THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY
ON EMPLOYEE MOTIVATION

by

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for the Degree of
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DECLARATION

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SYNOPSIS

In Hong Kong and China, a few research studies have focused on corporate social responsibility (CSR) and human resources management, and especially on the relationship between CSR and employee motivation. This qualitative study explored the impacts of CSR on employee motivation for manufacturers with plants based in Guangdong Province, China. A total of 24 in-person interviews were conducted with 8 manufacturers using a semi-structured interview approach to examine the relationship between CSR and employee motivation and how CSR correlates with organisational effectiveness. The collected data was analysed through Nvivo to examine the data effectively. The study provided useful information for the field of CSR and employee motivation. Findings of the study reveal the CSR theory developed in the manufacturing industry in Hong Kong and China, where the manufacturing industry is the main initiator of CSR in China, motivates employees by using CSR initiatives and how to improve CSR initiatives based on the environment in China.
DEDICATION

I dedicate this dissertation to my wife, Fiona, who had supported me throughout the journey. She has been very patient and tendered loving kindness to strengthen me for the task.
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I would like to acknowledge those people who helped me to complete this dissertation. I am delighted to have a very supportive family, my wife Fiona, my daughter Alina, and my son Manfred. My family members gave up much family time with me. That time I really wished to be with them to have fun together.

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1.0 INTRODUCTION

1.1 Introduction

The advent of globalisation has impelled business leaders in Hong Kong and China to undertake corporate social responsibilities (CSR) on lines similar to the Western world. Business leaders in the manufacturing industry, however, view CSR as a business requirement (Tsoi, 2009) and seldom notice its non-financial benefits. Mishra and Suar (2010) and Olowokudejo, Aduloju and Oke (2011) argue that CSR improves organisational effectiveness. Empirical studies also indicate a positive correlation between CSR and employee motivation and CSR is indeed being used to motivate employees in the western world (Basil & Weber, 2006; Collier & Esteban, 2007; Khan et al., 2014; Kim & Scullion; 2013; Skudiene & Auraskeviciene, 2012). This study explores the overall influence of CSR on human resources management (HRM) in the Hong Kong and China context.

The impact of CSR on employee motivation is examined in terms of non-financial benefits that accrue to organisations in Hong Kong and China. This study aims to fill the gap in extant research by examining the relationship between CSR and employee motivation in manufacturing companies based in Hong Kong and Guangdong Province.

This chapter presents the reason for the study, statement of the problem, purpose of the study and the significance of the research to outline the background of the study. In addition the theoretical framework, research gap, research questions, research design and methodology are discussed. Definitions are given to show the key terminologies of the study. The assumptions are also discussed in this chapter.
1.2 Reason for the Study – Why this Topic

The phenomenon of business organisations adopting CSR as a corporate strategy in order to gain a competitive advantage, has become a research area for scholars (Carrasco, 2007; Frederick, 1998; Porter & Kramer, 2006). Other studies have focused on exploring the relationship between CSR and financial performance of organisations in the western world and China (Chen & Wang, 2011; Luethge & Helen, 2012; Marom, 2006; van Beurden & Gössling, 2008). In China, the major CSR research topics include CSR definitions and dimensions, CSR assessments, influence of CSR, and CSR reporting and disclosure (Guan & Noronha, 2013).

Some scholars have paid attention to the research of adoption of CSR through the stakeholder approach, an approach used in the western world (Brower & Mahajan, 2013; Enquist, Johnson, & Skålén, 2006; Jamali, 2008; Maignan, Ferrell, & Ferrell, 2005; Orlitzky & Swanson, 2012; Mark, Van, & Luk, 2011). According to Guan and Noronha (2013), there were studies carried out to explore the influence of CSR on different types of stakeholders in China. These studies were not related to the influences of CSR on employee motivation. A few studies (Tsoi, 2009; Yin, Rothlin, & Caccamo, 2013) focused on studying CSR and stakeholder approaches in China, these studies placed emphasis on enhancing social performance by meeting stakeholders’ legitimate demands in multinational companies (MNCs) based in China. Understanding of stakeholders’ expectation helps to demonstrate the positive impacts of CSR.

Also, business organisations in China have to adopt CSR practices in this new era of globalisation (Shen & Cheng, 2009), this is now one of the business requirements in China (Tsoi, 2009). There are continuing concerns about business ethics in China (Ip,
2009; Lu, 2009; Redfern & Crawford, 2010; Wright, Szeto, & Lee, 2003) as a result of the business ethics scandals such as contaminated milk manufactured by San Lu. With the incorporation of CSR since the 1990s (Yang & Guo, 2014), Lam (2009) stated senior executives did not value CSR in MNCs based in China. Lam argued the executives had to equip employees to deal with CSR matters.

According to the statistics from the National Bureau of Statistics of China (2011), there were over 400,000 manufacturing plants in China. Li, Zhang and Foo (2013) stated the majority of CSR disclosure reports were issued by manufacturers in China.

Stakeholder approaches on CSR in the manufacturing industry has a positive impact on organisations by gaining a competitive advantage (Carroll & Buchholtz, 2009; Laszlo et al., 2005; Stephenson, 2009; Yin et al., 2013). Due to the increasing concerns of CSR practices used in different nations, Guillén (2001) proposed that convergence of management approaches would happen in the globalisation emerging process. Scholars (Khan et al., 2014; Kim & Scullion, 2013; Skudiene & Auruskeviciene, 2012) argued CSR provided positive impacts to employee management which is an area of human resources management.

Chiu, Luk and Tang (2002) found that employees in Hong Kong and China were motivated to work with a base salary, annual leave, year-end bonuses, housing provision, and overtime allowance rather than using social benefits such as provision of childcare facility, providing school for worker’s children, provision of medical centres, etc. On the contrary, Kim and Scullion (2013) concluded CSR does impact on how employees work in the West. Whereas Yin et al. (2013) clearly stated employees were motivated through social benefits derived from CSR for MNCs in China.
To search for the identity of CSR in manufacturers with plants based in China and explore how CSR affects employees in the Hong Kong and China context, as compared to the employee motivation studies carried out by scholars (Islam & Ismail, 2008; Wiley, 1997; Yin et al. 2013), this qualitative study aims to examine the impacts of CSR on employee motivation. The results of the study contribute to better management practices for business leaders in the manufacturing industry. It also provides more insights to enhance CSR performance and how to develop proper CSR programmes for employees.

