

Corporate Social Responsibility and Employee Satisfaction: The Mediating Effects of Work-Life Balance Support and Work Stress

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Abstract

Businesses embrace the concept of corporate social responsibility (CSR). This study investigates the individual effect of perceived internal CSR and external CSR on employees' job satisfaction. Moreover, this investigation explores the mediating roles of perceived work-life balance support (WLBS) and work stress (WS). The researchers use partial least square structural equation modeling to test the data from employees in Taiwan. The results prove that perceived internal CSR and external CSR positively and significantly affect job satisfaction. Perceived WLBS partially mediates the perceived internal CSR–job satisfaction and perceived external CSR–job relationships, whereas WS partially mediates only the perceived internal CSR and job satisfaction relationship. Moreover, perceived WLBS and WS sequentially mediate the CSR and job satisfaction relationship. The study's findings suggest that it is vital for firms to strengthen internal and external CSR engagements to promote WLBS, thereby reducing WS and ultimately increasing employees' job satisfaction.

Keywords: Corporate social responsibility, internal CSR, external CSR, job satisfaction, perceived work-life balance support, work stress, structural equation modeling, Taiwan

1.0 Introduction

Large corporations globally embrace the concept of corporate social responsibility (CSR) and they consider it a business strategy. Brammer et al. (2007) argue that firms benefit from CSR by attaining competitive advantage and sustainable development. Chatzopoulou et al. (2022) state that most CSR research concentrates on external stakeholders – community, environment, and consumers- and pays less attention to internal stakeholders, particularly employees. Skilled and talented employees constitute one of the most crucial assets of an organization; hence, Al Aina and Atan (2020) indicated that employees serve as one of the most critical factors in sustaining

organizational performance. Therefore, knowledge of how and why employees respond to CSR is beneficial.

Moreover, Du et al. (2015) argue that CSR guides firms in designing and implementing programs capable of meeting employee needs; these programs influence employees' job satisfaction, maximizing business performance. Moreover, drawing from the premise of social exchange theory and social identity theory, studies have demonstrated that employees' satisfaction is higher if an organization employs CSR in their operation because it can drive positive attitudes toward their work and enhance their self-worth, self-values, and job-related skills (Ashforth & Mael,

1989; Blau, 1964; Jia et al., 2019; Peterson, 2004). However, some scholars claim that employees respond differently to CSR types. For instance, De Roeck et al. (2014) and Turker (2009) point out that perceived internal CSR (ICSR) affects employee outcomes over and above perceived external CSR (ECSR). Thus, this study considered both ICSR and ECSR to provide a more detailed and specific discussion on what type of CSR could significantly affect job satisfaction. Brammer et al. (2007) defined ICSR as social responsibility activities for the well-being of the internal stakeholders, such as employees, while ECSR refers to social responsibility activities for the welfare of the external stakeholders, such as local communities and the environment.

Regarding the relationship between CSR types, ICSR and ECSR, and job satisfaction, few investigations have addressed the mediating factors explaining the said relationship. For example, the studies of Murshed et al. (2021) and De Roeck and Maon (2018) demonstrated that CSR importance to employees, organizational identification, and overall justice mediate the CSR and job satisfaction relationship. However, their findings have shown that only partial mediation exists, meaning other mechanisms still affect the relationship. Hence, the literature still needs to be more comprehensive to the underlying mechanisms explaining why and how ICSR and ECSR increase employees' satisfaction with their jobs.

Susanto et al. (2022) discuss that employees struggle to balance work and personal life due to job demands, leading to job dissatisfaction. Hence, scholars call for studies to link CSR with work-life balance to enhance job satisfaction (Kim et al., 2020; Zheng, 2022). Moreover, Schwepker et al. (2021) argue that work-related stress is a vital factor contributing to poor employee well-being and higher costs; hence, management must understand ways to minimize stress in the

workplace to reduce costs and achieve positive employee outcomes, including job satisfaction. Scholars argue that employees have needs, like health and safety, balanced family and work life, esteem, and social life, which they seek to satisfy through their jobs (Kim et al., 2020; Sirgy et al., 2001). Through the lens of needs satisfaction and social identity theories, this paper proposes that a company's ICSR and ECSR activities fulfill these needs, thus promoting work-life balance support (WLBS) and decreasing work stress (WS), thereby satisfying employees' needs and resulting in an increased employees' job satisfaction. Therefore, the main objectives of this research are: (1) to investigate the individual effect of perceived ICSR and ECSR on job satisfaction, WS, and WLBS; (2) to determine the effect of WS and WLBS on job satisfaction; and (3) to explore the mediating roles of perceived WLBS and WS in the perceived ICSR and ECSR and job satisfaction relationships. Figure 1 shows the framework of this study.

