Internal Corporate Social Responsibility and Intention to Quit: The Mediating Role of Organizational Citizenship Behavior

Amer Rashid¹  Faid Gul²  Gulam Khan Khalid³

Abstract

This paper aims to study the impact of internal corporate social responsibility (ICSR) on employee’s intention to quit due to conflict with mediating effect of organizational citizenship behavior (OCB) in private banking sector of Pakistan. Data was collected from lower and middle level employees of private banking sector using existing validated scales modified to the nature and context of this study which indicated good reliability (.81< α <.87). AMOS was used to estimate the regression and mediation coefficients. Results revealed that in Pakistan’s private banking sector, ICSR negatively affects employees’ intention to quit due to conflict (β= -.667, p<.05). Similarly, OCB also has significant negative effect on employee’s intention to quit due to conflict (β= -.418, p<.05). The OCB significantly mediated relationship between ICSR and intention to quit due to conflict (indirect effect= -.296, direct effect= -.371, p<.05). The findings offer valuable insights on how to mitigate intention to quit due to conflict of employees through ICSR measures that promote OCB.

Keywords: Intention to quit, internal CSR, internal relations, work-life balance, health & safety, OCB, private banking sector

Introduction

The phenomenon of quitting job by employees has become a vital issue for the top management (Hassan, Akram, & Naz, 2012). Quitting job, either for better opportunities elsewhere or due to conflict with management, have negative consequences for firms. On one hand such firms lose the skilled workforce, while on the other hand it increases the cost of recruitment and training of new employees. Therefore, employees’ turnover has a direct as well as indirect impact on firm’s performance and output. So the emphasis is placed on the ways and means through which employees’ intention to quit/leave the job can be reduced. A large body of literature is available regarding how to reduce the employees’ intention to quit the job (Allisey, Noblet, Lamontagne, & Houdmont, 2014; Brown, Thomas, & Bosselman, 2015; Wayne, Shore, & Liden 1997). According to Kim, Tam, Kim, and Rhee (2017) the relation between an organization and its employees is give-and-take relation in which both parties try to fulfill their desires or wants. But, in the long term, organization-employee relations are regularly disturbed by

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several causes, such as organizational atmosphere and job satisfaction, which could, as a result, disturb whether an employee plans to stay with or leave the current job. According to Kwon and Rupp (2013) quitting the job by best performer has particularly negative impact on organizational performance; hence it is important to recognize and understand the possible avenues that reduce employee intention to quit.

Employees are best assets for any organization; when employees’ intention to quit the job increases it affects organization’s output and creditability (Allen, Shore, & Griffeth, 2003). According to Redelinghuys and Botha (2016) it is one of the major problems for management that their efficient employees leave the job. Presbitero, Roxas, and Chadee (2017) state that management must adopt some measures to retain employees in the organization. In this study it is analyzed to find out the impact of ICSR on intention to quit with the mediating role of employee’s organizational citizenship behavior (OCB). This study provides important insight to human resource managers to decrease intention to quit in their employees and as a consequence reduce turnover frequency from their organizations through adopting effective internal corporate social responsibilities practices and inculcating OCB in their employees. According to Birur and Muthiah (2013) turnover is one of the major challenges faced by modern day organizations. Bothma and Roodt (2013) stated that turnover increases the demands and workloads of remaining employees, which may cause burnout, and subsequently even greater turnover.