1.3 Statement of the Problem

There are growing numbers of research studies linking CSR with stakeholder management (Enquist et al., 2006; Jamali, 2008; Mark, Van, & Luk, 2011; Mishra & Suar, 2010; Tsoi, 2009) and CSR with employee motivation (Khan et al., 2014; Kim & Scullion; 2013; Skudiene & Auruskeviciene, 2012) in the western world. They argued a stakeholder approach on CSR was able to enhance organisational commitment and be used to improve CSR initiatives developed for different stakeholders such as employees. The incorporation of global CSR practices to existing manufacturing company in China poses a problem because of the limitations of government policy (Bendell & Cohen, 2006; Tjosvold et al., 2008) and the cultural differences between China and the western world (Su, Mitchell & Sirgy, 2007, Welford, 2005; Yang & Guo, 2014). Drawing on the needs to address the influence of CSR on stakeholders, this study enriched the study of impact of CSR on stakeholder management.

Another specific problem to be examined in this study was that there were a few studies related to non-financial benefits brought about by CSR in Chinese businesses. By
investigating how employees in the manufacturing company perceive CSR initiatives, non-financial benefits were explored and provided valuable information with regards to better management of human resources. This study identifies the proper CSR practices, which were well accepted by employees, and which therefore contribute to better management knowledge for manufacturers in Hong Kong and China.

By examining the theoretical model of CSR proposed by Carroll (1979), the stakeholder theory proposed by Freeman (1984) and various employee motivation theories, this study addressed the linking of CSR and employee motivation to help business leaders in the manufacturing industry in China. Proper drivers were identified and tested to aid the corporate executives in enhancing the human resources management. The data collection method relied on the semi-structured, in-depth interview with the senior executives and selected employees in the chosen manufacturers.

1.4 Purpose of the Study

The purpose of this study was to give a better understanding of the relationship between CSR and employee motivation in manufacturing companies based in Guangdong Province and how CSR acted as a tool to enhance organisational effectiveness.

The first purpose was to explore how employees defined CSR in the manufacturing industry. The second purpose was to examine the non-financial benefits of works related to CSR initiatives. The third purpose was to examine the extent of the impact of CSR on employee motivation.
1.5 Significance of the Research

1.5.1 Significance of the Study

CSR is a concept as practiced in western countries and the CSR practices are identified by analysing the management practices in most western corporations (Balmer, Fukukawa, & Gray, 2007; O’riordan & Fairbrass, 2008; Okoye, 2009). As the second largest economy in the world (The World Bank Group, 2012), the impact of globalisation has affected the management practices of CSR in China (Buyaert, 2012; Cummings & Guthrie, 2007). This study may contribute to extant CSR studies on investigating how manufacturers, who are based in Guangdong Province, developed the practices of CSR which can fulfil the expectations of employees.

Previous studies argued that the business decision-making of key stakeholders affected the financial performance of organisations (Choi, Kwak, & Choe, 2010; Porter & Kramer, 2006). This study may be of value to manufacturers by enriching their management skills and improving corporate executives’ understanding of the drivers of employee motivation through CSR initiatives.

Also, scholars (Mishra & Suar, 2010; Olowokudejo et al., 2011) argued CSR helped to enhance organisational performance. To assist executives in understanding the value of CSR initiatives, this study may shed light on whether CSR initiatives possess value to boost the organisational performance as compared to extant studies.
1.5.2 Significance of the Study to Leadership

Proponents of corporate social responsibility argued CSR could be used as a strategic approach to reduce risk and improve corporate financial performance (Buyaert, 2012; Caroll, 2004; Carrasco, 2007; Mikkila, 2005). Business leaders in China not only face the challenges from global competition (Choi & Nailer, 2005), but are also required to follow the policy and regulation set by local government and clients. Findings of this study may assist business leaders to develop a proper CSR strategy or policy to sustain economic growth and provide insight to them about the benefits of CSR.

1.6 Theoretical Framework

1.6.1 CSR Theories and its Impact

Since the concept of CSR started to evolve from the 1950s (Carroll, 1999), its definition has been debated in the past few decades by scholars. The total social responsibility framework proposed by Carroll continues to serve as a core construct among CSR scholars. Garriga and Mele´ (2004) mapped various CSR theories, namely; instrumental theories, political theories, integrative theories and ethical theories, to underpin the CSR development.

Among different constructs based upon the integrative theories, stakeholder management serves as the construct to align the goals of various stakeholders with corporates’ goals (Garriga & Mele´, 2004). Scholars (Brower & Mahajan, 2013; Jamali, 2008; Maignan et al., 2005) argued that the stakeholder approach has influences on CSR. Jamali (2008) argued the stakeholder approach was good for managers to understand the organisational responsibility to meet the expectations of stakeholders.
1.6.2 Impacts of Employee Motivation and CSR on Organisational Effectiveness

Redington (2005) argued that employees are one of the key stakeholders in an organisation and that business leaders always wanted to identify financial or non-financial approaches to motivate employees for increasing organisational effectiveness. Buciuniene and Kazlauskaite (2012), Manolopoulos (2008) and Ncube and Samuel (2014) supported the notion that employee motivation was one of the better approaches to enhancing the effectiveness of organisations.

CSR and employee motivation have positive impacts on organisational effectiveness. Manzoor (2012) finds a positive relationship between employee motivation and organisational effectiveness. Financial rewards, empowerment and recognition systems effectively enhance employee motivation, which further affects organisational performance (Achim et al., 2013; Manzoor, 2012; and Shukla, 2012). Contribution of CSR helps enhance organisational effectiveness (Zahra & LaTour, 1987). Olowokudejo et al. (2011) also argue CSR correlates positively with organisational effectiveness.

1.6.3 Relationship between Employee Motivation and CSR

CSR closely relates with human resources management as employees are also motivated by non-financial elements (Frey, 1997). Basil and Weber (2006) contend that there is a correlation between CSR and employee motivation.