Review of Related Literature and Hypotheses

Internal CSR, external CSR, and job satisfaction

Watts et al. (1999, p.3) define CSR as "the continuous commitment by business through behaving ethically in their trade and contribute to economic development, at the same time improving the quality of life of the workforce and their families as well as the local community and society at large." The categories of CSR are internal and external. Internal CSR encompasses a firm's activities and programs directed to employees (e.g., employee rights and employee health and safety) and economic aspects (e.g., risk control mechanisms) (Hameed et al., 2016; Turker, 2009). External CSR includes the firm's programs and activities directed to society (e.g., corporate philanthropy) and the natural environment (e.g., environmental protection), which strengthen its reputation or image (Brammer et al., 2007; Hameed et al., 2016). CSR scholars have demonstrated

that ICSR and ECSR separately affect employee outcomes (De Roeck & Maon, 2018; Turker, 2009), including job satisfaction (De Roeck et al., 2014; Tziner et al., 2011).

Job satisfaction is "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (Locke, 1976, p. 1304). Schaefer et al. (2020) argued that employees' job satisfaction is higher when they regard their employer as socially responsible. Scholars have used social exchange theory and social identity theory to explain the link between internal and external CSR and job satisfaction. Accordingly, the basic principle of the social exchange theory is the assumption of reciprocity, which means that when one party provides something of value, the other party must also return something of value (Cropanzano & Mitchell, 2005). Moreover, Chatzopoulou et al. (2022) indicated that social exchange theory assumes that individuals respond positively when they receive resources, such as economic and socioemotional, from their employer. In the case of CSR, a firm's internal CSR directed to employees increases social exchange relationships because it benefits them, such as employment stability, skills development, and work-life balance (Lee, 2021). As a result, employees reciprocate it by showing positive attitudes and behaviors toward the organization, affecting job satisfaction. Previous studies have indicated that internal CSR strongly and positively influences job satisfaction (Altheeb & Al-Louzi, 2020; Chan & Hasan, 2019; De Roeck et al., 2014; Tziner et al., 2011).

Social identity theory states that an individual's social identification increases when the organization is socially responsible, reputable, and legitimate (Ashforth & Mael, 1989; Murshed et al., 2021). Scholars argued that being part of a socially responsible company increases employees' sense of purpose and pride, leading to positive work-related outcomes, including job satisfaction (Jia et al., 2019; Murshed et al., 2021). In addition, previous

studies have demonstrated that external CSR engagement could achieve the image of a socially responsible organization (Brammer et al., 2007; Schaefer et al., 2020). Peterson (2004) indicated that employees' participation in corporate volunteering programs aligned with their values enhances job-related skills, which may make employees feel satisfied with their work in the company. Using social identity theory, previous researchers indicated that employees' positive evaluation of their employer's ECSR initiatives positively influences job satisfaction (Chan & Hasan, 2019; De Roeck et al., 2014; Murshed et al., 2021; Schaefer et al., 2020). Therefore, we posit that:

Hypothesis 1a: Employees' perception of ICSR positively relates to job satisfaction.

Hypothesis 1b: Employees' perception of ECSR positively relates to job satisfaction.

Mediating effects of perceived work-life balance support and work stress

Work-life balance refers to the degree to which an employee balances the demands of work, family, and personal duties (Hill et al., 2001). Singhapakdi et al. (2015) and Watts et al. (1999) argued that one of the purposes of CSR is to improve employees' quality of life. Employees' quality of life encompasses a balanced personal life and work life; hence, CSR also improves employees' work-life balance. Scholars supported the argument by indicating that ICSR supports workers' work-life balance (Sirgy & Lee, 2018). Due to an organization's WLBS, employees can flexibly arrange their work time, giving them ample time for family and personal life (Kalliath & Brough, 2008; Sirgy & Lee, 2018), resulting in higher job satisfaction. Moreover, using the needs satisfaction theory, Kim et al. (2020) demonstrated that employee-directed CSR fulfills employees' basic needs of quality of work life, including WLBS. As a result, employees have higher job satisfaction. Sirgy and Lee (2018) argued that employees who experienced WLBS

tend to have high job satisfaction.

Drawing from social identity theory, Maignan and Ferrell (2001) state that a company's positive image and reputation (i.e., being socially responsible) improves employees' self-identity, thereby satisfying their growth needs for social and esteem. Using the needs satisfaction theory, Kim et al. (2020) demonstrated that voluntary CSR (e.g., CSR to community and environment) fulfills employees' growth needs for quality of work life, including needs for social and esteem. Bhende et al. (2020) and Bholra and Nigade (2016) argue that quality of work-life plays a vital part in maintaining employees' work-life balance; hence, employers' efforts to satisfy employees' growth needs for quality of work life promotes WLBS. Hence, the researchers argue that ECSR promotes WLBS by satisfying their growth needs, particularly needs for social and esteem. Haar et al. (2014) demonstrated that those organizations that provide WLBS cultivate employees with a positive attitude toward jobs, ultimately increasing job satisfaction.