**Literature Review**

This study is based on social exchange theory; employees socially and economically compare themselves within and outside the organization. Blau (1964) social exchange theory is ideal for understanding society as a sequence of connections between people that are founded on expectation of rewards and punishments. Wang and Hou (2015) to this view state that, our interactions are determined by the rewards or punishments that we expect to receive from others, which we evaluate using a cost-benefit analysis model. Wickert, Scherer and Spence (2016) state that people who are engaged in dealings with others are realistically looking to also increase their profits. Similarly, the case in employee and employer relationships both are taking advantage of maximizing profits. Employee intends to leave current job if he perceives that social, economic, and psychological traits of their dealings are not in his favor that allows him to think about alternative sources. Social exchange theory advocates that employees are continuously involved in mutual exchanges with organizations and management. If employees get advantages in these exchanges, they are probable to continue associations with the management and organization. If they feel not benefiting with this exchange they intend to quit their job and hence the organization (Masterson et al., 2000).
Low, Ong, and Tan (2017) define intention to quit as an employee’s own expected probability that he or she has a plan/ intent to leave the current organization forever in near future or it is an employee’s tendency to leave the organization. It may be for developmental purpose where an employee is leaving the current job for better opportunity. On the other hand, intention to quit the job may arise due to conflict with the current organization/ management. Some authors classify the actual turnover as voluntary and non-voluntary turnover from the perspective of organization. Price (1977) stated that voluntary turnover is very expensive and harmful to an organization, and frequently most unnecessary. Such turnover is often the result of intention to quit due to conflict from the employee perspective. Kuvaas et al. (2016) stated that an employee assesses his present job, capability, experience, job satisfaction or dissatisfaction based on their work. If employee is dissatisfied, then it generates the beliefs about quitting, i.e. the intention to quit. Therefore, how to mitigate the employee’s intention to quit due to conflict, which is frequently the common reason for voluntary turnover, is the primary focus of this study.

Corporate social responsibility and employee’s intention to quit

Johnson (1971) first time stated what he named “conventional wisdom,” and defined it as “a socially responsible firm is one whose managerial staff balances a multiplicity of interests. Instead of striving only for larger profits for its stockholders, a responsible enterprise also takes into account employees, suppliers, dealers, local communities, and the nation” (p. 50). There are two types of CSR practices prevailing in organizations like external CSR and ICSR. In present study we discuss only ICSR point of view. According to Clarkson, (1995) ICSR is fruitful for any organization because it contains regular communications with employees, training & development, career-planning, retirement & termination counseling, downsizings, redundancies, anxiety & mental health, absenteeism & turnover, health & safety, employment equity & discrimination, and performance appraisal. The ICSR practices have become very important in banking sector for front line employees (Al-bdour, Nasruddin, & Lin 2010). It encompasses social responsibility practices for employees particularly in the part of their safety & health, work life balance, training & practical involvement in the organization to build confidence, equal chance of promotion and work-family relationship (Vives, 2006). It also helps to increase employee salaries and other benefit with the passage of time for employee satisfaction which further leads to increase organization’s output (Campbell 2007).

Intention to quit is defined by Vandenberg & Nelson (1999) as an “individual’s own estimated probability (subjective) that they are permanently leaving the organization at some point in the near future”. There are two types of intentions to quit, i.e intention to quit (conflict) IQC and intention to quit (developmental). In present study we are
discussing IQC. Intention to quit causes financial and operational issues for organizations and its higher management (Batt, 2002). To reduce turnover intention, organizations can offer planned advantages packages in the shape of ICSR (Low, 2016).

Organizations are frequently applying corporate social responsibility (CSR) practices, that further lead to construct sincerity, develop their status and enhance their survival in competitive market (Aguilera, Rupp, Williams, & Ganapathi, 2007; Orlitzky, Schmidt, & Rynes, 2003; Porter & Kramer, 2006). Carroll (1979) socially responsible firms do not purely attain their financial and legal responsibilities, but deliberate their moral and flexible duties to their employees’ and wider stakeholder groups in society. CSR therefore encompasses the improvement of plans and policies that proceeds to the possessions of the organization’s manners on many stakeholder groups with their employees, the societies in which they conduct business and the environment. Carroll (1999) stated that the concept of CSR has had a long and diverse history in the literature. Usually, it is thought as voluntary or humanitarian accountability (Carroll, 2000). But currently, the notion has been changed and CSR develops as a vital part of strategic human resource management that is crucial for viable business performance. One thing is obvious that CSR is a discretionary style and differs from one organization to another. Rupp et al. (2006) when employees, like other stakeholders, regard their organizations as liable, concerned, and generous citizens of their community (an aim of internal CSR action), they will be likely to be satisfied with their employment interactions and this is negatively associated to their intention to quit. Du, Bhattacharya, and Sen (2015) an organization’s CSR programs develop positive employee relationship outcomes, such as job satisfaction and decrease in turnover intention, by satisfying employees’ ethical and progressive job requirements. Furthermore, CSR leads to support the healthy effects on productivity of the organization. It is a mechanism that bounds employees with organization and their level of performance enhance.