Achim et al. (2013), Manzoor (2012) and Shukla (2012) argue that employee motivation influences and helps in development of the organisation. Kim and Scullion (2013) and Mozes, Josman, & Yaniv (2011) argue CSR does influence employee
motivation. Empirical studies further contend CSR has a positive relationship with employee motivation (Mozes et al., 2011) and CSR motivates employees (Kim & Scullion, 2013). There is evidence that CSR initiatives help to motivate employees through fulfilment of achievement needs and increase their sense of belonging (Kim & Scullion, 20013). These influences seldom noticed by the executives in China and Yin et al. (2013) asserted CSR was the best practices to engage stakeholders in MNCs.

The theoretical framework that guided this study includes the concept of corporate social responsibility and stakeholder theory.

The concept of corporate social responsibility proposed by Carroll (1979) is that it includes economic, legal, ethical and philanthropic responsibilities for businesses. Though there are different definitions developed in various academic studies (Bowen, 1953; Carroll, 1979; Carroll, 1999), Davis (1967) argued that businesses have significant influence in terms of social issues such as environment and businesses should be accountable for the social settings rather than focusing only on making profit.

The stakeholder theory proposed by Freeman (1984), that it was regarded as strategic management approach, became the major theme in the academic field of CSR study. The theory should be able to serve the interests of all parties if they are identified as stakeholders of a company (Evan & Freeman, 1993).

1.7 Research Gaps

The various definitions of CSR indicate there are cultural differences between the western world and China. From the historical development of CSR, it was found that most researchers focused largely on investigating the nature, practices and concepts of CSR as
for the western world. There are only a few studies which researched the relationship between CSR and employee motivation for business in China. Also, current studies (Tsoi, 2009; Yin et al., 2013) either argued CSR is rather important to export-oriented company or stated the influences of CSR on stakeholders in MNCs.

This study aims to investigate the impact of CSR on employee motivation for manufacturers with plant based in Guangdong Province. This is quite different from the existing research and it will help other researchers to understand CSR development for Chinese manufacturers.

Besides, it is a fact that businesses in China have to adopt western CSR practices. This study examines the outcomes of CSR practices, so that the stakeholders in the manufacturing industry in China can better appreciate what CSR can provide to employees.

1.8 Research Questions

This qualitative study aims to examine how CSR motivates employees for manufacturers with plants based in Guangdong. Most of the studies on relationships between CSR and HRM have been in the West (Buciuniene & Kazlauskaite, 2012; Khan et al., 2014; Kim & Scullion, 2013; and Tyagi & Gupta, 2012), although a few studies have addressed CSR and HRM practices in Hong Kong and China (Chan & Burgess, 2010; Tsoi, 2009; Yin et al., 2013). By examining HRM practices in the manufacturing sector which follows CSR requirements mandated in the West, this study considers how employees define CSR, what are the benefits brought by CSR, and the extent of CSR impacts on employee motivation. The key research questions are:
1. In the manufacturing industry in Hong Kong and China, how do employees define CSR?

2. Other than the financial gains, what are the employees’ views about the non-financial benefits of their work which is related to CSR?

3. To what extent does CSR impact employee motivation?

1.9 **Research Design and Methodology**

Manufacturers in Hong Kong and China are required to implement CSR for meeting the requirements and regulations. To explore the impacts, this study used a qualitative approach with a semi-structured interview as the instrument. A total of 24 participants, including senior management staff and employees were identified for interviews. The interviewees were selected from 8 manufacturers with plants based in Guangdong Province.

The interviews included open-ended questions to explore the participants’ views on the non-financial benefits of CSR and its impacts on employee motivation. The data collected in the interviews was analysed using a qualitative data analysis programme, NVivo, to select, code and classify the data. The results of the study may not only further extend the research of CSR in the East, but also reveals a correlation between CSR and employee motivation. The study is expected to practically assist managers in developing CSR initiatives which can further facilitate HRM practices in Hong Kong and China.
1.10 Definition of Terms

**Corporate social responsibility**: According to Carroll (1979), CSR is a terminology which describes “simultaneous fulfillment of a firm's economic, legal, ethical, and philanthropic responsibilities”. The firm should be able to make profit, follow the regulation, act ethically and play as a good citizen.

**Stakeholder**: In this study, stakeholder describes groups of people, such as society as a whole, employees, suppliers, consumers, and the local community. This study mainly focuses on employees who affect organisational performance.

1.11 Assumptions

The assumptions of this study include:

- All data collected from the interviewees is accessible provided that the survey responses to the interview questions are honest and unbiased information.
- Data collected from a self-reporting approach may be inaccurate and incorrect.
- Unreliable data may be collected from the interview responses, from the interviewees.
- As some of the research questions will be translated to Chinese, it is assumed that the translation is correct and translated by a native Chinese.

1.12 Summary

This chapter presented the reasons for carrying out the study. The reasons included that there were few studies on the influence of CSR on employee motivation; businesses encountered challenges adopting western CSR practices and the impacts of CSR on HRM.
The chapter included the statement of the problem, purpose of the study and significance of the study. The problems were the need to explore non-financial benefits and identify proper drivers to develop CSR practices for better management of human resources. The purposes of the study were to explore the meaning of “non-financial” and the impact of CSR on employee motivation. The significance of the study is that it may help manufacturers to further develop better practices which met expectations of employees and to develop CSR strategies to maintain business growth.

The theoretical framework and research gap issue were introduced. The theoretical framework outlined major CSR theories, namely total social responsibilities developed by Carroll (1979) and the stakeholder theory proposed by Freeman (1984); the impacts of employee motivation and CSR on organisational effectiveness; and the relationship between CSR and employee motivation. The research gap issue is about filling the gap of studies in CSR and employee motivation, and the practices to enhance CSR works.
2.0 LITERATURE REVIEW

2.1 Introduction

To focus the study on the two major constructs namely CSR and employee motivation, this chapter starts with the evolution of CSR theory, debates on CSR theory and the recent decade of development in CSR from Section 2.3 to Section 2.5. The literature review on stakeholder theory is discussed in Section 2.6. Articles are further reviewed in Section 2.7 to examine the influences of globalisation on CSR in developing country and the CSR development in China.

