the investment should be according to input-output ratio to measure the result, and the performance evaluation index system design related, such as market or financial index to measure the performance results. We will discuss in detail in the performance measure. The other is to recognize and understand the performance from the perspective of behavior. Duane (2013) points out that "performance is a set of behaviors that are related to the goals of a person in the organization or organization of their work [9].

Scott (1977) around the two aspects: the results of performance and behavior, later on organizational performance study is focused on the selection of metrics, mainly to take three types of index to measure the performance of content: one is the performance evaluation indicators [10]. Focusing on the characteristics of the material or objective results achieved by the organization, such as the reliability of the product, sales volume, and improvement in the health of the patient. The academic circle and the practice circle usually the performance indicators that are typical indicators of effective, but want to explain to the index will cover the serious problem that the results do not indicate work activities carefully and accurately, but also affected by the environment of the input and the output of tissue. For example, sales may be affected by the downturn in the economy. For these reasons, the results are usually adjusted or standardized in order to accurately reflect the real performance of the evaluated units. Two is the process of performance measurement indicators. Focusing on the number and quality of activities carried out by the organization, the actors are welcome to consider the performance process, because they are generally easy to control the process of work rather than the results. Three is the performance structure measure. Focus on the ability to measure the effective operation of the organization.

Some foreign scholars think: human resources management is through meet individual needs to achieve the goals of the organization, human resources management in the incentive mode in the process must be to ensure the use of incentives and behavior to bear on the behavior and the corresponding staff responsible Zhu such as economic, legal, ethical, and their own discretion,, these responsibilities are in positive impact on human resource management effectiveness, to fulfill the social responsibility for employees to ensure the effectiveness of human resource management and ensure the realization of organizational goals. There is still no consensus on the definition of organizational performance in the academic circles. The formulation is not the same, in the theory of the relationship between corporate social responsibility and corporate financial performance, often with corporate financial performance to express the meaning of organizational performance, strategic management and corporate governance is often used in enterprise performance to express, in the study of human resource management and organizational theory, often with organizational performance to interpretation.

3. Research Design

3.1. Structural Equation Model

The requirements of the enterprise are to have a clear business strategy, including human resources management strategy and corporate social responsibility strategy. Our investigation of the enterprises have not set up the corporate social responsibility of the functional departments, corporate social responsibility departments mainly lies in the hands of the enterprise executive team and high-level decision-making team, but part of it

relates to with employees about the corporate social responsibility management functions are almost always in the hands of the human resources management of departments in the, so we survey or questionnaire respondents were mainly to is in charge of the enterprise human resources executives or corporate human resource executive ,such as director, in charge of the total or human resources manager for more than the staff.

Table 1. Statistical Analysis of Enterprise Scale

Employees	Frequency	Percentage
100-200 people	118	39.6%
300-500 people	70	22%
600-999 people	30	10.4%
More than 1000 people	85	28%
total	300	100%

Table 2. Statistical Analysis of Industry Distribution

Industry	Frequency	Percentage
Bank	19	6.7%
Insurance	16	5%
Communication	19	6.3%
Education	35	11.3%
Wholesale	29	10%
Intermediary	18	7%
Catering, tourism	42	13%
Clothing	32	10.7%
Real estate	45	14.7%
Health care	24	8.3%
Others	21	7%
Total	300	100%

These enterprises are widely involved in state-owned enterprises, private enterprises, foreign-funded enterprises and joint ventures, and related to the industry are widely distributed in the financial services, iron and steel manufacturing, real estate, it, food and beverage, processing, manufacturing, processing and export of foreign trade, textile, chemical industry, biological medicine, consulting and services, tourism, transport, mining and resources exploitation industry. Mainly uses the questionnaire of online guidance and supervision is the fill in the answer, as well as to provide online inquiry and interpretation, to subjects who the questionnaire involved constructs and knowledge variables have good understanding to effectively fill in a questionnaire, questionnaire statistics such as table 1 and table 2.

