

# CORPORATE SOCIAL RESPONSIBILITY AND THE ORGANIZATIONAL BEHAVIOR CHANGE; MEDIATING ROLE OF SUSTAINABLE PRACTICES (IN NEW ZEALAND)

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## Abstract

Corporate Social Responsibility as a commitment sense of the present companies requires agile endeavors to be reinforced. Organizational behavior change as procurement and determinant source of actions, can drastically assist this objective. Furthermore, the organizational activities sometimes encompass unsustainable affairs, including carbon-emitting issues, irresponsible procedures, non-equities, and many indirect deficiencies that menace the sustainability of entities. Meanwhile, the present study has explored the key factors and influential categories by a qualitative Grounded Theory, aiming the essential determinants of organizational behavior change solutions along with corporate social responsibility. Statistical data gathered from the 15 interviewees of the New Zealand organization of Sustainable Business Network. The resulted outcomes are practically generalizable for other organizational contexts.

**Keywords:** Corporate Social Responsibility, Sustainable Practices, Organizational Behavior Change

## 1. INTRODUCTION

Nowadays, all enterprises require behavior change to overcome these resistances and to successfully innovate. At the same time, the rapid environmental change in the era of the 4<sup>th</sup> industrial revolution may be a crisis for organizations that are not ready for change, but for organizations that can actively respond to prerequisites of sustainability. In spite of accruing concerted scholarly and managerial interest since the 1950s in corporate social responsibility (CSR), its implementation is still a growing topic as most of it remains academically unexplored. As CSR continues to establish a stronger foothold in organizational strategies, understanding its implementation is needed for both academia and industry (Fatima and Elbanna, 2022). The essential concept of sustainability encompasses three variables, as environmental equity, socially cultural concerns and economic equity. These holistic indicators make the total resilience of the organizations. The organization's ability to respond to these mentioned factors need an agile commitment to an innovative organizational behavior. In order to achieve relevant organizational innovation, the innovative behavior of organization members is drastically critical (Annalakshmi et al., 2022; Liang and Cao, 2021; Sung and Kim, 2021). Moreover, technological incentives play a dominant role in aiding behavior change management efforts. Indeed, technology brings green sustainable management practices to the workplace. Then, it is important to ascertain the factors that enable or inhibit employees' perceptions towards technology adoption. Corporate sustainability and sustainable management practices partially depend on employees for the successful implementation of technological changes in the workplace (Ahmed et al., 2019). Accordingly, the Government

might allow for innovative and groundbreaking policies or the revitalization of old policies to leverage businesses to promote their strengths towards sustainable development in the new economic decision-making policies. Finally, the present study is about to effectively demonstrate the key factors of accomplishing sustainability through CSR and its relevant behavior change in the organizational internal environment.

## 2. LITERATURE REVIEW

Several studies have explored the sustainability of the organizations, by the role of organizational behavior. However, rare of them have triggered the importance of sustainability along with the corporate social responsibility. Emphasized on financial supports for more sustainable maritime state by being socially responsible (Manuti & Giancaspro, 2019; Najib and Nawangsari, 2021; Yu, 2018). In the meantime, some researchers have concentrated only on the aspects of financial and economic outputs of behavior change and the respected responsibilities, neglecting the other humanistic issues like justice and equity in environmental and socio-cultural essentials (Cooper and Henderson, 2019; Fu et al., 2022; Hwang et al., 2021; Moudud-Ul-Huq, 2021). Indeed, profitability will be resilient only in case of observing the robust considerations of the organizations.

Nevertheless, Li et al. (2021) have emphasized on the environmental concerns of organizational behavior and its prerequisite changes. In the same vein, Jilani et al., (2021) have strived in this response, additionally they have investigated the role of policymakers in arranging the organizational behaviors. Moreover, Zaman et al., have declared the tie between CSR and corporate governance (Zaman et al., 2020).

From the other perspective, Rank and Palframan (2021) have investigated the relevance between CSR and sustainability, by the mediating role of human resources management. Accordingly, Grieder et al. (2020) have argued about the hidden benefits of CSR in organizational sphere. They have indicated that the impact of CSR may be farther reaching than directly observable by firm activities alone. By using CSR, employers have the potential to influence the behavior of their employees in non-work domains. Our findings have important implications for managers of organizations engaging (or planning to engage) in environmental CSR.