Stress is a relationship between an individual and the environment, which can endanger an individual's well-being (Lazarus & Folkman, 1984). Scholars stated that stress is associated with work-related events, such as work overloading, criticisms, lack of support, and antagonistic co-worker relationships (Motowidlo et al., 1986; Suong, 2020). In other words, WS occurs if a person's characteristics do not fit the environment (e.g., working, peers, organization). Svergun and Fairlie (2020) found that employees' CSR perceptions were negatively related to WS. Accordingly, employees viewed their employer's socially irresponsible behavior as threatening their well-being, increasing WS. High WS levels can lead to organizational problems, such as reduced job satisfaction (Jamal, 2005; Suong, 2020); hence, they suggested that firms promote ICSR to reduce WS. In particular, ICSR, such as promoting employees' well-being, health, and safety, providing proper workloads and good

working conditions, treating employees fairly and with respect, and supporting career development, are implemented to reduce WS and eventually increase employees' job satisfaction (Bhende et al., 2020; Svergun & Fairlie, 2020).

Furthermore, to reduce employees' work-related stress, Bhende et al. (2020) say that firms should identify the contributing factors to improve employees' quality of work life. Using the needs satisfaction theory, Kim et al. (2020) identify that voluntary CSR or ECSR could improve employees' quality of life. Also, Ramos et al. (2015) claim that employees' participation in volunteering programs, which is an ECSR, lowers the level of WS. Aghdasi et al. (2011) state that employees with low WS have more job satisfaction than those with high WS.

Sirgy and Lee (2018) have found that as WLBS decreases, work- and non-work-related stress increases. On the contrary, Bhende et al. (2020) point out that the presence of WLBS can positively influence WS. Giauque et al. (2019) have discovered that WLBS is a valuable job resource that significantly reduces stress in the workplace. The integrative review of Sirgy and Lee (2018) indicates that an organization's support for work-life balance generally reduces stress and increases employees' job and life satisfaction. Therefore, we posit the following hypotheses:

Hypothesis 2: Employees' perceptions of work-life balance support mediate the relationships between (a) perceived ICSR and job satisfaction and (b) perceived ECSR and job satisfaction.

Hypothesis 3: Employees' perceptions of work stress mediate the relationships between (a) perceived ICSR and job satisfaction and (b) perceived ECSR and job satisfaction.

Hypothesis 4: Employees' perceptions of work-life balance support and work stress sequentially mediate the relationships between (a) perceived ECSR and job satisfaction and (b) perceived ECSR and job satisfaction.

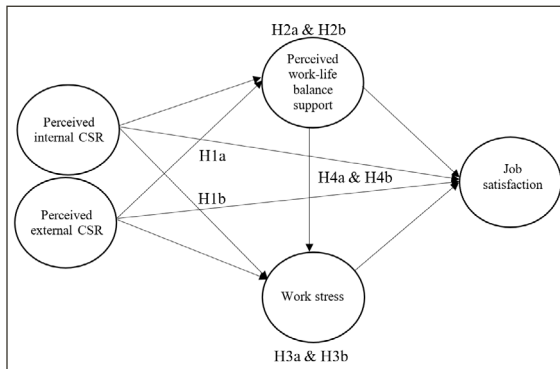


Figure 1. The framework of the study

2.0 Methods

Sample and data collection

The research team conducted this study in a chain of department stores in Taiwan. Data was gathered from April to May 2019. The researchers collected the data from three department stores located in different cities. Out of 827 questionnaires distributed to all employees, 644 questionnaires were returned. After data cleaning, 584 responses were tabulated and analyzed. This sample size represents the population based on the criterion of Cochran (2007). As to profile, most respondents were female (65%), 20 to 40 years old (68%), unmarried (69%), bachelor’s degree holders (66%), and have worked in the company for more than five years (58%). Moreover, the respondents held managerial and supervisory positions (25%) and non-managerial and non-supervisory positions (75%).