3.2. Variables Analysis

The study involved three measurement variables, namely, corporate social responsibility, human resource management practice system and organizational performance. Corporate social responsibility scale, mainly according to the internal corporate social responsibility scale, because the study is mainly from the employee's perspective to research on corporate social responsibility, in the measurement of corporate social responsibility mainly from the perspective of stakeholders were measured, especially the staff as enterprise important stakeholders to measure corporate social responsibility. Human resource management practice system in the research of strategic human resource management is a big problem in the research. The

research mainly synthesizes, especially from the literature on the relationship between corporate social responsibility and human resource management, the choice of the basic components of human resource management. The measurement of organizational performance is mainly adopt two constructs are: one is the operation performance, human resource performance and the quality of products and services two an index of 3 items were measured, using the human resources performance satisfaction and employee turnover, we use employee satisfaction, employee turnover rate and the quality of products and services project to form operation performance dimensions; the other is a measure of financial performance, financial performance mainly adopts subjective index and market based. Such as market share, profitability and market growth rate of three a project to measure financial performance.

4. Empirical Analysis

4.1. Structural Equation Model

Structural equation model is better than the traditional regression model has a great advantage, the regression model contains a series of regression equation of the structure equation is just can simultaneous analysis of multiple variables and independent variables and their complex relationship and regression model requires the relationship between multiple levels of processing on these variables, structural equation can simultaneously analysis and studies on the accuracy of a regression model can greatly improve the.

Table 3. Corporate Social Responsibility Second-Order Factor Loading

Dimension	factor	Standard factor load	P value	Standard error
Corporate Social Responsibility	Economic responsibility	0.815	0.000	0.230
	legal responsibility	0.625	0.000	0.110
	Ethical responsibility	0.939	0.000	0.081
	Self-responsibility	1.096	0.000	0.107

Structural equation modeling can be used as a statistical tool in general, there are many, we mainly use AMOS to carry out statistical and model measurement. The study involved three measurement variables, namely, corporate social responsibility, human resource management practice system and organizational performance. In order to ensure the validity of the design of the questionnaire, the variables in the design of the questionnaire are used in the relevant research at home and abroad as far as possible, commonly used in the measurement scale or item, and according to the domestic context, as appropriate, the expression of item is modified.

Table 4. Human Resource Management Second-Order Factor Loading

dimension	factor	Standard factor load	P value	Standard error
Human resource management	resource planning	0.904	0.000	0.048
	job analysis	0.951	0.000	0.044
	performance evaluation	0.946	0.000	0.045
	Fair compensation	0.962	0.000	0.046
	organizational culture	0.995	0.000	0.044
	Training	0.906	0.000	0.047
	Career planning	0.960	0.000	0.050
	Employee participation	0.996	0.000	0.056
	Organizational communication	0.944	0.000	0.050

Reliability refers to the tool for measuring the consistency and stability degree of reflection and the reliability of the questionnaire measurement scale is refers to the questionnaire to measure the results of the degree of internal consistency, mainly inspects the reliability of the questionnaire to obtain the data. Prior to the analysis of the questionnaire, we must ensure that the reliability of the questionnaire to ensure the quality of the measurement, the process is mainly through the Cronbach α consistency factor to consider the. According to the factor analysis of the initial model, the reliability of the item reliability, especially the selection of the correlation coefficient, is under the guidance of the model updating index. Test data as shown in table 3 and table 4.

Table 5. Organizational Performance Second-Order Factor Loading

Dimension	Factor	Standard factor load	P value	Standard error
Organizational performance	Operating performance 1	0.626	0.000	0.019
	Operating performance2	0.663	0.000	0.027
	Financial performance1	0.711	0.000	0.031
	Financial performance2	0.812	0.000	0.026
	Financial performance3	0.792	0.000	0.028

We find that employee turnover cannot correctly reflect the changes of their organization's operating performance, the reason is that the traditional organization theories believe that the employee turnover rate is high will be affecting the operation performance of the organization and its theoretical explanation is staff instability of influence within the organization or department internal task performance, such as high staff turnover rate, to some of the traditional processing and manufacturing industries, the impact is relatively large, especially for foreign trade processing manufacturing industry is relatively large. Overall, employee turnover rate, the organizational performance may not be high, there are many factors, including the individual and organizational level of employees; conversely, high turnover of staff, organizational performance is not necessarily low. If the staff is too stable, be sure to breed employees inertia and act as an impostor, lack of internal competition, organizational and operational performance is not necessarily good.