On the other hand, Valtiner and Reidl (2021) have argued about the technological requirement of behavior change in the current circumstances. Because, the digital transformation has brought along many challenges, opportunities and changes for environment, economy and society. Companies are faced with accelerating dynamics and need to speed up in their ability to adapt in order to gain benefit from these sustainable developments; as Haron (2021) has declared a parallel regard. He mentions that the latest trend in transforming a business to accomplish operational efficiency is through Digital Transformation of behavior. To achieve this, both processes and technology within an organization need to strongly align. Successful digital transformation depends not only on technical aspects but also on human assets like CSR within the organization.

### 3. METHODOLOGY

#### 3.1. Method Rationality

Grounded theory was applied in this research because it provides a better approach through which to explore the CSR and organizational behavior change. The essence of grounded theory is developing logical and inductive themes and sub-themes which together form a ‘story’. The grounded theory approach pursues generalizations by making comparisons across the social situation and it has the capacity to encompass many different data and analytic perspectives with real-world problem-solving procedures (Corbin & Strauss 2008). Hence, as the present research is moderated with the role of sustainability, this selected procedure is practical. Moreover, this study chooses the grounded theory because: First, the existing research on CSR and behavior change in organizational sphere has been mostly quantitative, and there is a huge research gap of qualitative exploratory. Second, various factors can influence the sustainability, thus traditional hypothesis testing does not respond effectively. Third, the relationship between the CSR and the organizational behavior change are modified to get the aims of sustainability; therefore, quantitative research can hardly be profitable. For the grounded theory is essentially interpretative, and aims to discover concepts and relationships, and provides theoretical explanations, thus, it is suitable for this study upon the following research questions.

- ❖ What are the effective indicators of CSR on sustainability?
- ❖ what are the prerequisites of behavior change to accomplish the sustainable objectives?
- ❖ What are the key success factors of implementing organizational change traits in accordance with CSR?

#### 3.2. Sampling Method

The participants in the present survey were all in top-management level and decision-makers of New Zealand organization of Sustainable Business Networks with 7 being females and 8 males. All were experienced in sustainability and responsibility with between 2-7 years’ experience. Theoretical sampling continued to make comparisons and sample theoretically until no new insights emerge (theoretical saturation) upon Table (1).

**Table 1: Descriptions of information of interviewees**

Organization Case	Interviewee Position	Gender	Number of People	Total
Sustainable Business Network	Staff	Male	3	7
		Female	4	
	Board	Male	5	8
		Female	3	

#### 3.3. Data sources

Since there are rare empirical studies on the functional CSR factors influencing the sustainability of the organizations, it’s infeasible to collect data with pre-structured scale. Consequently, this investigation utilizes an unstructured questionnaire to carry out in-depth interviews, through the platforms of social media with representative personnel, obtains first-

hand data, and explores key factors of the CSR and organizational behavior change with the mediating role of sustainability.

### 3.4. Data analysis

Data analysis begins immediately in grounded theory with the use of memoing and constant comparison (Corbin & Strauss, 2015; Creswell, 2013; Saldaña, 2016). This is followed by three levels of coding: 1. open coding, 2. axial coding, and 3. selective coding (Corbin & Strauss, 2015; Creswell, 2013; Saldaña, 2016). The final phase of data analysis is conducted with the development of a theoretical framework by refining constructs and generating the generics in a final model (Corbin & Strauss, 2015; Creswell, 2013). Data analysis in the present study executed via MAXQDA software.

#### 3.4.1. Open coding

Open coding is the decomposition of collected data into manageable and analyzable segments. Through continuous abstraction, comparison and brainstorming, to extract the concepts that can represent the essential of those segments, and further form categories. In this research, six categories are discovered after multiple rounds of data comparisons and analysis. The segments of the research structure revealed categories are shown in Table (2).

**Table 2: The structure of research revealed categories**

No	Categories	Original statements (initial concept)
1	Transformational on-job training efforts	Change management can enhance learning sphere in organization.
		On-job educational situations intensify sustainable behavior change in staff.
		Altering the past traditional behavior of consumption lead to an accumulative procedure of sustainable practices.
2	Sustainable agile practices	Conducting critical thinking among staff may practically change the total action of ecofriendly traits.
		Green perspectives of the organizations can be facilitated through just-in-time flexible efforts.
		Agile just-in-case responses can provide lean behavior among internal atmosphere of the organizations.
3	Change management procedures	Conducting critical paths of change in multi-layered situations with leadership competencies facilitates the resilient outcomes of strives.
		Providing organizational instructions with staff may lead to longstanding results.
		Responsible commitment to durable actions reinforces the loyalty behavior of potential customers.
4	Humanistic innovative cooperation	Incentive domestic plans foster acting in a multi-layered justice-centric responsibility at workspace.
		Putting emphasis on cooperation among staff leads to a robust socio-cultural condition as a key organizational behavior.
5	Long-lasting decision-making policies	Fundamental decision-making policies of critical lean behaviors can increase environmental friendship.
		CSR agile policies at workspace prevent one-dimensional economic behavior; namely focusing on profitable non-responsible feedbacks.
		Implementing innovative policies while hiring staff is critically important to accept only promising lean-thinker staff.
6	Non-profitable rivalry goals	Putting emphasis on value-centric objectives in rivalry process of the organizations.
		Considering practical goals upon multi-lateral justice-centric behavior in cases like social organizational justice, resilient economic equity and ecofriendly pure actions.
		Creating rivalry situations with non-profit values; Ecofriendly actions, socio-cultural observations and fair economic aids.

