

# Impact of CSR & TQM on Employee's Turnover Intention: Mediating role of Organizational Commitment

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## Abstract:

*The study is aimed at exploring the relationship between CSR & TQM and their simultaneous impact on employee's turnover intention. Further the mediating role of organizational commitment between TQM, CSR and employee's turnover intention is also explained. The paper is based on empirical study undertaken on textile-base firms operating in Pakistan, involving the application of CSR & TQM practices and their simultaneous impact on employee's turnover intentions. A theoretical grounded conceptual model is developed to organize a mechanism through which TQM & CSR impact on employee's turnover intention with the mediation of OC. With the help of this model 8 hypotheses were developed. To test the hypothesized relationship path analyses were conducted and results were elaborated in SEM. These hypotheses were tested with the help of data collected through questionnaires that were filled from a sample of 100 employees of a dominant firm in textile industry of Pakistan. Theory, and the data collected from employees verified the proposed hypotheses and suggested that if management of an organization wants to sustain its human capital they should incorporate CSR and TQM in their corporate strategy as these variables significantly influence the employee's intention to leave the organization.*

**Key Words:** Corporate Social Responsibility, Total Quality Management, Organizational Commitment, Turnover Intention

## **Introduction:**

Human capital considered as a key contributor in the success of an organization. But it has become a big challenge for most of the organizations that how to sustain its human capital. If organizations incorporate CSR in their corporate strategy, it will become a competitive advantage for them in a sense that the organization becomes a symbol of love and affiliation for the employees. The employees become the ambassadors of the firm and feel a proud in telling other that they are a part of that organization of which corporate strategy is based on CSR and is responsible for the wellbeing of employees as well as for all of the other stakeholders. They also feel proud in telling other that their organization is also responsible for the betterment of environment of the society in which it operate and is contributing in the economic development of the country. These perceptions of employees of social responsible organization develops a feeling of emotional attachment in them and make them more loyal for that organization which ultimately make them more committed toward organization and they don't want to leave that organization at any cost.

It also become a big challenge for that organizations that how to compete in the global market. Quality can also become a competitive advantage for those organizations who don't tolerate any compromise on product quality. Organizations that based there corporate strategy on quality of the product prevails in the global market and enjoy it as a competitive advantage in the market place. Further the employees of such organizations that prevail in the global village are less inclined to switch to other organization.

Acknowledging the significance of CSR, TQM identified in the previous literature, the author explained the mechanism through which CSR and TQM impact on TOI through mediation of organizational commitment. In the second section, the study shed light on the literature associated with the relevant aspects of CSR and TQM. Third section encompassed a theoretical grounded conceptual model which will clarify and organize the mechanism through which organizational commitment mediate between CSR/TQM and TOI. On the basis of conceptual model, the study has proposed 8 research hypotheses to test the impact of TQM and CSR on employees' turnover intentions. In the fourth section of the study, methodology to proceed the research work is elaborated, which encompasses; procedure and sample, measures, analyses and the fifth section covered the findings of the study. At the end of the study, implication section outlined a number of managerial implications that arise from this study and conclusion section covered the potential boulevards originating from this study.

## **1. Literature Review:**

When we review the literature we find that an abundant work has been done on CSR and TQM by the various researchers in the past. The following section will shed light on the brief literature with respect to association of CSR and TQM and their impacts on employee's behavioral attitudes and intentions.

## **2.1 Toward CSR:**

Corporate Social Responsibility (CSR) as compare to Total Quality Management (TQM) is the recent phenomenon and dates back to 1980s (Koketal ., 2001). However CSR like TQM impinges on all facets of the business (McAdam and Leonard,. 2003). According to Davis (1973, p.312)“the firm’s consideration of and response to issues beyond the narrow economic, legal requirements of the firm to accomplish the social benefits along with the traditional economic gains which the firm seeks”. (Moir, 2001; Idowu and Towler, 2004) state that CSR can cause supportive communities, increased customer loyalty, improved quality and productivity and greater employee loyalty and retention.

## **2.2 Toward TQM:**

The quality movement dates back to the 1920s (Coopers and Lybrand and EFQM, 1994-95). The concept of quality evolved into, Statistical Quality Control (SQC), Quality Assurance (QA) and Total Quality Management (TQM), (Garvin, 1988; Park-Dahlgaard, 1999). A series of study by Hendricks and Singhal (1996, 1997, 2000, 2001) and by the combined European and British quality foundations’ joint study by the Center of Quality Excellence at the University of Liecester (2005) have indicated that “the effective implementation of business excellence do make good economic sense. (Wang. 2012) assert that “TQM is widely recognized management philosophy and has become a key slogan as the organizations strive for competitive advantage in market”. Implementation of TQM practices helped companies to improve their image, employee’s satisfaction and quality awareness. (Christos V. Fotopolous and Evangelos L. Psomos, 2010).