Previous researches have revealed that CSR have a positive impact on the retention of employees (Lee, Park, & Lee, 2013; Singhapakdi, Lee, Sirgy, & Senasu, 2015). It is observed that employee feels better organization attachment when an organization is performing corporate social responsibility (Hollingworth & Valentine 2014; Story, & Neves, 2015). This kind of positive behavior of employees is necessary for attachment with current job (Rupp, Ganapathi, Aguilera, & Williams, 2006). Most of these studies are focused on external CSR activities while this study tries to add to body of knowledge by studying the impact of internal CSR activities on employee’s intention to quit job, especially due to conflict. Internal relations, work-life balance and health & safety are the three dimensions used for ICSR (Celma, Martínez-Garcia, & Coenders). It is expected that when employees’ welfare programs are adopted in the organization and
their needs are satisfied through the execution of ICSR practices, their intention to quit the job will decrease. For this purpose private banking sector is selected as it is undergoing higher level actual turnover (Bashir, Usman, & Ismail, 2010; Hassan, Akram, & Naz, 2012).

Previous research indicates towards the positive effect of CSR activities on employee’s perception and behavior including organizational commitment (Ali et al., 2010). Researchers have also found positive impact of ICSR on employee’s OCB (Hansen et al., 2011; Shen & Benson, 2016) and negative impact on intention to quit the job (Hansen et al., 2011; Kim, Song, & Lee, 2016). Brown, Bosselman, and Thomas (2016) stated that the increased rate of turnover intention causes huge costs to organizations. Al-Mamun and Hasan (2017) find that as an employee’s intention to quit the job increases then an organization cost of training increases, level of confidence of existing employees decreases, work burden also shifts to existing employees and all these leads to problems in achieving organizational goals. Ertas (2015) states that turnover not only increases the loss of skilled workforce but also increases the cost of hiring and training of new employees. Abbas, Raja, Darr, and Bouckenooghe (2014) and Nyberg (2010) find that frequent employees’ turnover can have adverse effects on organizational performance, its talented work force, and seniors. Previous studies found that an organization with higher employee turnover has diverse and frequently unpredictable results/ performance (Bycio, Hackett & Alvares, 1990; Peretz, Levi, & Fried, 2015; Salamin & Hom, 2005; Schwab, 1991).

\[ H_1: \text{Internal corporate social responsibility has a significant impact on employee intention to quit the job as a result of conflict} \]

**Internal corporate social responsibility and organization citizenship behavior**

OCB is defined as “extra-role, beyond the job, or unrewarded by the formal system. It is discretionary behaviors, which are not part of the job description, and are performed by the employee as a result of personal choice” (Organ, 1988). OCB, where employees perform duties beyond their official roles, is thought to increase the employee job experience and reduce turnover intentions (Podsakoff et al., 2009). Koys (2001) stated that OCB is optimistic behavior of the employee to enhance the profitability of organization and is also very important for customer satisfaction.