Common method variance

Since this study relied on self-reported data (Spector, 1994), the results may be affected by common method variance (CMV). When gathering data, the researchers followed some procedures to minimize, if not eliminate, the potential common method bias, such as respondents being informed that there were no wrong answers and confidentiality of their responses and using previously validated measures (Podsakoff et al.,

2012). Moreover, the researchers have used the inner variance inflation factor (Kock, 2015; Kock & Lynn, 2012) and common latent factor (Eichhorn, 2014) to check the extent of the CMV problem. Results show that the inner VIFs of the constructs were less than five, and the square of each path’s common factor is 2.79%, below the 50% threshold; thus, the CMV problem is not a severe issue for this research.

Measurements

Following the translation-back-translation procedure by Brislin (1980), the items were translated from Chinese to English. A five-point Likert-type scale was used for all measures except for the demographic items, where one represents strongly disagree, and five represents strongly agree. The perceived ECSR and ICSR scales (formative) were adopted from the studies of Glavas and Kelley (2014) and Lee et al. (2013). A sample ECSR scale item is, “My company continuously makes contributions to society.” A sample ICSR item is, “My company follows the Labor Standards Act and respect for labor’s human rights.” The job satisfaction items (reflective) of Du et al. (2015) were adopted, and a sample item is, “Overall, I am satisfied with my work.” The perceived WLBS items (reflective) were adopted from Sirgy and Lee (2018) and Kalliath and Brough (2008). A sample WLBS item is, “I can flexibly arrange my work time.” The WS items (formative) of Motowidlo et al. (1986) were used, and a sample item is “My company assigns proper workload.”

3.0 Results and Discussion

Evaluation of measurement models

The study applied the partial least square structural equation modeling (PLS-SEM) technique using smartPLS 3.0 software. This method is appropriate because the research involves reflective and formative constructs, engages prediction, and is exploratory (Hair et al., 2017).

Scholars argue that reflective and formative

constructs should be evaluated separately using different tests (Hair et al., 2011). The thresholds suggested by Henseler et al. (2015), Hair et al. (2011), Fornell and Larcker (1981), and Hair et al. (2016) were used to assess the reliability and validity of all the constructs. For reflective constructs, Tables 1 and 2 show that the constructs are reliable and valid as evidenced by the Cronbach's alpha, composite reliability, and factor loading values, which are all higher than 0.70, the average variance extracted (AVE) is above 0.50, the square root of

the AVE is larger than the diagonal inter-construct correlation, and the heterotrait-monotrait ratio of correlation between the reflective constructs is below 0.90. For formative constructs, Table 1 shows that the indicator weight of each item is significant, the t-values are higher than 1.96, and all VIF values are lower than 5.0 using bootstrapping with 5,000 bootstrap samples; thus, all items are reliable and valid. Table 3 shows the correlation coefficients among the constructs using the Pearson correlation analysis.

Table 1. Validity and reliability tests

Constructs	Factor loadings	Outer weights	t-values	VIF	Cronbach's alpha	CR	AVE
ICSR	0.77–0.91	0.11–0.40***	2.09–6.86	1.94–3.24	na	na	na
ECSR	0.82–0.87	0.15–0.31***	2.69–4.96	2.14–2.88	na	na	na
WLBS	0.86–0.94	na	na	na	0.93	0.95	0.82
WS	0.79–0.92	0.17–0.49***	3.46–8.73	2.12–2.96	na	na	na
JS	0.94–0.96	na	na	na	0.94	0.96	0.90

Notes: ***p-value<0.001; variance inflation factor (VIF); composite reliability (CR); average variance extracted (AVE); perceived internal corporate social responsibility (ICSR); perceived external corporate social responsibility (ECSR); perceived work-life balance support (WLBS); work stress (WS); job satisfaction (JS); not applicable (na).

Table 2. Discriminant validity of reflective constructs

Reflective constructs	Work-life balance support	Job satisfaction
Work-life balance support	0.908	<i>0.859</i>
Job satisfaction	<i>0.805</i>	0.946

Notes: The diagonal values in bold are square roots of the AVE of the reflective constructs based on Fornell-Larcker criterion: The Value in italics above the diagonal is based on the HTMT criterion.

Table 3. Correlations

Constructs	ICSR	ECSR	WLBS	WS	JS
ICSR	1.00				
ECSR	0.88**	1.00			
WLBS	0.67**	0.67**	1.00		
WS	-0.76**	-0.74**	-0.83**	1.00	
JS	0.76**	0.76**	0.80**	-0.82**	1.00

Notes: **p-value<0.01; perceived internal corporate social responsibility (ICSR); perceived external corporate social responsibility (ECSR), perceived work-life balance support (WLBS), work stress (WS), and job satisfaction (JS).