## **2.3 Toward relationship between CSR & TQM:**

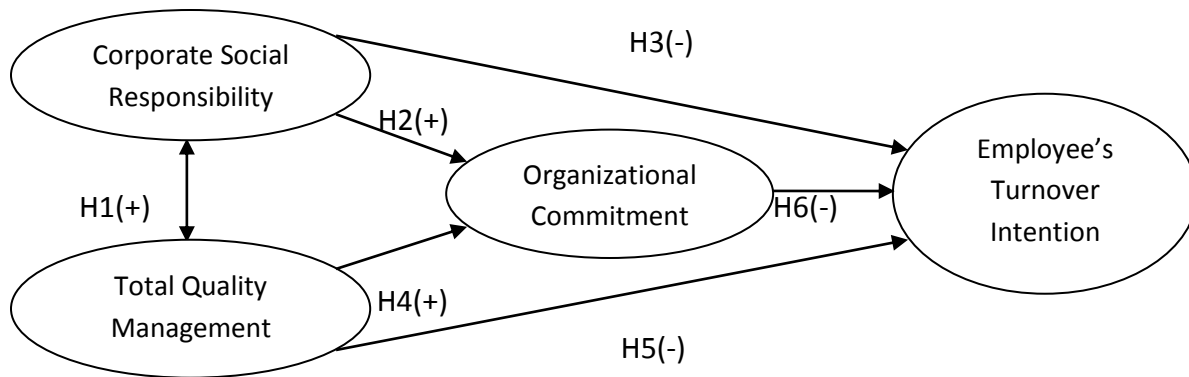
CSR & TQM are two terms that originally and conceptually are quite different but in effect are congruent to each other up to some extent. In (1999) Jacques state that “social responsibility abound in the language of quality management”. McAdam and Leonard (2003) state that ethics in the business is not merely philanthropy but an essential foundation upon which business are founded and through which the business improvement can be achieved and better communities developed. They further assert that “TQM has a foundational similarity to CSR”. “The strength of TQM lies in successfully combining the scientific/system oriented school of management with that of the human behavior/social system school of management” (Abby Ghobadian *et al.*, 2007 p.707). So, when we study the literature of CSR and TQM, we found a congruency between CSR & TQM, and these terms overlap each other up to some extents.

## **2. Conceptual Model:**

After a brief study of literature on CSR & TQM and on the relationship between them, we have developed a conceptual model that explained the mechanism through which CSR &

TQM simultaneously impact on employee’s turnover intention through mediation of organizational commitment.

**Figure 1: Conceptual framework.**



The model states a positive relation between CSR & TQM. It further states both CSR & TQM have a negative relation with employee’s turnover intention. Both CSR & TQM are positively related to organizational commitment, further the organizational commitment is negatively related to employee’s turnover intention. Organizational commitment mediates CSR, TQM and employee’s turnover intention. Explaining further CSR & TQM are independent variable; employee’s turnover intention is dependent variable and organizational commitment play a role of mediating variable between CSR, TQM and employee’s turnover intention.

### 3.1 Hypothesis Development:

#### 3.1.1 Perceptions of CSR & TQM

In the literature a number of researchers state a positive relation between CSR & TQM and argued that both the CSR & TQM have shared values and principles on the basis of which both CSR & TQM are diffused in the organization and they also argued it that a congruency is found in outcome of both CSR & TQM. Hazlett *et al.*, (2007) explain the similarities in the definition of TQM & CSR to identify the potential for a “fit” between these concepts and as one of the only empirically supported studies, he demonstrate their thesis with six “case studies” that show a “fit” between CSR & TQM and from their findings he conclude that TQM & CSR are compatible. Abby Ghobadian and David Gallear (2007, page. 704) state in their paper findings that TQM & CSR shared similar philosophical roots, that there is a sustainable overlap between the elements of these two concepts and the ultimate expected outcomes shows significant similarities. So, with a massive support from the literature we hypothesize that:

**H-1: A greater belief that the firm is social responsible is associated with the greater belief that the firm is engaged in TQM practices.**