Starting from Section 2.8, employee motivation theories are reviewed to identify the correlation of employee motivation theories and CSR. Literature is further reviewed to show the major factors motivating employees. The discussion will identify the existing non-financial approaches to motivate employee. The employee motivation theories associated with organisational effectiveness are examined to emphasise how employee motivation plays a vital role in the ability of an organisation to maintain organisational performance. A review of recent research shows the impacts of CSR on employee motivation in a developing country.

2.2 Corporate Social Responsibility

Scholars (Achim, Borlea, & Breban, 2010) have argued CSR has become one of major topics in the field of academic, business and community. CSR enhances the effectiveness of corporate governance to overcome financial crisis, as has happened in the developed countries. It does this through the paradigm of maximizing organisational performance in satisfying economic needs, social needs and environmental needs (Achim
et al., 2010). Elkington (1997) is one of the foremost scholars of this paradigm and is noted for his contributions in the theory of triple bottom-line reporting to address the performance of social and environmental aspects of an organisation other than just economic performance. CSR is expected to be one of the ways to align business objectives with expectations of society, while also providing sustainable growth in business organisations (Achim et al., 2010).

2.3 Evolution of Corporate Social Responsibility Definition/Theory

According to Carroll (1999), definition of CSR has been broadly discussed and debated for over the last 60 years. The first definition of CSR was introduced by Bowen and it was described as the business obligations to form action or policy which is desirable to the community (Carroll, 1999). Fredrick (1960) enriched its definition as a public act towards society and that resources should be used for social purposes. Carroll (1999) pointed out there were expansions of CSR literature in the 1960s and he outlined the definition of CSR which proliferated in 1970s. Later in the late 1970s, Carroll (1979) developed a well-established model to define CSR to include economic, legal, social and ethical corporate obligations within an organisation and this model was widely accepted during that time. While in the 1980s, different themes, namely corporate social performance (CSP), stakeholder theory and business ethics theory, were developed along with a few more new definitions (Carroll, 1999). During the 1980s, scholars focused more on empirical research and there were alternative themes that grew (Carroll, 1999, Evan & Freeman, 1988; Wood, 1991). CSR continued to serve as a core construct and turned to other thematic frameworks in the 1990s. During a recent decade, with the influence of the
globalisation and financial crisis, some scholars extended the study of CSR to sustainable
development (Mark, Van, & Luk, 2011) and studied the value of CSR during this
turbulent environment (Schnietz & Epstein, 2005; Yelkikalan & Köse, 2012).

2.4 Debates on the CSR Definition and Theory

A number of scholars have contributed significantly in the field of definition of
CSR and most of them regarded CSR as the business obligation of the firms and ways to
create socio-economic welfare to the employees and community. Bowen (1953) was the
first one to shift the debate of social responsibility of business to corporate social
responsibility (Garriga & Melé, 2004). Although a considerable number of CSR theories
or definitions were proposed by scholars in different periods, there are only a few major
CSR definitions or theories that have been discussed and reviewed by scholars (Garriga &
Melé, 2004; Jamali & Mirshak, 2007; Moir, 2001; Okoye, 2009; Peloza & Papania, 2008;
Stieb, 2009; Tsoi, 2010; van Beurden & Gössling, 2008; Wood, 1991). These major CSR
definitions or theories are reviewed, since they underpin the development of CSR in the
West. The theories include value maximisation of shareholders as proposed by Friedman
(1970), the stakeholder theory developed by Freeman (1984), the total social responsibility
framework developed by Carroll (1979), and the corporate social performance developed
by Carroll (1999). The following section shows the overview of each theory.
2.4.1 Overview of the Value Maximisation of Shareholders

Friedman (1962, p. 112) claimed that the “one and only one social responsibility” of a corporation is to engage in activities which create profits for the stockholders of the corporation. Friedman made it clear that corporate social activities, which are profitable to the stockholders, are worthwhile doing. Garriga and Melé (2004) stated these activities should be without deception and fraud. Mulligan (1986) argued that Friedman’s claim was correct only if the corporate executives exercised social responsibility without participation of the other stakeholders. Johnson (1971) also defined CSR as one of the ways to increase organisational profits. Also, it was argued that an organisation has to achieve economic benefit before it contributes to society and look at the social interests for business over the long run rather than the short run (Steiner, 1975).

Similarly, advocacy of value maximisation was supported by Jensen (2000). He argued for either employees to succeed in an organisation or the organisation to achieve value maximisation, in which case the business leaders have to advise the employees what maximising value means. This can achieve the organisation’s objective to maximise stockholders’ profit in corporate social activities (Garriga & Melé, 2004). Garriga and Melé stated that this kind of CSR is regarded as an “instrumental theory”, as the CSR activities aim to create wealth for the stockholders.

2.4.2 Overview of the Stakeholder Theory

One of the alternative themes arising out of CSR was the stakeholder theory. Freeman (1984, p.46) proposed the concept of the stakeholder theory and he described stakeholder as “any group or individual who can affect or is affected by the achievement
of the organisation’s objectives”. This theory goes beyond the value maximisation of shareholders theory (Lindorff & Peck, 2010). Thus, it is in contrast with the value maximisation of shareholders which may cause the organisation to perform actions which were unethical and illegal. Based on this assumption, Freeman suggested that organisations should develop business ethics or a code of ethics to prevent unethical actions by the organisation. He then proposed to incorporate the theory of stakeholder management with CSR to include the ethical considerations and values within the organisation (Moura-Leite & Padgett, 2011).

Donaldson and Preston (1995) argued to distinguish different aspects related to the stakeholder theory. They discussed; the descriptive aspect related to corporate characteristics and behaviours of stakeholders, the instrumental aspect related to the association between stakeholder management and the achievement of organisational goals and normative aspects related to identifying moral guidelines for the operations and management of organisations, by analysing the organisational functions of businesses. Garriga and Melé (2004) classified the stakeholder theory as an ethical theory, whereby an organisation will take the right action for the good of the community.