Structural model and hypotheses evaluation

The study's structural model was evaluated using the coefficient of determination (R^2) (Chin, 1988), predictive relevance (Q^2) (Geisser, 1974; Stone, 1974), effect size f^2 (Cohen, 2013), and global fit measure (GoF) (Wetzels et al., 2009). The t-values and p-values were used to evaluate the level and significance of the path coefficients (Hair et al., 2011). Table 4 shows that the R^2 and Q^2 for job satisfaction, WLBS, and WS are pretty high, and the GoF value is 0.597; hence, the results demonstrate that the model has high explanatory power and can predict. Moreover, the standardized root mean square residual is 0.039, and the normed fit index is 0.924, which indicates the goodness of the model's fit (Henseler et al., 2015).

Table 5 illustrates the path coefficients and their corresponding percentile and bias-corrected (BC) scores with bootstrapping at a 90% confidence interval. The results prove the significance of the direct path from perceived ICSR and ECSR to job satisfaction before incorporating the mediating variables ($c1 = 0.403$, p-value < 0.001; $c2 = 0.414$, p-value < 0.001), which means that perceived ICSR and ECSR could directly affect job satisfaction without any mediation. Moreover, results further show that perceived ICSR and ECSR significantly and positively affect job satisfaction after integrating the mediating variables ($c1' = 0.137$, p-value < 0.05, $f^2 = 0.02$; $c2' = 0.202$, p-value < 0.001, $f^2 = 0.04$). Hence, H1a and H1b are supported.

Table 4. Structural model evaluation

Constructs	R^2	Q^2	f^2 about		
			Work-life balance support	Work stress	Job satisfaction
Internal CSR	na	na	0.07	0.10	0.02
External CSR	na	na	0.06	0.01	0.04
Work-life balance support	0.492	0.377		0.78	0.13
Work stress	0.784	0.547			0.09
Job satisfaction	0.768	0.647			

Notes: not applicable (na); standardized root mean square residual (0.039); normed fit index (0.924).

In testing the indirect and mediating effects using PLS-SEM, the researchers followed the procedures of Nitzl et al. (2016). To determine the type of mediation, the researchers used the variance accounted for (VAF) value, <20% (nearly zero), 20% to 80% (partial mediation), and >80% (complete mediation) (Hair et al., 2016). While Table 5 lists a summary of the model's indirect effects and mediation testing using bootstrapping, Figure 2 presents the structural model of the study.

The indirect effects of perceived ICSR and ECSR on job satisfaction, using perceived WLBS as a mediator, are significant ($a11 \times b1 = 0.120$, p-value < 0.001; $a21 \times b1 = 0.112$, p-value < 0.001),

and the percentile and BC values are within 0 to 1, thus supporting H2a and H2b. The VAF values ($VAF_{ICSR} = 29.0\%$; $VAF_{ECSR} = 27.7\%$) also prove that perceived WLBS positively and partially mediate the relationships between perceived ICSR and ECSR and job satisfaction.

Using WS as a mediator, the indirect effect of perceived ICSR on job satisfaction is significant ($a12 \times b2 = 0.090$, p-value < 0.001), supporting H3a. The VAF value of 21.9% supports the idea that WS partially mediates the perceived ICSR and job satisfaction relationship. However, using WS as a mediator, the indirect effect of perceived ECSR on job satisfaction is not significant ($a22 \times b2 = 0.030$, p-value > 0.05),

and a VAF value of 7.3% means that the relationship has nearly zero mediation, hence not supporting H3b. Finally, the sequential path coefficients from perceived ICSR and ECSR to perceived WLBS, to WS, and job satisfaction are significant ($a_{11} \times a_3 \times$

$b_2 = 0.066$, p -value < 0.001 ; $a_{21} \times a_3 \times b_2 = 0.062$, p -value < 0.001); thus, supporting H4a and H4b. The VAF values ($VAF_{ICSR} = 66.8\%$; $VAF_{ECSR} = 50.2\%$) of the total indirect effects indicate that a partial sequential mediation exists.

Table 5. Hypotheses testing summary

Direct effects	Coefficient	Bootstrap 90% CI			
		Percentile		BC	
		lower	upper	lower	upper
H1a: (c1) ICSR → JS	0.403***	0.308	0.505	0.304	0.501
(c1') ICSR → JS	0.137*	0.046	0.232	0.044	0.230
(a11) ICSR → WLBS	0.375***	0.268	0.498	0.261	0.490
(a12) ICSR → WS	-0.296***	-0.384	-0.200	-0.389	-0.205
H1b: (c2) ECSR → JS	0.414***	0.322	0.507	0.322	0.507
(c2') ECSR → JS	0.202***	0.118	0.285	0.120	0.287
(a21) ECSR → WLBS	0.352***	0.237	0.463	0.241	0.466
(a22) ECSR → WS	-0.097 ^{ns}	-0.189	-0.022	-0.181	-0.015
(a3) WLBS → WS	-0.575***	-0.632	-0.512	-0.634	-0.514
(b1) WLBS → JS	0.319***	0.240	0.393	0.243	0.396
(b2) WS → JS	-0.305***	-0.189	-0.215	-0.181	-0.211