### **3.1.2 Perceptions of CSR & OC**

When we study the literature, a number of researchers suggest that organizational commitment is closely related to Corporate Social Responsibility. For example (Rupp *et al.*, 2006) “utilize the theory underline organizational justices to suggest that employee’s perceptions of CSR would be positively associated with enhance OC”. (Brammer *et al.*, 2007) use social identity theory to propose that employee’s perceptions of CSR would be related to OC and data from employees of large financial services fund provide support for their hypothesis. Additionally (Kim *et al.*, 2010) reasoned that “employee’s perceptions of CSR operate through organization-identification process, resulting in enhanced level of OC”. David Hollingworth and Sean Valentine, (2013, p645) argued that “CSR is positively and significantly related to OC”. So, on the basis of above literature rationales, we proposed that:

**H-2: A greater belief that the firm is social responsible is associated with higher level of OC.**

### **3.1.3 Perceptions of CSR & TOI**

(Aguilera *et al.*, 2007) argued that “the notion of social justice and attachment to an organization support a link between CSR and employee’s turnover intention”. Further David Hollingworth and Sean Valentine (2013, p645) argued that “we have find that CSR is indirectly affect employee’s turnover intention through organizational commitment”. Another same statement is find in the literature “organizational identification (as a result of organizational support for CSR) increased positive psychological responses by the employees toward the organization, which enhanced positive behavioral responses by employees toward organization (Maignan and Ferrell 2004; Collier and Esteban 2007; Bhattacharya *et al.*, 2008). With the support of above mentioned arguments we state that;

**H-3: A greater belief that the firm is social responsible is associated with lower level of TOI.**

### **3.1.4 Perceptions of TQM & OC**

Much of the literature shows a positive relation between implementation of TQM practices and organizational commitment. For example, “implementing the TQM in the organization caused greater organizational commitment”. (GAO (United States General Account Office, 1990; Herberet *al.*, 1993; Morrow 1997; Lagrosen and Lagrosen, 2005). Further Tor Guimaraes (1996) purpose the hypothesis that “organizational commitment will be higher after TQM”. He state in his conclusion that “after TQM, on the average, employees reported higher job satisfaction, job involvement and committed to the organization”. (Robert *et al.*, 2000) argued that “perceptions of TQM practices in an organization are expected to enhance commitment”. On the basis of preceding arguments we hypnotized that:

**H-4: A greater belief that the firm is engaged in TQM practices is associated with higher level of OC.**

### **3.1.5 Perceptions of TQM & TOI**

“TQM practices enhance the self-worth of employees”. ((GAO 1990) Herber *et al.*, 1996; Copper *et al.*, 1994,95; Mohrman *et al.*, 1995; Morrow, 1997; Ghubadian *et al.*, 1998; Samson *et al.*, 1999), “narrowed the gap between individual and organizational goal”. (Harber *et al.*, 1996; Morrow, 1997; Ghubadian *et al.*, 1998) and cause greater commitment to the organization (GAO, 1990; Harber *et al.*, 1996; Morrow, 1997; Ghubadian *et al.*, 1998 and Lagrosan and Lagrosan, 2005). All these outcomes create a positive employee’s behavior and cause an emotional attachment to the organization; consequently employees don’t want to leave the organization. So we propose the hypothesis that:

**H-5: A greater belief that the firm is engaged in TQM practices is associated with lower level of TOI.**

### **3.1.6 Perceptions of OC & TOI**

In the literature, we find a number of researchers who reasoned the relationship between OC and TOI and we get a theoretical and empirical support on this relation from the literature, as “researcher has found that OC influences a relative likelihood to quit” (Porter *et al.*, 1974; Methieu and Zajac, 1990; Tett and Meyer, 1993). (Meyer *et al.*, 2002) argued that OC is the strongest predictor of performance outcomes such as turnover, job performance and OCB. Further (Mellahi *et al.*, 2010) suggest that “the employees who are affectively committed to their organizations will less incline to exit because they feel obliged towards the organization and want to stay and help the organization grow”. (Elise Marescaus *et al.*, 2013, p.17; David *et al.*, 2014) state that “organizational commitment is significantly and negatively related to turnover intention”. So on the basis of above mentioned arguments we purpose that:

**H-6: A higher level of OC is associated with lower Level of TOI.**

### **3.1.7 Perceptions of CSR, TQM, OC and TOI**

As over conceptual model hypothesized the relationship and their associated directions, establish the basis for two additional relationships. We suggest that the relationship between CSR & TOI is mediated by OC, like as the relationship between TQM & ETI is also mediated by OC. These relationships will further clarify our understanding about the relationships of CSR &TQM with the behavioral attitudes and intentions of the employees. So we purpose the two additional hypotheses:

**H-7: The relationship between employee’s belief that the firm is social responsible and their turnover intention is mediated by their organizational commitment.**

**H-8: The relationship between employee’s belief that the firm is engaged in TQM practices and their turnover intention is mediated by their organizational commitment.**

### **3. Methodology:**

#### **4.1 Procedure and sample**

Study used the survey approach to elicit data rather than a qualitative approach because the use of survey approach that elicit individual's perceptions and attitudes is most accepted methodology for this type of research. 200 respondents were selected as a sample from a population of about 7000 employees of a dominant textile-based firm operating in Pakistan, of which 120 participants respond to the questionnaire survey, at a response rate of (60 %). Sample was select through stratified random sampling from employees at middle and low level management from 5 major departments of Pakistan based textile firm "Crescent Bahuman Ltd. (CBL)". CBL is the largest denim unit in the textile industry of Pakistan and it has established itself as a well renowned global denim brand. It also has a world most respected denim professional (Crescent Tekstil Ltd.) as a partner located in Turkey.

As the purpose of this research is to explore the relationship between CSR & TQM and their combined effect on the employee's turnover intention, therefore we select the CBL as sampling frame, for the reason that the focal firm did have an established ethics program and is committed to establish and maintain a CSR system to ensure compliance with legal, ethical and social obligations toward employees, customers and society as a whole. Furthermore; the CBL is the first textile company in Pakistan who implements the six-sigma philosophy to ensure the quality in the different process of the firm and did not tolerate any compromise on quality context. Focal firm also complies with the following quality, environmental and social standards. (ISO 9001:2008; ISO 14001:2004; OHSAS: 18001:2007; WRAP; SA-8000; C-TPAT; GOTS/OE; NEQS; WORLD BANK STANDARDS; OEKOTEX; TOE/COC (Social and environmental standards)) for different customers.

Characteristics of respondents are listed in Appendix.

#### **4.2 Measures**

In our study we use the scales which are developed in prior research. Items were evaluated with seven-point lickert scale anchored by "1" (strongly disagree) and "7" (strongly agree) with items coded so that higher scores indicate increased variable level. Items that were worded opposite format were reverse coded.

Employee's perceptions of CSR were evaluated with five items measure that is use by: Valentine and Fleischman, 2008; Valentine and Godkin, 2009; David Hollingworth and Sean Valentine, 2013. Perceptions of TQM were assessed with ten constructs of total quality management comprises of fifty items measures, to identify that up to what extent the organization is engaged in TQM practices, which was developed by "Anupam Das, Himangshu Paul and Fredric W. Swierczek (2008)". Organizational commitment was assessed with the shortened version (nine statements) of the OC questionnaire developed by (Mowdayet *al.*,

1997), which further used by (David Hollingworth and Sean Valentine 2013) in their research. ETOI was assessed by “turnover intention” scale used by; Cammann *et al.*, 1979; Chen *et al.*, 1998; David Hollingworth and Sean Valentine, 2013 in their research. The demographic variable included: (a) gender, (b) age, (c) marital status, (d) education level, (e) tenure in current organization, (f) current job position, (g) tenure in current job position, (h) department, (i) ethic training received, (j) ethic code received.

**5: Findings:**

**5.1 Cronbach’s  $\alpha$  reliability test:**

Cronbach’s  $\alpha$  result ranged between 0.705 and 0.960 for each construct which is acceptable and above the expected threshold of 0.7. Table I depicts the results for Cronbach’s  $\alpha$  test. Fifth item of the construct of corporate social responsibility is dropped from the survey questionnaire to achieve the minimum acceptable level of 0.7 in the reliability of the construct items.