Employee’s OCB plays a vital role in organizational performance (Nisar, Marwa, Ahmad, & Ahmad, 2014). Abdullah and Rashid (2012) state that CSR strategy plays vital part and positive motivation in inculcating employee’s OCB. Fu, Ye, and Law (2014) recognized the behavioral results of CSR initiatives and emphasized that CSR has positive correlation with organizational commitment and OCB. When an organization executes different kind of ICSR events and programs for betterment of employees, their
citizenship behavior towards organization turns stronger and positive (Bozkurt & Bal, 2012). Nowadays, CSR is considered important not just for the economic existence of an organization; it is strategically essential (Du, Bhattacharya, & Sen, 2011). Therefore, CSR has become an important area of research for scholars across the world in different fields of study. Mory, Wirtz, and Göttel (2016) internal corporate social responsibility (ICSR) has become a vital part of organizations’ social responsibility. However, CSR’s internal dimensions, currently, have been broadly ignored and only limited literature is available on it. Vlachos, Theotokis, and Panagopoulos (2010) state that there exists a difference between external and internal factors of organizational social responsibility. They contend that corporate procedures and scientific studies have mainly focused on the external aspects. This has also been established by the literature analysis of Al-bdour, Nasruddin, and Lin (2010) that the emphasis of the CSR has been, mainly, related to the external dimensions, with less emphasis on the internal ones. Even regarding the external dimension, the stakeholder group on which most studies are focused is the one of customers; research studies concerning the impact of CSR on other stakeholders, including employees, remain limited (Vlachos et al., 2010). About the internal CSR, Turker (2009) states that a growing number of studies have investigated the various dimensions of CSR in literature; however, relatively few studies have considered its impact on employees. This is also acknowledged by Cornelius et al. (2008) who claim that the emphasis of researchers is mostly on the social effect of organizations on the societies they work in, while a less attention is paid to internal social responsibility. This scarcity of systematic investigation on internal CSR and its effect on employee’s intention to quit is, thus, an important area of research. In Pakistan this area is broadly unexplored; therefore, complete description, conceptualization and operationalization are in vague. Hence, while we aim to hypothesize and determine the construct of ICSR as the core primary involvement of our learning in the following portions of the paper, we explain ICSR as socially responsible behavior by an organization in the direction of its employees. This behavior is largely communicated through employee oriented CSR actions. In this study the three dimensions e.g. internal relations, work-life balance, health & safety (Celma, Martínez-Garcia, & Coenders, 2014), are to capture the effect of internal CSR on employee intention to quit job with the mediating effect of OCB.

$H_2$: Internal corporate social responsibility has significant impact on organizational citizenship behavior

**Organization citizenship behavior and employee’s intention to quit**

According to Coyne and Ong (2007) production rates have been used as a yardstick of organizational performance, several other factors including employee intention to quit, have been recognized as reflecting the performance of an organization.
They contend that if employee intention to quit is a predictor of the actual performance of an organization, then OCB must also have a negative association with intention to quit. As Chen et al. (1998) discussed that in earlier research evading behaviors, such as unpunctuality, absenteeism and tardiness, have not been good signs of intention to quit because they are clear. Although, if an employee plans to leave current organization, it is not necessary to show explicit escaping behaviors as he could risk his pay. Chen et al. (1998) claimed that OCB as an optional behavior, usually contained of extra-role activities, is generally withdrawn when an employee intended to leave the organization, as reducing the level of OCB would not have any direct negative effects on pay or other benefits. However, Van Scotter (2000) suggested that few studies have examined the impact of contextual performance on turnover. Chen et al. (1998) studied the association between OCB and intention to quit in China. They observed that OCB was an effective predictor of actual turnover and that self-reported intention to quit was an important predictor of intention to quit in overall.

