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# An examination of the consequences of corporate social responsibility in the airline industry: Work engagement, career satisfaction, and voice behavior

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## ABSTRACT

Underpinned by social exchange and social information processing theories, our study proposes and tests a research model that investigates flight attendants' perceptions of corporate social responsibility practices. Data came from flight attendants in a major low-cost carrier at different, successive points in time. The structural equation modeling results reveal that work engagement is the underlying mechanism through which corporate social responsibility, as manifested by the economic, legal, ethical, and philanthropic practices, is linked to flight attendants' career satisfaction and voice behavior. Simply stated, the empirical data support all hypotheses and the research model we have proposed is viable. The results have important implications about flight attendants' perceptions of corporate social responsibility practices and the aforesaid outcomes.

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## 1. Introduction

Corporate social responsibility (CSR), which refers to "contextspecific organizational actions and policies that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance" (Aguinis, 2011, p. 855), enables the airline companies to enhance their business performance (e.g., Kuo et al., 2016; Lee and Park, 2016). According to Carroll (1991), there are four indicators of CSR: economic, legal, ethical, and philanthropic. The economic indicator refers to the corporation's economic responsibilities in terms of competitiveness, profitability, and operational efficiency, while the legal indicator refers to the corporation's obligation to adhere to the rules and regulations in the marketplace (Carroll, 1991; Lee et al., 2012). The ethical indicator refers to the corporation's responsibility to recognize and respect ethical norms and be fair in conducting performance beyond its legal obligation and the philanthropic indicator is associated with the corporation's responsibility to be good corporate citizens (e.g., promotion of human welfare) (Carroll,

## 1991; Lee et al., 2012).

Airline passengers are the external stakeholders of the company and their favorable perceptions of CSR practices contribute to value performance (Lee and Park, 2010) and foster passengers' trust and loyalty (Nikbin et al., 2016). Flight attendants as the internal stakeholders have intense interactions with passengers and spend most of their time handling passenger requests and problems (Karatepe and Talebzadeh, 2016). When flight attendants have favorable perceptions of CSR practices, they share them with passengers and enhance the organizational image. CSR also contributes to customer choice of company and positive financial performance (Aguinis and Glavas, 2012) and enables corporations to gain competitive advantages.

Employees viewing their organization as socially responsible consider themselves engaged in their work (Lee et al., 2014). That is, high levels of CSR result in higher work engagement (WE), which is defined as "... a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption" (Schaufeli et al., 2002, p. 74). Employees working in an environment where CSR boosts goodwill and morale are motivated to contribute to the organization via voice behavior. Voice behavior refers to "... making innovative suggestions for change and recommending modifications to standard procedures even when others disagree" (Van







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Dyne and LePine, 1998, p. 109). It is a critical behavioral outcome and is one of the significant communication strategies among employees (Kim et al., 2016a). Employees with favorable perceptions of CSR practices display career satisfaction, which highlights the satisfaction an employee obtains from the intrinsic and extrinsic facets of his or her career (Kong et al., 2012). Highly engaged employees also exhibit career satisfaction and voice behavior (Karatepe, 2012; Koyuncu et al., 2013).

### 1.1. Purpose

In light of this, our study develops and proposes a research model that examines the consequences of CSR among flight attendants. Broadly speaking, the present empirical study tests: (a) the impacts of economic, legal, ethical, and philanthropic practices as the indicators of CSR simultaneously on WE, career satisfaction, and voice behavior; (b) the influence of WE on career satisfaction and voice behavior; and (c) WE as a mediator in the abovementioned relationships.

Aguinis and Glavas (2012) persuasively discuss that the CSR studies at the individual level of analysis generally focus on psychological theories, whereas the CSR studies at the organizational level generally focus on institutional and stakeholder theories as well as the resource-based view of the firm. The previously mentioned relationships are assessed based on flight attendants' perceptions (the individual level of analysis). Consistent with other recent studies on CSR (Glavas, 2016a; Panagopoulos et al., 2016), our study uses social exchange theory (SET) (Cropanzano and Mitchell, 2005) and social information processing (SIP) theory (Salancik and Pfeffer, 1978) as well as empirical evidence in the extant literature to develop the relationships regarding the consequences of CSR and the mediating role of WE.

