THE ROLE OF INTERNAL CORPORATE SOCIAL RESPONSIBILITY IN PROFESSIONAL SERVICE SECTOR: AN EMPIRICAL STUDY FROM KLANG VALLEY, MALAYSIA

Mei Peng Low and Seng Fook Ong
Universiti Tunku Abdul Rahman, Malaysia
Corresponding Author: lowmp@utar.edu.my

Abstract

Corporate Social Responsibility (CSR) has gained attention and popularity in the last decade. There are many CSR debates which are shaped by trends and fundamental changes of the political, social, and economic spheres of life. Tracing back, the precursor to CSR was topic of charitable giving, which had been in existence since 1980s. Todate, CSR has evolved to a business concept that had been accepted widely. Business corporations are focusing on CSR due to tremendous pressures from the society. Presently, the CSR approach has emerged from solely focuses on the shareholders to stakeholders due to the acknowledgement of the crucial roles of stakeholders in every organisation. Stakeholder management and CSR is a relational affair. Stakeholder theory means engaging with critical stakeholders such as employees, suppliers, customers, media, local communities, NGOs, could be the source of new ideas and opportunities (Freeman, 2009). This presents a research agenda to look into the internal CSR practices towards the crucial internal stakeholders, i.e., the employees in aspects such as the pervasiveness of its practices, and how it affect the employees attitudes and behaviours. Adding on, professional service sector is the sector that often recorded a high turnover due to tremendous pressure encountered by the employees. Needless to say, the departure of employees often leads to substantial costs to the organisation. Hence, this research take place in the Klang Valley of Malaysia, whereby the highest number of professional firms are found, to investigate the extent of internal CSR practices and its impacts towards employees’ organisational commitment, job satisfaction and their turnover intention. The findings of the research will alert the employer on the importance of internal CSR practices to their organisations.

Keywords: internal CSR, employees, professional services, organisational commitment, job satisfaction, turnover intention