Both Freeman (1984), and Donaldson and Preston (1995) had a common belief that stakeholders were important to organisations. The stakeholder theory was thus used to examine the stakeholders whom the organisation had to be responsible to (Moir, 2001). Carroll (2008) argued that stakeholders such as customers, employees and governments affect the corporate performance of the organisation. The stakeholder theory will be further discussed in detail later in this chapter.
2.4.3 Overview of the Total Social Responsibilities Framework and Corporate Social Performance

Based on the CSR concepts proposed by scholars (Davis, 1960, 1967; Friedman, 1962; McGuire, 1963; Steiner, 1971) in the 1960s to 1970s, Carroll (1979) developed the total social responsibilities framework, which defined the nature of CSR of a business organisation in terms of economic, legal, ethical and discretionary responsibilities that contribute to society. The economic responsibility of a firm has become a basic economic unit in society and a firm should be able to produce goods and services society wants and to sell them at a profit. There is a legal responsibility expected of a firm in order for it to do business and achieve business requirements, such as making a profit within the framework of legal requirements. Likewise the ethical responsibility of a firm should ensure they behave ethically in all areas which are not covered by a legal framework.

In regards to the discretionary responsibility of a firm, it is expected the voluntary acts done by a business are such that its engagement in the social role is not mandated, not required by law and not expected in an ethical sense. Businesses are expected to “encompasses the economic, legal, ethical and discretionary expectations that society has of organisations at a given point of time” (Carroll, 1979). Business has to meet legal responsibility and economic responsibility whereas ethical responsibility and discretionary responsibility go beyond the legal requirement (Carroll, 1999; Yang & Guo, 2014). This comprehensive framework considered a number of different thoughts related to CSR (Moura-Leite & Padgett, 2011). As compared with the value maximisation of shareholder theory, this framework not only considered the economic factor of benefits to the shareholder, but also included legal, ethical and discretionary dimensions expected by the
society. Thus, the four-dimension framework is well-accepted by many researchers such as Dhanesh (2012), Lindorff and Peck (2010), and Yelkikalan and Köse (2012).

Based on this framework, Carroll (1979) further added two other attributes which were the social issues involved and philosophy of social responsiveness. Though there were different social issues involved for different industries, he discussed examples of the social issues that an organisation is involved in, which included; consumerism, the environment, discrimination, product safety, occupational safety and shareholders. For the philosophy of social responsiveness, he proposed that “social responsiveness can range from no response (do nothing) to a proactive response (do much)” (Carroll, 1979, p. 501). He pointed out that corporate social responsiveness described the managerial actions responding to the social needs of the community. Carroll (1979) named the complete model as the corporate social performance (CSP) model and it was used “to systematise the important issues that must be taught and understood in an effort to clarify the social responsibility concept” (Carroll, 1979, p. 501).

Thus, other than stakeholder theory, corporate social performance was the other significant theory developed in relation to CSR (Moura-Leite & Padgett, 2011). Carroll (1999, p. 287) pointed out there was growing recognition of CSP “as a more comprehensive theory under which CSR might be classified or subsumed”. Wartick and Cochran (1985) extended Carroll’s CSP model into a model consisting of three aspects which were; principles of social responsibility, the process of social responsiveness and the policies developed to address social issues. They argued that CSP could “integrate three dominant orientations in the field of business and society” (Moura-Leite & Padgett, 2011, p. 533). They were the philosophical orientation related to Carroll’s ethical
component, the institutional orientation related to the process of social responsivenes
and the organisational orientation related to the policies of social issues management (Moura-
Leite & Padgett, 2011).

Wood (1991) revisited the CSP model developed by Carroll in 1979 and reviewed by Wartick and Cochran in 1985. Wood (1991) not only linked CSP with various theories related to organisational institutionalism, stakeholder management and social issues management, but also “incorporated a number of other theoretical traditions under the rubric of the corporate social performance framework” (Moura-Leite & Padgett, 2011, p. 534). Her model was regarded as a set of descriptive classifications of business events, which focused on the impacts and outcomes to the stakeholders, society and the organisation itself (Wood, 2010). Garriga and Melé (2004) classified the framework and CSP as integrative theories that organisations must note if they are concerned about the social demands of society.

In considering the characteristics of the three definitions or theories, the core concerns of CSR were recast into different theories, concepts or models (Moura-Leite & Padgett, 2011). Lee (2008) indicated that economic and social needs became closer and much more responsive even when they were not tightly coupled together.

During the 1990s, Moura-Leite and Padgett (2011) found CSR had become widely adopted by government, business organisations and international organisations such as the World Bank and the United Nations. Lee (2008) indicated that an increasing number of Fortune 500 companies were addressing CSR activities, for example, over 90 per cent of the Fortune 500 companies set CSR as one of their organisational goals and its corresponding activities had to be reported in the annual report. However, there was little
additional CSR definition in the 1990s and Carroll (1999, p. 288) found out that CSR continued to “serve as the base point, building block, or point-of-departure for other related concepts and themes”.

Jones (1995) examined the instrumental aspect and constructed an instrumental stakeholder theory. The instrumental stakeholder theory was built on an integration of stakeholder theory, economic concepts or theories such as agency theory, team production theory and transaction cost economics concepts, behavioural sciences, and ethics. Clarkson (1995) proposed a stakeholder framework to evaluate the corporate social performance. He strongly suggested that managers of the organisation had to be accountable for the primary stakeholder such as shareholders, employees and customer rather than solely “maximising returns to shareholders at the expense of other primary stakeholder groups” (Clarkson, 1995, p. 112).

2.5 Development of CSR in Recent Decade, 2000s

Moura-Leite and Padgett (2011) suggested that during 2000s the focus of CSR moved from “doing good” to “doing well”. In the past decade, the focus of CSR shifted from developing new definitions to reviewing the impacts and values of CSR on different aspects such as organisational effectiveness, financial performance, competitiveness and strategic management (Brammer & Millington, 2008; Mikkila, 2005; Mishra & Suar, 2010; Ruf et al., 2001; Schnietz & Epstein, 2005).
2.5.1 The Relationship between CSP and Financial Performance

Various scholars (Choi et al., 2010; Marom, 2006; Orlitzky, 2001; Orlitzky, Schmidt, & Rynes, 2003; Peloza & Papania, 2008; van Beurden & Gössling, 2008; Wood, 2010) examined the relationship between CSP and financial performance. Ruf et al. (2001) found out that there was an association between CSP and financial performance. They used the framework of the stakeholder theory to examine the association based on the modified CSP model proposed by Wood in 1991 (Wood & Jones, 1995). Their studies showed that companies with improvements in CSP would do better than their rivals in terms of financial performance (Ruf et al., 2001). Peloza and Papania (2008) also argued that when stakeholders positively evaluate the social responsibility activity of the organisation, stakeholders with power, urgency and legitimacy were seen to improve the financial performance of the organisation. Other scholars (van Beurden & Gössling, 2008) argued that there was positive correlation between CSP and financial performance. They also identified factors, which affect the association between CSP and financial performance, such as the size of the organisation and types of industry. Wood (2010) argued that the connection between CSP and financial performance was well established in general. These studies explored the association between CSP and financial performance and CSP is considered as a theory to positively influence organisations.