**Table.1 Cronbach’s  $\alpha$  values:**

Measure	Number of items	$\alpha$ value
<b>Predictors</b>		
Corporate social responsibility	4	0.717
Total quality management (overall)	50	0.960
<b>Sub-construct of TQM</b>		
Top management commitment	7	0.775
Supplier quality management	3	0.705
Continuous quality improvement	8	0.915
Product innovation	5	0.811
Benchmarking	4	0.724
Employee involvement	4	0.758
Reward and recognition	4	0.854
Education and training	5	0.873
Customer focus	4	0.750
Product quality	6	0.863
<b>Mediator</b>		
Organizational commitment	9	0.885
<b>Dependent variable</b>		
Employees turnover intentions	3	0.733

**5.2 Exploratory Factor Analyses**

Exploratory Factor Analysis is performed to measure the validity of TQM construct. Principle component model is utilized as it measures the total (common and unique) variance. According to Hair *et al.* (2005), factor loadings greater than 0.30 are considered to meet the minimal level loadings of 0.40 are considered more important; if the loadings are 0.50 or greater, then they are considered highly significant. In this study, a factor loading of 0.50 was used as the cut-off point. Factor extraction is based on eigenvalues greater than 1, as is the most commonly used technique for factor extraction. Factors having eigenvalues greater than one are considered significant and all other factors with eigenvalues less than one are considered insignificant and are disregarded (Das *et al.* , 2008).



The results of factor analysis (listed in Table 2) show that all the items in ten constructs formed a single factor with eigenvalue greater than one. For each of the constructs, the factor loadings are more than 0.60 for each item and accounts for more than 50 percent of the total variance. Item # 5 from sub-scale of continuous quality improvement and item # 4 from product innovation are deleted from the scale for poor factor loading. All of the other items meet the minimum cut-off points of factor loading of 0.50 which are highly significant Hair et al. (2005).

**Table.2 Exploratory Factor Analyses**

TQM Construct	Factors Extract	Eigenvalue	Factor Loading of items							% variance explained
			1	2	3	4	5	6	7	
TMC	1	3.032	.694	.745	.750	.649	.834	.689	.719	58.956
SQM	1	1.845	.793	.779	.781					61.499
CQI	1	4.591	.786	.787	.612	.773	.766	.828	.673	57.387
PI	1	2.110	.797	.792	.778	.792				52.753
BM	1	2.033	.769	.812	.743	.779				50.817
EI	1	2.248	.717	.754	.860	.652				56.203
RR	1	2.765	.804	.853	.847	.821				69.116
ET	1	3.171	.777	.860	.821	.774	.746			63.418
CF	1	2.223	.845	.786	.643	.691				55.578
PQ	1	3.486	.696	.845	.828	.758	.727	.705		58.092

### 5.3 Correlation analyses:

To test the hypothesized relationships between predictor and predicted variables correlation analyses is run on IBM SPSS Statistics (version 20). Results (in Table.3) displayed that there is a strong relationship between each of the predictors and predicted variable and all of the correlations are significant at ( $p=0.01$ ) which fully supported all of the research hypotheses.

**Table.3 Pearson correlation matrix**

		CSR	TQM	OC	TOI
CSR	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	100			
TQM	Pearson Correlation	.704**	1		
	Sig. (2-tailed)	.000			
	N	100	100		
OC	Pearson Correlation	.831**	.766**	1	
	Sig. (2-tailed)	.000	.000		
	N	100	100	100	
TOI	Pearson Correlation	-.738**	-.763**	-.754**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	100	100	100	100

**Note.** \*\*. Correlation is significant at the 0.01 level (2-tailed).

**5.4 Regression analyses:**

Table.4 state the Coefficients of beta  $\beta$  along with t statistics of CSR (-0.458, t-value=-3.834,  $p < 0.001$ ) and TQM (-0.032, t-value=-2.532,  $p < 0.05$ ) showing that these two predictors have a statistically significant contribution to the model. In other words, these values support our hypotheses H-3 and H-5 that state a negative association between CSR/TQM and TOI.

**Table 4. Multiple regression analyses:**

Predictors	Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.
	B	Std. Error	Beta		
(Constant)	33.019	1.971		16.752	.000
CSR	-.408	.085	-.398	-4.791	.000
TQM	-.056	.010	-.483	-5.818	.000

**Note:** Coefficients of  $\beta$  are reported along with t-statistics at  $p = 0.000$   
 CSR and TQM are used as independent variables.

Turnover intention is used as dependent variable in the model.