**H3:** Organizational citizenship behavior has a significant impact on employee intention to quit the job as a result of conflict

**Mediating role of OCB between ICSR & IQC**

From organizational behavior perspective, the anticipated positive effects of CSR are directly correlated to employees’ understandings about organization’s CSR practices (Colquitt et al., 2001; Greening & Turban, 2000), as employees are more prospective to assess and respond to the organization’s acts of CSR application (Rupp et al., 2006). Another stream of research looks at the relationship between CSR and employee related outcomes, such as OCB and employee intention to quit (Gond, & Crane, 2010). When organizations performing CSR activities, particularly employee motivated CSR, organizations are sending indications to their employees that they support and care for them. Lee & Peccei (2007) observed supporting confirmation that through such optimistic feedback, employees develop a better feelings of organization-based self-respect. According to Bowling et al. (2010) conducted a meta-analysis of the predictors and consequences of organization-based self-esteem, and observed that organization-based self-esteem has a positive association with job performance and OCB behavior, while a negative relation was seen with employee intention to quit. A study of a large USA organization presents that an organization’s CSR programs certainly seems to enhance employee trust about their organization and that this trust then leads to employee behaviors in the direction of decreased turnover intentions and increased OCB that then increase the organization’s performance (Hansen, 2010). So in the above stated literature it is clear that there is a direct link of ICSR with OCB as well as with IQ. Similarly, the
relation of OCB with IQ is also established in the literature. The current study contends that ICSR transforms into lower IQ, especially due to conflict, through OCB.

**H₄**: Organizational citizenship behavior mediates the relationship between internal corporate social responsibility and employee’s intention to quit the job as a result of conflict

![Research Model](image)

**Figure 1: Research Model**

**Data and Methodology**

A quantitative methodology is adopted for current research. Primary data is collected through a structured questionnaire from the lower and middle level employees of private banking sector. The present research is a micro level research where it is targeted to measure the effect of ICSR on employee intention to quit the job with the mediating effect of OCB at individual employee level. Employees of private banks, as a service sector, are considered suitable for collecting the primary data. Apart from demographic variables, all other variables, dependent, independent and mediating used in this questionnaire survey were measured with 5 points Likert’s scale.

**Measures**

Appropriate scales are adapted from previous studies for data collection in present study. Three dimensions of scale developed by Fassin and Thang (2016); internal relations (8 items, alpha = .82), work life balance (six items, alpha = .68), and health & safety (8 items, .79) were used to measure ICSR. The overall three dimensional ICSR scale showed good reliability (alpha = .87). The OCB is measured using eight items scale adapted from Guler (2009) and Bettencourt et al. (2001) as also used by Özdemir and Ergun (2015) and Chen (2016). The Cronbach’s alpha value for this scale is 0.80. The scale for measuring the intention to quit due to conflict (IQC) is adapted from Kim, and Min-Park (2014) which indicated a Cronbach’s alpha value of 0.81. Hence, all the scales showed better reliability beyond the acceptable threshold of alpha value of 0.60 (Peters, 2014).

**Sample**

A total of 300 questionnaires were distributed to target population i.e employees of private banking sector. Out of these, 280 are returned by the concerned respondents. Therefore, a 93.34% response rate is recorded which is highly satisfactory in social
sciences (Groves, 2006). Out of 280 returneed questionnaires, 17 were found incomplete while 12 questionnaires were discarded due to outliers leaving an aceptablesample size of 251 respondents constituting an acceptable response rate of 83.67% (Maxwell, 2000; Sekaran & Bougie, 2010). Details of the sample and their demographic statistics are provided in Table 1. Top level management is not part of the target population of the study due to the nature of the study.

Table 1: Demographic detail of sample (N=251)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Characteristics</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>174</td>
<td>69%</td>
<td>69</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>77</td>
<td>31%</td>
<td>100</td>
</tr>
<tr>
<td>Qualification</td>
<td>Intermediate</td>
<td>7</td>
<td>3%</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Bachelor</td>
<td>113</td>
<td>45%</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>Master</td>
<td>114</td>
<td>45%</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>MS/M.Phil/PhD</td>
<td>17</td>
<td>7%</td>
<td>100</td>
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<tr>
<td>Experience</td>
<td>Below 5 Years</td>
<td>116</td>
<td>47%</td>
<td>47</td>
</tr>
<tr>
<td></td>
<td>5-10 Years</td>
<td>90</td>
<td>36%</td>
<td>83</td>
</tr>
<tr>
<td></td>
<td>11-15 Years</td>
<td>33</td>
<td>13%</td>
<td>96</td>
</tr>
<tr>
<td></td>
<td>Above 15 Years</td>
<td>11</td>
<td>4%</td>
<td>100</td>
</tr>
</tbody>
</table>