Indirect effects	Point estimate	Bootstrap 90% CI				VAF
		Percentile		BC		
		lower	upper	lower	upper	
H2a: (a11×b1) ICSR → WLBS → JS	0.120***	0.078	0.170	0.077	0.169	29.0%
H3a: (a12×b2) ICSR → WS → JS	0.090***	0.054	0.130	0.055	0.131	21.9%
H4a: (a11×a3×b2) ICSR → WLBS → WS → JS	0.066***	0.040	0.097	0.039	0.095	15.9%
Total Indirect effects (ICSR)	0.276	0.209	0.349	0.207	0.346	66.8%
H2b: (a21×b1) ECSR → WLBS → JS	0.112***	0.066	0.159	0.069	0.162	27.7%
H3b: (a22×b2) ECSR → WS → JS	0.030 ^{ns}	0.006	0.063	0.003	0.060	7.3%
H4b: (a21×a3×b2) ECSR → WLBS → WS → JS	0.062***	0.036	0.089	0.037	0.089	15.2%
Total Indirect effects (ECSR)	0.204	0.140	0.271	0.139	0.270	50.2%

Notes: *** p -value <0.001 ; ** p -value <0.01 ; * p -value <0.05 ; not significant (ns); perceived internal corporate social responsibility (ICSR); perceived external corporate social responsibility (ECSR); perceived work-life balance support (WLBS); work stress (WS); job satisfaction (JS); variance accounted for (VAF); bias-corrected (BC); confidence interval (CI).

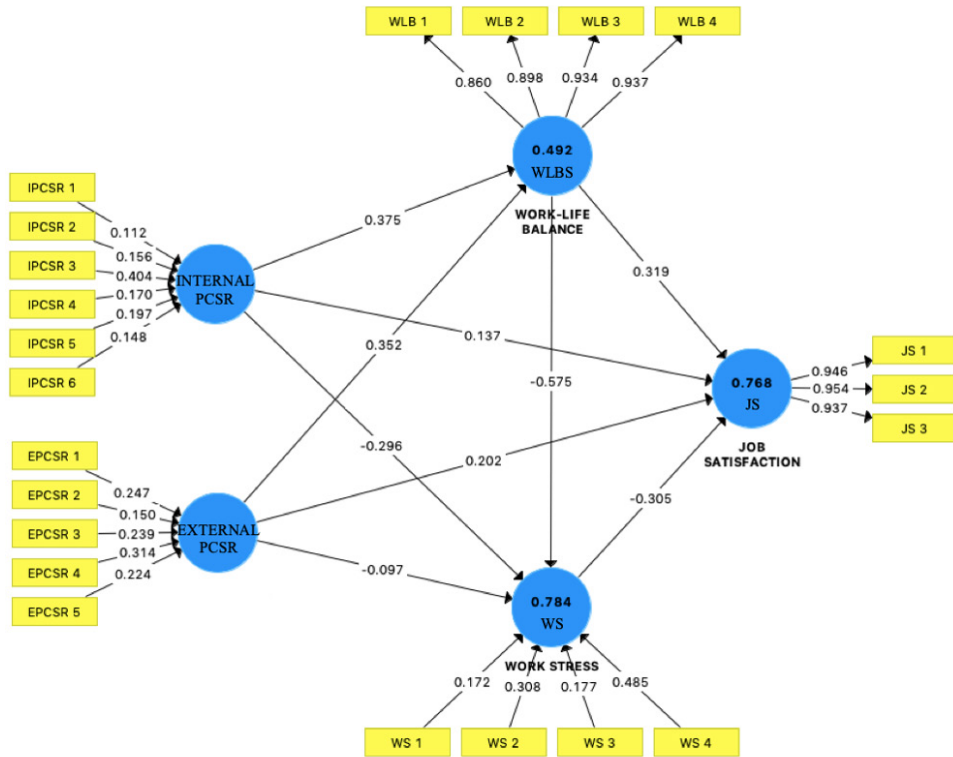


Figure 2. Structural model of the study

This research investigated the individual effects of ICSR and ECSR on job satisfaction. Moreover, the relationship between CSR and job satisfaction explored the mediating effects of perceived WLBs and WS. Theoretical contributions and practical implications present the following:

First, previous studies have focused mainly on investigating the effect of ICSR, or CSR dimensions focusing on social, environmental, and discretionary job satisfaction (Altheeb & Al-Louzi, 2020; Chan & Hasan, 2019; Glavas & Kelley, 2014; Murshed et al., 2021; Schaefer et al., 2020), the investigation has focused on understanding the individual effect of perceived ICSR and ECSR on job satisfaction. The results indicate that ICSR that focuses on employees' rights, physical health, consultation, negotiation system, company risk control mechanism, and suppliers' CSR fulfillment

positively relates to employee job satisfaction. Employees reciprocate the benefits they receive from the company's ICSR through increased job satisfaction. Moreover, ECSR, which focuses on giving charity to society, environmental protection, water and energy conservation, and providing correct product information, positively relates to employees' job satisfaction. Employees tend to be more satisfied with their jobs when their company engages in ECSR, precisely when that ECSR aligns with their values. This finding is congruent with De Roeck et al. (2013) findings that perceived ICSR and ECSR positively influence job satisfaction.

Second, the researchers discovered that different CSR types play different importance in influencing job satisfaction. The results indicate that employees' ECSR perception ($c2 = 0.414$, p -value < 0.001) contributes more than ICSR ($c1$

= 0.403, p -value < 0.001) to influencing their satisfaction. This finding contradicts De Roeck et al. (2013) argument that ICSR is a significant predictor of job satisfaction over and above ECSR. One possible explanation of this result is that employees perceived that the intangible benefits derived from ECSR have a more significant impact on their values, self-worth, and purpose than ICSR; that effect motivates them to work harder and ultimately derive satisfaction from the job. Social exchange theory states that employees manifest positive attitudes as an exchange of the benefits acquired from internal CSR. However, social identity theory argues that employees' identification with a socially responsible company increases their sense of purpose and self-worth. A firm's ECSR gives employees opportunities to participate in activities that suit their values to enhance self-worth (Jia et al., 2019); hence, employees perceived that they benefitted more from ECSR than ICSR, explaining why ECSR engenders higher employee job satisfaction.

Third, while both CSR types are positively related to WLBS, they impact WS differently. In particular, the results indicate that ICSR significantly increases WLBS ($a_{11} = 0.375$, p -value < 0.001) and decreases WS ($a_{12} = -0.296$, p -value < 0.001); however, only ECSR contributes to increasing WLBS ($a_{21} = 0.352$, p -value < 0.001) but not significant in reducing WS ($a_{22} = -0.097$, p -value > 0.05). These findings provide additional empirical evidence on the positive outcomes of perceived ICSR and ECSR. In particular, employees perceived that ICSR promotes WLBS and reduces stress in the workplace and that positive ECSR perception supports work-life balance.

This study discovered that perceived WLBS positively and partially mediates the perceived ICSR and ECSR and job satisfaction relationship ($VAF_{ICSR} = 29.0\%$; $VAF_{ECSR} = 27.7\%$). This empirical finding extends the premises of needs satisfaction

theory and social identity theory that ICSR and ECSR promote WLBS through the satisfaction of certain employees' needs in the workplace, such as needs for health and safety, work-life balance, social and esteem, and thereby influencing employees' job satisfaction. This result confirms the claim of previous studies that employees are satisfied with their jobs because of the fulfillment of their WLBS, social, and esteem needs through internal and external CSR engagement (Kim et al., 2020; Maignan & Ferrell, 2001).

Fifth, the results demonstrated that WS partially mediates the ICSR and job satisfaction relationship ($VAF_{ICSR} = 21.9\%$). Employees' positive ICSR perception reduces their WS caused by improper work loading, unhealthy work environment, and poor relationships with the company, peers, and co-workers, and as a result, employees' satisfaction with their jobs increases. Drawing from the needs satisfaction theory, ICSR satisfies employees' needs for a stress-free working environment. If an organization engages in more ICSR, employees are more stress-free and reciprocate by increasing job satisfaction (Aghdasi et al., 2011; Valentine & Godkin, 2017). However, the researchers found that WS does not mediate the relationship between ECSR and job satisfaction (p -value > 0.05; $VAF_{ECSR} = 7.3\%$). One possible reason for this finding is that employees perceive that their organization requires them to do something for external stakeholders at their own expense or beyond their capacity. This kind of employee involvement could be fulfilling yet exhausting. On the one hand, it is fulfilling because they can help and do something meaningful for the community and the environment through volunteering, which could help increase their sense of purpose and self-worth. On the other hand, it is exhausting because they have to exert too much effort and energy for the activities, and they might also use their resources without proper credit from their

company, causing them to be emotionally injured and physically exhausted. The positive effect was just enough to cover the negative effect of external CSR perception; hence, employees perceive that it could not significantly decrease WS, which will not affect their job satisfaction.