Table 6. Overall Model Fit Index Value

fit indices	Index value	Fit condition
X2	17.956	
df	5	
X2/df	3.591	preferably
GFI	0.976	preferably
AGFI	0.929	preferably
CFI	0.977	preferably
IFI	0.978	preferably
NFI	0.969	preferably
ECVI	0.127	preferably
RMSEA	0.093	preferably

From table 6, we can get that corporate social responsibility overall model fit better, X2/df between 2 and 5, in full compliance with the requirements. The goodness of fit index was only slightly smaller than AGFI, and the other goodness of fit index was above 0.90, which was in line with the requirements. Therefore, the two order model of

corporate social responsibility can be accepted, the above parameters are estimated to be effective.

4.2. Result Analysis

We take corporate social responsibility as antecedent variables of human resource management and organizational performance research has very important theoretical and practical significance. In theory, the humanism of the traditional concept of in the moral and ethical is carried forward to the theory of human nature, but are still not thought of humanism is placed down a free market economic environment considerations, still remain in the theoretical and ideological level. The idea of corporate social responsibility is the combination of people this doctrine and free market economy thoughts, perfect, from the macro and micro level thinking between the enterprise and its employees and stakeholders "fish and water" relationship. Human resource management and efficiency has become the focus of academic and practical circles. However, the research on the relationship between human resource management and organizational performance of FR dependent variables should be paid more attention to. Corporate social responsibility to the equity, sustainable development, environment, relevant issues and ideas into the organization management and organizational practice, has important theoretical value and practical significance. The first empirical path is about the relationship between corporate social responsibility and organizational performance, we propose four hypotheses, namely the enterprise economic responsibility has positive effect on organizational performance and the corporate legal responsibility has positive effect on organizational performance, business ethics responsibility has positive effect on organizational performance and enterprise discretionary responsibility has positive effect on organizational performance; the second is the empirical route of human resources the management practice of corporate social responsibility positively affect the practice of human resource management system, such as corporate social responsibility positively influence the human resources planning, job analysis, selection of rattan configuration, performance evaluation and fair remuneration system, organizational culture, training development, occupation planning and development, employee participation and communication; the third route is the practice of human resource management system positive impact on organizational performance, in which a single human resource management human resource management system. Practical activities which impact on organizational performance; the fourth route is the impact of CSR on organizational performance is achieved through the intermediary role of human resources management.

5. Conclusion

The research of this paper is from the perspective of stakeholders, that is, the general study of corporate social responsibility and organizational performance from the perspective of employees, the traditional view that corporate social responsibility will inevitably affect the financial performance of the point of view. From a macro point of view, to reveal the mechanism of corporate social responsibility and corporate financial performance, our study is from the micro level to study based on the perspective of stakeholders of corporate social responsibility and organizational performance, and through the intermediary role of human resources management to reveal the action mechanism and the mechanism of the relationship between corporate social responsibility and organizational performance. Through the construction of corporate social responsibility, model of the relationship between human resource management and organizational performance, especially the intermediary model about the system of human resource management practice, we find the selection of the configuration and the performance of the corporate social responsibility in the practice of human resource management system based on rating evaluation, fair remuneration system, organization

culture, training and development, career planning and development, employee involvement and organizational communication practice of human resource system has important practical significance. In addition, our research also believes that corporate social responsibility and human resource management have a positive impact on organizational performance, that is, corporate social responsibility and human resource management can promote organizational performance. We have filled up the vacancy and deficiency of the research on the mediating mechanism of corporate social responsibility and organizational performance. Through empirical research and theoretical analysis, we put forward the theoretical model of the relationship between corporate social responsibility, human resource management and organizational performance is verified, the hypothesis was tested, and the conclusion was obtained:

Corporate social responsibility mainly consists of economic responsibility, legal responsibility, ethical responsibility and self-responsibility. Empirical test results show that the four components of corporate social responsibility have a significant positive impact on organizational performance, which indicates that the corporate social responsibility of employees to help improve organizational performance. Corporate social responsibility has a significant positive impact on human resource management. The results showed that, corporate social responsibility of the four part are the practice of human resource management system selection of the configuration, performance evaluation, fair remuneration system, organizational culture, training and development, career planning and development, employee involvement and organizational communication has significant positive impact on relationship. It shows that the enterprise's social responsibility to employees can significantly improve the efficiency of human resource management, but also makes the human resources management of the legitimacy of the employee's identity. In the practical process of corporate social responsibility, especially the enterprises to fulfill of employee social responsibility in the process, the human resources management is to fulfill the social responsibility to employees, partners, in the relationship between corporate social responsibility and organizational performance plays an intermediary role.

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