**Descriptive Analysis**

Furthermore, the mean, standard deviation (SD), minimum, maximum, skewness, kurtosis and correlations of variables are provided in Table 2. Based on the values of skewness and kurtosis it is concluded that the data is normal and suitable for further analysis (Ghasemi & Zahediasl, 2012; Hair et al. 2006).

Table 2: Descriptive Statistics and correlation coefficients (N=251)

<table>
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<td>4%</td>
<td>100</td>
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</table>

**Corrinal Factor Analysis**

Table 3 shows the results of Confirmatory Factor Analysis (CFA). The Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), and Incremental Fix Index (IFI) values of .90 or higher, and a root mean square error of approximation (RMSEA) value of .08 or less are used as indicators of good model fit (Hair et al., 2006). The measurement model test demonstrated a good fit as GFI = 0.99, CFI = .99, IFI = .99, TLI = .98, RMSEA = 0.03 are all in the acceptable range.
Table 3: CFA Results

<table>
<thead>
<tr>
<th>Measurement models</th>
<th>CMIN/DF</th>
<th>CFI</th>
<th>GFI</th>
<th>AGFI</th>
<th>NFI</th>
<th>IFI</th>
<th>TLI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold values</td>
<td>&lt;3</td>
<td>&gt;.95</td>
<td>&gt;.95</td>
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<td>&gt;.9</td>
<td>&gt;.9</td>
<td>&gt;.9</td>
<td>&lt;.1</td>
</tr>
<tr>
<td>Model Results</td>
<td>2.3</td>
<td>.99</td>
<td>.98</td>
<td>.94</td>
<td>.98</td>
<td>.96</td>
<td>.07</td>
<td></td>
</tr>
</tbody>
</table>

Fig. 2: The results estimated through AMOS

Results and Discussion

As predicted, ICSR and IQC are negatively related to each other and it is statistically significant ($\beta = -0.371$, $p < .01$) as reported in Table 4 as well in Figure 2. Thus, Hypothesis 1 is supported at a 99% confidence interval. So without mediation effect, the relation between independent and dependent variable is significant. ICSR and OCB ($\beta = 0.708$, $p < .01$) are significantly positively related with each other which support H2 of this study. OCB and IQC ($\beta = -0.418$, $p < .01$) are negatively related with each other and the value is also statistically significant. This result supports H3 of the research model.

Table 4: Regression analysis (N=251)

<table>
<thead>
<tr>
<th>Beta Estimate</th>
<th>Unstandardized</th>
<th>Standardized</th>
<th>S.E.</th>
<th>C.R.</th>
<th>p – value</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICSR $\rightarrow$ IQC</td>
<td>-0.371</td>
<td>-0.276</td>
<td>0.083</td>
<td>-4.494</td>
<td>.000</td>
</tr>
<tr>
<td>ICSR $\rightarrow$ OCB</td>
<td>0.708</td>
<td>0.560</td>
<td>0.066</td>
<td>10.675</td>
<td>.000</td>
</tr>
<tr>
<td>OCB $\rightarrow$ IQC</td>
<td>-0.418</td>
<td>-0.393</td>
<td>0.065</td>
<td>-6.407</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 5 reports the mediation results of the model. The direct effect of ICSR on IQC is $\beta = -0.371$ which is statistically significant at $p < .01$. The results further show the direct effect of ICSR on OCB is $\beta = 0.708$ which is also statistically significant at $p < 0.01$. The direct effect of OCB on IQC is $\beta = -0.418$ which is significant at $p < .01$. Furthermore, the results in the mediation table show that OCB partially mediates the relation between ICSR and IQC. The mediation effect is significant as the indirect effect ($\beta = -0.296$, $p < .01$) of ICSR on IQC is due to the mediator. Therefore, in the total effect of ICSR on IQC, $\beta = -0.667$, $p < .01$, the direct effect is $\beta = -0.371$, $p < .01$ and indirect effect is $\beta = -0.296$, $p < .01$. As both direct and indirect effect are still statistically significant therefore there is partial mediation effect of OCB in the relation of ICSR and IQC.
Table 5: Direct, indirect and total effect model of mediation analysis (p-values reported in parentheses)