Moreover, the researchers discovered that WLBS and WS partially and sequentially mediate the relationship between ICSR and ECSR and job satisfaction ($VAF_{ICSR} = 66.8\%$; $VAF_{ECSR} = 50.2\%$). ICSR and ECSR promote WLBS, thereby reducing WS and increasing job satisfaction. This finding supports previous studies that show that work-life balance lowers the amount of WS employees may experience in the workplace and eventually increases employees' job and life satisfaction (Bhende et al., 2020; Sirgy & Lee, 2018). The strong effect of both ICSR and ECSR on WLBS breaks the insignificant effect of ECSR on WS. This result also reflects that WLBS is one of the significant job resources that can help reduce WS (Giauque et al., 2019).

Lastly, the team performed a paired t-test to gather more relevant evidence to explain the insignificant effect of perceived ECSR on WS, which is inconsistent with what we had predicted. Results show that perceived ECSR is significantly higher than ICSR, indicating a significant inconsistency of CSR efforts (mean of ECSR > mean of ICSR, p -value < 0.001). This finding implies that when employees perceive that their organization excessively invests in ECSR while ignoring them or implementing ECSR at their expense, they tend to perceive that they are unfairly treated and exploited, which could cause WS to increase and result in job dissatisfaction. The result echoes the arguments of Scheidler et al. (2019) that when an organization invests more CSR efforts in external stakeholders than employees, it puts the relationship between the company and the employees at risk. As a result, adverse employee-related outcomes of CSR

arise (e.g., stress, emotional exhaustion), which has a detrimental effect on employee outcomes, including job satisfaction; thus, this scenario is labeled as the potential dark side of CSR by Maon et al. (2019).

The study provides practical implications for owners seeking strategies to satisfy employees. First, the research team suggests that employers must engage in ICSR and ECSR initiatives because these could influence employees' job satisfaction. In particular, CSR initiatives focus on the welfare of employees, customers, society, and the environment. These initiatives could satisfy employees' needs for health and safety, work and family life balance, social, and esteem. Also, these could promote WLBS and reduce WS, thereby satisfying employees. Since WLBS is a valuable job resource that reduces WS and increases job satisfaction, we suggest that human resource managers include programs to promote WLBS, such as providing flexible work time and helping employees balance their work and family/personal lives.

Moreover, employers must provide a safe working environment, good relationships, proper workload, and employee respect to reduce WS. Also, as Tan et al. (2023) suggested, HR programs should include professional development, management training, team building sessions, employee engagement programs, leisure time, and fair and competitive pay to equip employees further, which drives work-life balance, reduces stress, and increases job satisfaction. Lastly, companies must consider the trade-off between internal and external CSR investment when planning CSR strategies because of excessive investments in external CSR. At the same time, ignoring employees induces adverse employee outcomes, including WS and increased turnover intention (Scheidler et al., 2019; Virador & Chen, 2023).

4.0 Conclusion

In conclusion, the results suggest that perceived ICSR and ECSR individually and positively affect employee satisfaction. Perceived ECSR has a more substantial influence on job satisfaction than ICSR. Perceived WLBS partially mediates the relationships between perceived ICSR and ECSR and job satisfaction. Whereas WS partially mediates only the perceived ICSR and job satisfaction relationship. Perceived WLBS and WS sequentially and partially mediate the relationships between perceived ICSR-job satisfaction and ECSR-job satisfaction.

Limitations and Future Research Directions

The limitations of this study that must be considered in future research are as follows. First, this research was conducted on employees of department stores in Taiwan; thus, the result may not hold for other industries and countries, especially countries with different cultures and practices. A future study might test the model using samples from other industries and countries with different cultures. Second, the study was based on data at one point in time; thus, the researchers recommend that companies perform longitudinal studies to understand the effects of CSR types on job satisfaction. The last limitation is the utilization of self-reported data. Though the CMV test results indicated that common method bias does not significantly affect the study results, we recommend that future studies utilize the various data-gathering techniques and designs suggested by Podsakoff et al. (2012) to minimize this bias.

This study focused on job satisfaction as an employee outcome; however, other critical employee outcomes warrant study, such as turnover intention. Thus, a future study might investigate the mediating effect of WLBS and WS on the relationship between ICSR and ECSR and turnover intention. Moreover, more studies are needed to investigate the adverse effects of

employees' perceptions of CSR investments on employee outcomes. For instance, Scheidler et al. (2019) found that employees' perceptions of inconsistent CSR, where employees perceived higher ECSR than ICSR, led to corporate hypocrisy and emotional exhaustion. As a result, the turnover intention of employees increases. Therefore, a study on this novel topic may broaden the literature on the consequences of CSR.

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