**5.4 Mediation analyses using SPSS:**

**Table 5: Mediation of OC between the relationship of CSR and TOI.**

**Model 1:**

Variables	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	24.531	1.531		16.020	.000
CSR	-.756	.070	-.738	-10.825	.000

**Model 2:**

(Constant)	26.665	1.523		17.507	.000
CSR	-.368	.117	-.359	-3.150	.107
OC	-.206	.052	-.456	-3.995	.000

**Note:** CSR is Independent variable, OC is mediating variable and TOI is dependent variable

**Table 6: Mediation of OC between the relationship of TQM and TOI.**

**Model 1:**

Variables	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	33.479	2.178		15.371	.000
TQM	-.089	.008	-.763	-11.692	.000

**Model 2:**

(Constant)	32.531	2.010		16.182	.000
TQM	-.052	.011	-.449	-4.812	.175
OC	-.186	.042	-.410	-4.402	.000

**Note:** TQM is Independent variable, OC is mediating variable and TOI is dependent variable

Table.5 depicts the output of mediation analyses using SPSS. Model 1 state beta coefficient ( $\beta$ ) of CSR along with t statistics (-.738, t value=-10.825,  $p < .05$ ) argue that the predictor CSR is a statistical significant contributor to the model. In model 2, we add OC as mediator that ultimately change the value of beta coefficient of CSR that get down from -.738 to -.359 and also change the level of significance from 0.000 to 0.107. Further the beta

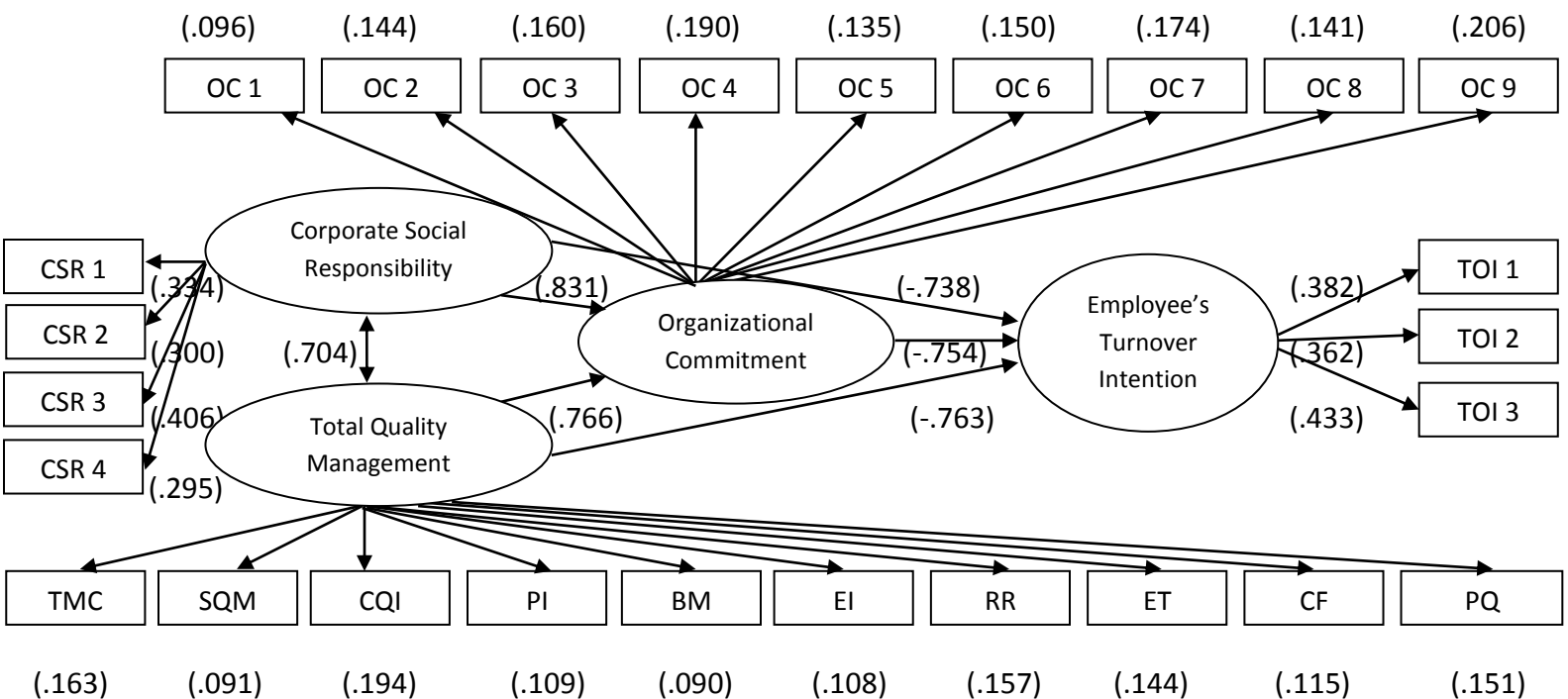
coefficient ( $\beta$ ) of OC is  $-.456$  which is statistical significant at the level of  $0.000$ . So the finding of this analyses support H-7 which postulate that the relationship between CSR and TQM is mediated by OC.