<table>
<thead>
<tr>
<th></th>
<th>Direct Effect</th>
<th>Indirect Effect</th>
<th>Total Effect</th>
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<tr>
<td></td>
<td>ICSR</td>
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<td>OCB</td>
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<td>(.000)</td>
<td>(.000)</td>
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<tr>
<td>IQC</td>
<td>-.371</td>
<td>-.418</td>
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<td>(.000)</td>
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</tbody>
</table>

From the results reported in Table 4 it is evident that ICSR has significant negative impact on IQC which supports H$_1$. From the literature it is predicted, as H$_2$, that ICSR is positively related to OCB. This hypothesis is supported by the findings of the current study as reported in Table 4. The findings of the current study are in accordance with the findings of Abdullah and Rashid (2012), Bozkurt and Bal (2012) and Fu, Ye, and Law (2014). Similarly, OCB has significant negative impact on IQC, which supports H$_3$, i.e. the impact is negative as predicted as well as statistically significant. The historical studies also show both negative and statistically significant relation between OCB and intention to quit (Li, Kim, & Zhao, 2017; Harris, Li, & Kirkman, 2014). The direct, indirect and total effects are reported in Table 5 of the study. The findings indicate that OCB partially mediates the relation between ICSR and IQC, which supports H$_4$ of this study. The results in Table 4 show that the effect of ICSR on IQC is still significant in the presence of OCB, however, its beta coefficient has decrease from -.667 to -.371. These results are in accordance with findings of Hansen et al., (2011), Kim, Song, and Lee (2016), and Shen and Benson (2016).

This study supports the “Social Exchange Theory” that when employees, being important stakeholders of an organization, receive favorable treatment from seniors (ICSR), in exchange they show higher OCB, which ultimately results in low turnover intention/ intention to quit due to conflicts. Such activities will result in lower conflicts in the organization, especially with top management, hence reducing IQC. These findings are significant for the top management of private banking sector. They can design ICSR activities in such a way to develop OCB in their employees. Through this combination of ICSR and OCB they can mitigate their employees’ IQC.

**Conclusion**

The main purpose of the research is to investigate the relationship between an organization ICSR activities and an employee IQC the job with the mediating effect of OCB. Based on these findings it is concluded that ICSR activities are good for retaining employees as better ICSR negatively affect IQC thus reducing the probability of losing good employees. But an organization’s ICSR activities operate through inculcating OCB in employees to mitigate employees’ IQC. Thus ICSR activities become more effective
when these are designed in such a way to inculcate OCB in the employees. As the current study uses internal relations, work life balance and health & safety as the three dimensions of ICSR therefore, it is concluded that these activities develop OCB which in return mitigate employee IQC.

Though, actual turnover is not captured in this study but one can easily conclude that these activities will reduce the actual turnover and thus reducing the cost of hiring and training of new employees. Based on these findings it can further be predicted that such organizations may have better performance as indicated by Bycio, Hackett, and Alvares 1990, Kwon and Rupp (2013), Salamin and Hom 2005, and Schwab, 1991. This can be one important area of research for future researchers to study. The same study can be extended to other service organizations. Similar studies may be conducted in manufacturing sector organizations after appropriate modifications in the research instrument and methodology.

References