2.5.2 The Relationship between CSR and Competitive Advantage

Other than the research done on CSP and financial performance, scholars (El-Gaaihry, Mohamed, & Albahussain, 2014; Maruffi, Petri, & Malindretos, 2013; Schnietz & Epstein, 2005) argued CSR and competitive advantaged were connected. Schnietz and
Epstein (2005) not only argued CSR correlates positively with financial performance by using a highly robust empirical set of data from large and diversified organisations, but also indicated the competitive advantage of the organisations. Their study showed an additional support that organisations with good reputations appeared to be penalised less than organisations acting without social responsibility during a corporate crisis. Also, in the study of evaluating the right balance of CSR works for today and the future, scholars (Maruffi et al., 2013) argued that the contribution of CSR to organisations would be able to bring innovation and a sustainable competitive advantage to the organisation. El-Garaihy et al. (2014) found out that there was relationship between CSR and competitive advantage. They argued that customer satisfaction and corporate reputation was the mediate role in achieving competitive advantage for an organisation. These studies focused on examining of impact of CSR on the competitive advantage of organisations.

2.5.3 The Impact of CSR across Different Nations

Other CSR scholars examined the impacts of CSR practices across different nations (Freeman & Hasnaoui, 2011; Matten & Moon, 2008; Quazi & O'Brien, 2000). Quazi and O'Brien (2000) performed a study of CSR across different nations and they developed a model which could account for the nature of CSR in different nations. Their study presented their results as a two-dimensional model with costs/benefits from CSR action on one axis and narrow/wider responsibility on the other axis. Four views, which were; classical view, socioeconomic view, philanthropic view and modern view, were proposed. Though the results were significantly different for nations such as Australia and
Bangladesh, the model was able to demonstrate the cultural influences towards the CSR actions in different nations.

Rather than analysing the benefits from CSR, Matten and Moon (2008) argued that CSR were different based on the nature of national business systems in the United States and European countries. The authors argued for two different understandings of CSR. They were “explicit CSR” and “implicit CSR”. “Explicit CSR” referred to the U.S. based CSR which concerns the responsibility of societal interests. “Implicit CSR” referred to the European based CSR that concerns societal interests and also the interests of different stakeholders. The results revealed there was a change in the nature of CSR in European countries because of the growing influence of explicit CSR. The authors argued that the change was mainly due to the global spread of the U.S. based CSR.

Considering the metrics or models used to examine the impact of CSR in different nations by the scholars (Matten & Moon, 2008; Quazi & O’Brien, 2000), there is a gap in identifying the impacts of CSR in the manufacturing industry in China and Hong Kong. These studies seldom or never consider the impacts of CSR in the manufacturing industry in China and Hong Kong even with global spread of “explicit CSR” (Matten & Moon, 2008). In comparison, a more recent study conducted by Freeman and Hasnaoui (2011) argued that there was no universal frame to describe CSR concepts in those countries due to different cultures, norms, rules, routines and schemas which vary across the nations. There is a gap, that is to explore employees who work for manufacturers in China and Hong Kong, on how to define CSR.
2.5.4 The Impacts of CSR on Organisation Effectiveness

Scholars (Mishra & Suar, 2010; Obalola & Adelopo, 2012; Olowokudejo et al., 2011) argued CSR correlates positively with organisation effectiveness. Olowokudejo et al. (2011) found from their study that the organisational effectiveness such as; profitability, sales, financial strength and operating efficiency correlates positively with the involvement in CSR for organisations operating in the field of insurance. Mishra and Suar (2010) argued CSR towards primary stakeholders such as employees, customers, investors, the community, suppliers and the natural environment influences both financial and non-financial performance of organisations. They argued that factors such as the control of the size of organisation, stock-listing and managers with positive perceptions towards CSR affect the non-financial performance of organisations including internal operational efficiency, employee satisfaction and customer satisfaction. Obalola and Adelopo (2012) found that managers sought to explore broader measures of organisational effectiveness. They identified that CSR behaviour of an organisation was a good indicator of organisational effectiveness and managers should not neglect the importance “of the benefits of ethics and social responsibility” (Obalola & Adelopo, 2012, p. 430). These studies explored the influence of CSR on organisational effectiveness.

Studies of CSR in the recent decade indicate the debate has shifted from exploring the definition of CSR to studying the relationship between CSR and other various aspects. These studies were based on the stakeholder theory to further examine the influence of CSR on specific aspects. This study was also based on stakeholder theory and CSR framework developed by Carroll (1979) to further examine the research gap of the influence of CSR on employee motivation in Hong Kong and China.
2.5.5 Criticism Associated with CSR

Scholars (Beder, 2006; Doane, 2005; Fleming & Jones, 2013) have criticised the major rationale behind corporates adopting CSR to maximise profit. This was used as a promotional campaign to conceal some of the more unsavoury issues of neoliberalism existing in current business practices. Beder (2006) argued that economically dominant countries such as the U.S. have coerced other countries to accept rules required by transnational corporations. These corporations tried to use trade negotiations to protect their intellectual property and set up new rules to protect their profits. Doane (2005) contended that though major multinational corporations had CSR programmes, the corporations avoided creating better CSR initiatives by adopting measures such as fair trade. Because few corporations were willing to be more ethical, there was a need to have substantial change from regulation to behavioural change to fulfil the needs of the general public. Scholars (Fleming & Jones, 2013) have attempted to use different real cases to explain why most sizable corporations were maximising their profits. They argued that employees were motivated through CSR initiatives so that they would have “minimum emotional dissonance” and ultimately this improved the productivity of employees (Fleming & Jones, 2013, p. 77).