Table.6 depicts the output of mediation analyses using SPSS. Model 1 state beta coefficient ( $\beta$ ) of TQM along with t statistics ( $-.763$ , t value= $-11.692$ ,  $p < .05$ ) argue that the predictor TQM is a statistical significant contributor to the model. In model 2, we add OC as mediator that ultimately change the value of beta coefficient of CSR that get down from  $-.763$  to  $-.449$  and also change the level of significance from  $0.000$  to  $0.175$ . Further the beta coefficient ( $\beta$ ) of OC is  $-.410$  which is statistical significant at the level of  $0.000$ . So, output of theses analyses verifies H-8 that state OC act as mediating variable between the relationship of TQM and TOI.

**5.5 Structural equation model:**

Structure equation model is use to examine hypothesized relationship among various variables of the study and to evaluate the mediation effect of OC between CSR/TQM and TOI as the Structural Equation Model (SEM) is a common and extremely powerful multivariate statistical analysis technique that includes specialized versions of a number of previous analysis methods as special cases. Path analysis was performed to calculate the statistical significance of the path coefficients, which are standardized  $\beta$  coefficients. The results of the analyses are presented in Table 5.

**Figure 2: Path diagram.**



**Note:** Values in brackets state standardized  $\beta$  coefficient, significant at  $p < 0.01$  **Structural equation model results:**

Path: from → to	CSR → TQM (H-1)	CSR → OC (H-2)	CSR → TOI (H-3)	TQM → OC (H-4)	TQM → TOI (H-5)	OC → TOI (H-6)	Mediation of OC between CSR&TOI (H-7)	Mediation of OC between TQM&TOI (H-8)	Avg. R square for model
Std Beta coefficient	.704	.831	-.738	.766	-.763	-.754	-.456	-.634	58.32%
t statistics	9.808	14.77	-10.82	11.81	-11.69	-11.37	-3.99	-7.37	

**Note:** all coefficient are significant at  $p < 0.01$

When we study (Table .5) we found that the Structural Equation Model significantly supported all of the research hypotheses; As H-1 test a positive association between CSR and TQM, results also show a positive relation, as the beta coefficient indicate a substantive, positive and significant relationship, 0.704 (at  $p < 0.01$ ) between them. H-2 test a positive association between CSR and OC, results also show a positive relation, as the beta coefficient indicate a substantive, positive and significant relationship, 0.831 (at  $p < 0.01$ ) between them. H-3 test a negative association between CSR and TOI, results also show a negative relation, as the beta coefficient indicate a substantive, negative and significant relationship, -0.738 (at  $p < 0.01$ ) between them. H-4 test a positive association between TQM and OC, results also show a positive relation, as the beta coefficient indicate a substantive, positive and significant relationship, 0.766 (at  $p < 0.01$ ) between them. H-5 test a negative association between TQM and TOI, results also show a negative relation, as the beta coefficient indicate a substantive, negative and significant relationship, -0.763 (at  $p < 0.01$ ) between them. H-6 test a negative association between OC and TOI, results also show a negative relation, as the beta coefficient indicate a substantive, negative and significant relationship, -0.754 (at  $p < 0.01$ ) between them. H-7 state that the negative relationship between CSR and TOI is developed with the mediation of OC, the results also confirm it as in the model OC shared a coefficient -0.456 (at  $p < 0.01$ ) in

CSR and TOI relationship. H-8 state that the negative relationship between TQM and TOI is developed with the mediation of OC, the results also confirm it as in the model OC shared a coefficient  $-0.634$  (at  $p < 0.01$ ) in TQM and TOI relationship. Furthermore, the model also reasoned that relatively high average R square value (58.32 %) shows that explanatory power of the model is quite strong.