#### 1.2. Contribution to existing knowledge

Our study contributes to current knowledge on CSR by addressing [relatively] several underresearched issues. First, it seems that the preponderance of empirical research does not test current employees' responses to or perceptions of CSR practices in the relevant literature. Instead, such studies focus on customers', shareholders', or prospective employees' perceptions of CSR practices (Aguinis and Glavas, 2012; Kim et al., 2016b; Panagopoulos et al., 2016; Park and Levy, 2014). In addition to this gap, little is known about the association between employees' perceptions of CSR practices and their attitudinal and behavioral outcomes in the workplace (Ferreira and de Oliveira, 2014; Glavas and Kelley, 2014; Zhang et al., 2014). The paucity of empirical research about the association between CSR and employee outcomes can be observed in the CSR-related review, recent studies, and meta-analytic inquiries (Aguinis and Glavas, 2012; Kim et al., 2016b; Newman et al., 2015; Panagopoulos et al., 2016).

Despite the existence of several CSR-related studies conducted in the aviation industry, the abovementioned void also seems to be valid in the general air transport management literature. Gauging current employees' perceptions of CSR practices is important because they share the same or at least similar beliefs or values associated with CSR practices (Tsai et al., 2012). If employees are unable to understand the messages emerging from CSR practices, they would not be able to share them with passengers/customers. Informed by this, we obtain data from flight attendants to ascertain their responses given to CSR practices.

Second, as highlighted in Aguinis and Glavas's (2012) review and in recent studies (Brammer et al., 2015; Kim et al., 2016b), there is a lack of understanding about the underlying mechanism that links CSR to employee outcomes. According to Glavas's (2016b) recent review, the major void lies in the exploration of mediators of the CSR  $\rightarrow$  employee outcome relationship. In short, these studies call for more empirical research pertaining to such void in the extant literature. Accordingly, we treat WE as the underlying mechanism through which CSR is linked to flight attendants' career satisfaction and voice behavior.

Lastly, most of the empirical studies in the current literature have dealt with an examination of CSR practices in developed countries (Newman et al., 2015; Zhu et al., 2016). However, understanding these practices in developing countries or emerging economies is relevant and significant because there may be differences in geographic, economic, and political situations when compared with the ones in developed countries (Zhu et al., 2016). To the best of authors' knowledge, Turkey which has an emerging market economy and is famous for a number of historical, natural, and cultural touristic attractions is not represented by any empirical studies that center on flight attendants' perceptions of CSR practices. With this realization, we use data collected from flight attendants in the aviation industry in Turkey.

#### 2. Theoretical foundations and literature review

### 2.1. SET and SIP theory

SET proposes that if the two parties such as the organization and employees adhere to certain rules of exchange (i.e., reciprocity), they possess relationships that transform into trusting, loyal, and mutual commitments over time (Cropanzano and Mitchell, 2005; Saks, 2006). When employees establish social exchange relationships with the employer, which "... tend to involve the exchange of socioemotional benefits" and are associated with "... close personal attachments and open-ended obligations" (Cropanzano et al., 2003, p. 161), they are likely to display affective and behavioral outcomes. Management's investment in CSR practices creates an obligation on the part of flight attendants to be highly engaged in their work and contribute to the organizational performance. Such flight attendants also reciprocate with positive attitudinal and behavioral outcomes such as career satisfaction and voice behavior.

The extant literature delineates empirical studies that have linked high-performance work practices or job resources to WE and various employee outcomes using SET as a theoretical framework. For example, Saks (2016) found that job characteristics such as autonomy and feedback from others fostered WE, which in turn led to positive outcomes such as job satisfaction and organizational citizenship behaviors. Karatepe's (2013) study in Iran showed that high-performance work practices as well as work social support made employees become highly embedded in their jobs. Glavas (2016a) reported that CSR practices enhanced employees' perceptions of organizational support.

SIP theory proposes that "... individuals, as adaptive organisms, adapt attitudes, behavior, and beliefs to their social context and to the reality of their own past and present behavior and situation" (Salancik and Pfeffer, 1978, p. 226). Employees work in a social environment. In such an environment, employees obtain cues about attitudes and needs and acceptable reasons for action (Salancik and Pfeffer, 1978). Employees utilize these cues to interpret events in the workplace and develop attitudes and behaviors (Aryee et al., 2012). Investment in a number of CSR practices (e.g., voluntary activity for community, business conduct, and employee relations) sends signals to flight attendants that management of the airline company is highly concerned about CSR. Under these circumstances, flight attendants are highly engaged in their work and exhibit desirable outcomes such as career satisfaction and voice behavior. In empirical terms, Karatepe et al. (2014) indicated that high-performance work practices increased hotel employees'

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