In considering the association of neoliberalism and CSR, this study examines the perception of CSR initiatives by employees as a way to maximise profit or to avoid the negative feelings of employees.

2.6 Stakeholder Theory

Freeman (1984) proposed the concepts of the stakeholder approach for organisations to adopt it as a strategy to manage relationships between organisations and specific stakeholders. He defined a stakeholder of an organisation as “any group or
individual who can affect or is affected by the achievement of the organization's objectives” (Freeman, 1984, p. 46). In contrast to the value maximisation of shareholders to address concerns on stockholders, the concept of stakeholder management is aimed to respond to the ethical considerations of stakeholders. Freeman proposed that managers had to find ways to satisfy all stakeholders involved in the business.

The stakeholder approach provided mutual impacts between the organisation and a broader range of stakeholders such as consumers, competitors, government, customers, employees and owners (Wood, 1991). Wood further indicated the approach took away the corporate legitimacy so that it provided a starting point for scholars to consider how central stakeholders grant or take away corporate legitimacy. Also, as mentioned the stakeholder theory could be used by an organisation as a basis to analyse which groups the organisation had responsibility for (Moir, 2001). Within the stakeholder framework, corporate performance could be affected by stakeholders (Carroll, 2008).

Similarly, the stakeholder theory of a corporation proposed by Donaldson and Preston (1995) argued all stakeholders would provide inputs and outputs for the corporation. They argued the theory could be used in three different approaches which were; descriptive/empirical, instrumental and normative. The use of the theory for the descriptive approach were to describe “the nature of the firms; the way managers think about managing; how board members think about the interests of corporate constituencies; and how some corporations are managed” (Donaldson & Preston, 1995, p. 70). The instrumental approach was to use empirical data to identify the relationship between corporate goals and stakeholder management. Donaldson and Preston (1995) found that most of research showed the relationship was positively correlated. The normative
approach was to identify the “moral or philosophical guidelines for the operation and management of corporation” (Donaldson & Preston, 1995, p. 71). They further proposed that the normative approach served as the central core of the theory and all stakeholders, especially managers were able to recognise the moral values and their obligations. The instrumental approach was situated at the middle layer for predicting outcomes when certain practices were applied. The descriptive approach was in the boundary layer to explain the relationships observed in the external environment.

Mitchell, Agle and Wood (1997, p. 880) extended the stakeholder approach to propose the theory of stakeholder identification and salience. They aimed to help managers who were able “to map the legitimacy of stakeholders and therefore become more sensitized to the moral implications of their actions with respect to each stakeholder”. They developed a model including three attributes which were; power, legitimacy, and urgency. Power attributes related to the influence a stakeholder has ways to impose his will in a relationship. They classified power attributes into three types including; coercive power, utilitarian power and normative power. The legitimacy attribute was about the “socially accepted and expected structures or behaviours” (Mitchell et al., 1997, p. 866). The urgency attribute related to the managerial delay in responding to unacceptable claims from other stakeholders or the importance of a claim to the stakeholders. The model developed by Mitchell et al. (1997) showed the degree to which business leaders respond or what priority is given to a specific group of stakeholders (Agle, Mitchell, & Sonnenfeld, 1999). Kolk and Pinkse (2006) argued that stakeholders could influence a firm’s decision if business leaders implement the stakeholder approach successfully. Both arguments from
Donaldson and Preston (1995) and Mitchell et al. (1997) contend management plays a key role in the influence of CSR on stakeholders. For the studies focused on exploring

### 2.6.1 The Influence of Stakeholder Management on CSR

In the relationship between stakeholder theory and CSR, Lockett, Moon and Visser (2006) argued that stakeholder theory is one of the key research areas in the field of CSR research and CSR became more importance in the field of management research. Scholars (Brower & Jamali, 2008; Maignan et al., 2005) argued the stakeholder approach or stakeholder theory had influences on CSR.

Maignan et al. (2005) proposed that although business firms were accountable toward the community, an individual firm was considered to be responsible to its stakeholders. To avoid the negative impacts raised from the pressure of secondary stakeholders such as media or interest groups, Maignan et al. (2005, p. 964) stated the most important stakeholder issues would be “the priorities dictated by organizational values and norms (urgency)”; “the relative power of different stakeholder groups”; and “the legitimacy of the issues presented”. They proposed a conceptual model to make use of the stakeholder approach to develop a concrete plan for implementing CSR. Maignan et al. (2005) argued that CSR became an essential way to secure stakeholders and safeguard the business’s reputation among employees, customers, shareholders and governments.

Similar to Maignan et al. (2005), Jamali (2008) developed a case for a stakeholder approach to CSR and outlined how it was integrated into empirical studies and the findings demonstrated the success of the stakeholder approach to CSR. Based on the conceptualizations of CSR proposed by Carroll (1979) and Wood (1991), she argued that
stakeholder theory was comparatively easily used by managers to understand organisational responsibility, to respond to the expectation of stakeholders, and to collect as well as analysing CSR data. Her empirical data showed stakeholder theory provided a beneficial way for managers to derive intuitive insights from the particular stakeholder issues even though she found there were discrepancies with the conceptualizations of CSR.

Again, Brower and Mahajan (2013, p. 315) are some of only a few researchers to examine the factors associated with CSP empirically by proposing a conceptual framework to “link stakeholder theory and the factors that predict the breadth of a firm’s CSP in response to the demands of stakeholders”. Based on the characteristics of responsive organisations, they identified factors related to the ways organisations assess the stakeholder landscape and the environment; to note stakeholders’ demands that affect the organisation; and to increase the breath of CSP to echo the characteristics of the stakeholder environment. In the framework, Brower and Mahajan (2013, pp. 315-316) examined those factors that increase the capability of the organisation in areas which were the “sensitivity to stakeholder demands”, the “diversity of stakeholder demands”, and the “exposure to stakeholder scrutiny or risks from stakeholder action”. By using the Kinder, Lydenburg, and Domini (KLD) social rating database showing social performance of 4,000 firms, their research findings showed responsiveness and sensitivity to different stakeholder demands were important factors on managerial CSP decision making.