## **6. Discussion:**

Results of study are consistent with the prior research and indicate that perceptions of employees regarding to SCR and TQM are strongly related. Both theory and empirical evidence of this study suggest that both SCR and TQM are supportive of one another. The results are also corroborated the previous research as the previous research has reasoned that CSR may be more easily integrated into organizations that are already practicing TQM, due to the similarity of the underlying cultural values that are crucial to successful implementation of both CSR and TQM. The reverse situation also makes sense – firms already successfully engaged in CSR possess many of the cultural “values” that support TQM, and therefore, are in a better position to implement TQM practices in their organizations. This result has both theoretical and practical application. Further, the results of our analyses suggest that employees’ perceptions of CSR and TQM appear to have similar (but unique and complementary) additive effects upon employee’s commitment to the organization as reported in the prior research. Albeit the correlation analyses stated that there is a negative relation between CSR/TQM and employees’ turnover intention but the mediation analyses demonstrate that the impact of CSR/TQM on TOI is mediated by OC which suggest that employees identification processes may operate in this relation-as in general employee attitudes can mediate the impacts of organizational variables (e.g. management practices, systems, etc.) on turnover intentions (e.g. Hom and Griffeth, 1995). Since CSR and TQM both appear to have unique, but complementary effects on OC, it stands to reason that they both have similar indirect effects on turnover intentions.

## **7. Implications:**

A number of managerial implications arise from this research. First, employee perceptions of CSR and TQM were positively associated in the focal firm. This result is consistent with prior studies which have reasoned that CSR and TQM share many of the same underlying values, suggests that enhanced CSR or TQM should support the enhancement of the other approach. Further, the study indicates that increased perceptions of CSR in conjunction with TQM will flow through OC to reduced turnover intentions. Thus, when CSR and TQM are used in concert with one another, desirable employee attitudes and behaviors such as OC and reduced levels of voluntary turnover are likely to be enhanced. As similar organizational values appear to inspire both CSR and TQM, the presence of one of these approaches provides a basis for the development of the other without significant re-alignment of organizational values. Therefore, managers would be advised to at least consider the extent to which these values are present and supported in their organizations.

## **8. Conclusion:**

As the study was aimed at exploring the association between CSR and TQM and their simultaneous on employee's turnover intentions, results indicated that employees' perceptions of CSR and TQM were strongly related. Furthermore, we found that both CSR and TQM were positively and significantly related to OC, indicating that both have a unique impact on employee's attachment to a firm. We also found evidence that CSR and TQM indirectly affect employees' turnover intentions through OC. In conclusion the contribution of this paper is two-fold. First, the study integrated a brief literature to examine the relationship between CSR and TQM and their joint effect on employee's behaviors and intended attitudes. Second, to the best of author knowledge it is the first empirical study in context of Pakistan in which primary data is utilized to verify research hypotheses in the field of CSR and TQM. As such, this study provides significant insight for both academics and practitioners regarding the interrelatedness of CSR and TQM and their effects upon important employee responses.

### **Notes:**

- 1.** I acknowledge that a huge work has been done in the context of organizational commitment-turnover intentions relationship in the prior research, but it is included here for the reason that it clarify and organize the mechanism through which organizational commitment mediate between CSR/TQM and employee's turnover intentions.
- 2.** I also acknowledge the research work conducted by David Hollingworth and Sean Valentine (2014) and pursue it further by introducing a different variable "TQM" in the place of "CPIO" in my model and test the new hypothesized relationships in a totally diversified organizational setting, which consequently increase the generalizability of prior research findings.
- 3.** I introduce the TQM as predictor in my research for the reason that mostly the literature of quality management refers to TQM for conducting a research in the context of quality management. Further TQM broaden the scope of research as it encompasses about all elements of quality management which are applicable in almost all of the organizational settings.
- 4.** To the best of author's knowledge it is the first empirical study in the field of CSR and TQM with respect to Pakistan which ultimately widen the generalizability of prior research findings.

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**Appendix**

**Characteristics of respondents:**

<b>Gender</b>	90 % male
<b>Average age</b>	27.68 years max.55 years, min.22 years
<b>Marital status</b>	37 % married
<b>Education</b>	31 % master degree holder 60 % bachelor degree holders 9 % professional courses
<b>Average time in current organization</b>	3.21years max.19 years, min 1year
<b>Current job position</b>	36 % officer level 52 % middle level managers 12 % top level managers
<b>Working in Production dept.</b>	50 %
<b>Working in Quality Control dept.</b>	15 %
<b>Working in Industrial Engineering dept.</b>	10 %
<b>Working in Supply Chain dept.</b>	6 %
<b>Working in Human Resource dept.</b>	10 %
<b>Working in Finance dept.</b>	8 %
<b>Ethic training received</b>	91 %