### 3.4.2. Axial coding

Based on the open coding, axial coding is to re-analyze the extracted categories and discover the internal relations among them. Through analysis, it is found that the six categories formed in open coding, can be divided into four subtracted categories, and their correspondence is shown in Table 3. Indicating the final axial categories.

**Table 3: Descriptions of axial final categories**

Main categories	Corresponding categories	Connotation of categories
<b>Aggregative learning</b>	Allocating on-job training efforts focusing on CSR and behavior excellence	The flexible on-job training courses can augment the total resilience of the organizations through commitment to consistent learning.
	Reinforcing educational responsibility upon newly-emerging markets and relevant	
	Fostering organizational culture of optimized responsiveness	
<b>Agile behavior change</b>	Increase company justice resilience by observing robust CSR in an agile way	Sustainability requires agile and longstanding critical thinking of motivated staff.
	Internal flexibility of behavior sustainable practices	
	Value-centric encouragement of critical thinking about sustainability	
<b>Loyalty-creating change management practices</b>	Change management through technological readiness of employees	At present a huge part of loyalties have altered into e-forms, then a series of e-behavior change is required for acquiring emerging form of loyalty along with being a responsible corporation
	E-behavior change for e-customer's loyalty-creating procedure	
	Creating behavior decision support systems in the way of CSR	
<b>Humanistic synergy for being proficient</b>	Some non-profit demonstrations of the organizations can create a strategic advantage.	Importance of humanistic strives of the organizations can create a strategic robustness in both competitive and CSR areas. Sustainability not only fosters this lean infrastructure, but also empowers socio-cultural image of the company along with optimum organizational behavior change.
	Value-oriented organizational justice may cause more profitability in long-term period	
	Observance of lean behavior dominance in the holistic context of company will increase the optimization of brand image and total CSR.	

### 3.4.3. Selective coding

After the process of axial coding, selective encoding is executed. The aim of this three-phase section is to explore the internal connections between the various main categories, and connect them together in a mixed story line, to develop a systematic theoretical framework. Data, categories, and main categories were analyzed and compared again, and no new and important categories were found, additionally.

## 4. CONCLUSION & DISCUSSION

Sustainability has profound implications for environmental competitiveness, yet little has been done to study its' feasibility as a predictor of organizational optimum performance. Besides, (CSR) initiatives and organizational socio-cultural behavior play a decisive role in developing organizations and society. However, the extent to which these activities encourage organizational employees to act socially responsible outside their workplace is yet to be explored. This study has declared the importance of organizational behavior change across CSR to enhance the proficiency of sustainable development in business firms. As the manufacturer companies can increase fairness concerns and undertake green policies by recycling used products using the reverse channels and other technical features, the internal space of the corporates also can foster its socio-cultural behavior design by implementing pure CSR strategies, as declared in the pasts of the present qualitative investigation.

For the sake of this study, the implications findings of this research are defined as follows:

- ❖ Technological learning solutions should be planned for fostering sustainable practices through behavior change management in organizational CSR.
- ❖ Just-in-time and flexible strategic solutions like focusing non-profit brand image of the company along with optimum organizational behavior for resilient and humanistic performance.
- ❖ Responsible collaborations at organizational level are the essential prerequisites of motivating lean and sustainable tactics of CSR.
- ❖ Achieving economic justice and acting in this way can be modified through sustainable practices and humanistic equities.
- ❖ As a huge part of loyalties have altered into e-forms, then a series of e-behavior change is required for acquiring emerging form of loyalty along with being a responsible corporation.
- ❖ Considering practical goals upon multi-lateral justice-centric behavior in cases like social organizational justice, resilient economic equity and ecofriendly pure actions, can cause a competitive advantage for sustainable and responsible companies, that compensate their extra-costs of being sustainable.

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