These studies argue the positive relationship of CSR/CSP and the stakeholder management. They also argue that there is an impact of stakeholder management on CSR/CSP.
2.6.2 Stakeholder Approach on CSR

Yin et al. (2013) conducted a study on examining major stakeholders for multinational companies (MNCs) in China and the most common CSR practices towards each group or stakeholder. Yin et al. (2013, p. 57) argued a business was considered successful when “it can effectively balance and generate value for its stakeholders”. Comparing with major stakeholders proposed by Freeman (1984), the article defined two stakeholder groups, namely primary stakeholder group and secondary stakeholder group. The primary stakeholder group included customers, employees, government and shareholders. The secondary stakeholder group included community, NGOs and the general public. From both groups, the authors identified seven stakeholders who were; shareholders, employees, government, suppliers, community, customers and the community. As an employer of the MNCs in China, three key responsibilities were identified; providing a competitive salary and welfare; engaging employees in CSR programmes; and offering training and career developments. In examining the best CSR practices for employees, authors ranked family day, employee care program, positive labour relationship, healthy and safe work environment, internal communication, encouraging employees into volunteering, building an ethical workplace, and ensuring a work-life balance, in order of importance. The authors suggested that by adopting the best practices it is possible to improve the CSR performance of an organisation.

2.7 CSR Development in Hong Kong and China

Globalisation urges developing countries to adopt and implement CSR standards required by home countries for MNCs (Husted & Allen, 2006; Jamali & Mirshak, 2007).
Husted and Allen (2006) sought to study the correlation of global and local CSR to the global organisational strategy for MNCs located in developing country, by conducting a quantitative study of 459 MNCs operating in Mexico. From the 111 responses, MNCs would strategically rank the local CSR issues higher than the global CSR as adopted in their headquarters. Also, economic globalisation was deemed as the process to integrate the world market which led to maintaining uniform rules which were adopted by different countries for a globalised corporation (Shen & Cheng, 2009). Shen and Cheng (2009) argued it was difficult to set up a complete set of CSR’s standards in China. They suggested it was feasible to “frame industry CSR standards in accordance with the particularity of the industry” (Shen & Cheng, 2009, p. 137).

Similarly, Jamali and Mirshak (2007) examined CSR theories adopted in developing countries. Based on the definition of CSR proposed by Carroll (1979) and the CSP model proposed by Wood (1991), they claimed that most of firms emphasised the essence of stakeholder management in the planning stage but failed to communicate the outcomes of CSR activities. Jamali and Mirshak (2007, p. 260) argued the local companies could only adopt, since “the CSR approach of the companies in the sample remains amateurish and sketchy”. Again, Gugler and Shi (2009) argued the differences of CSR standards in the West and the East are that they do not have a common policy to optimise the contributions from corporates to the community. From these few studies of CSR in developing countries, the companies in developing countries do not follow fully the CSR works adopted in the mother country or developed country. This study fills the gap on examining CSR being developed in the manufacturing industry in Guangdong
Province. The study reveals the definition of CSR using the analysed data collected from employees.

China has become “one of the world’s largest and most interconnected economies” (Luethge & Helen, 2012, p. 390). With the Chinese government facing difficulties in dealing with product safety, environmental protection and labour rights (He, Amezaga, & Silva, 2012), companies such as manufacturers had to adopt CSR practices as implemented in the Western world. Luethge and Helen (2012) reviewed the four different categories of CSR theories outlined by Garriga and Mele’ (2004). Based on cultural differences between the West and China, Luethge and Helen argued that adoption of Western based CSR, by Chinese businesses might be unrealistic because China “has cultural practice of guanxi” (Luethge & Helen, 2012, p. 392). The authors claimed China was unlikely to meet the standard of CSR activity as practised and achieved in the West.

Also, Lam (2009) conducted a study to examine the perception of CSR by senior management executives of MNCs based in China. In the qualitative study conducted over nine Chinese subsidiaries, the author argued the CSR initiatives did not go beyond the legal requirement and the immediate stakeholders in the subsidiaries and so the ethical training for the employees in China was not effective. The results indicated the executives did not value CSR in China. The author further stated MNCs in China have to know how to equip their staff to consider and deal with issues beyond the economic, technical, and legal requirements. Thus, when adopting global CSR strategies, additional ethical training should be considered for MNCs based in China.

A similar argument was presented by Tsoi (2009) whereby he performed a qualitative study analysing 21 major stakeholders in Hong Kong and China about their
perceptions of CSR. In considering the significance of CSR, the result of the study argued CSR was mainly driven by the business requirements of multinationals in the western world. The legislation, which was related to social and environmental aspects, as set up in China was considered sufficient but subsequently the enforcement and inspection were seen as weak. This was mainly due to the low external pressure from the media, consumers and the public.

From these studies, even when global CSR practices have been successfully adopted in developed counties, there are difficulties in fully implementing these in developing countries and in particular the executives in China do not value the practices. Therefore, there is a gap in knowledge about the performance of Chinese management on how to implement CSR. Other than financial gains, this study explores the non-financial benefits related to CSR.
2.8 Employee Motivation

Scholars in the fields of human resource management and organisational behaviour constantly addressed the importance of employee motivation to improve organisational performance and productivity (Ncube & Samuel, 2014). Mitchell (1982, p. 81) defined motivation as “those psychological processes that cause the arousal, direction, and persistence of voluntary actions that are goal oriented”. Also, Robins (1993) defined motivation as the willingness of an individual to make extra effort to meet organisational goals on the condition that the efforts satisfied the individual’s needs. He further described the need as an internal state which causes outcomes which appear appealing.

In the motivation process model developed by Robins (1993), an unsatisfied need causes tension within an individual. The tension promotes drives which inspire the individual to develop search behaviour to look for specific organisational goals that would satisfy his need and reduce the tension. Ramlall (2004, p. 53) argued though motivational theorists have different focuses on the needs that an individual wants to fulfil, most of them “would agree that motivation requires a desire to act, an ability to act, and having an objective”. It is concluded that these scholars have a common claim on motivation that an individual is driven by tensions or needs to act.

2.9 Employee Motivation Theory

In considering the employee motivation theories, Ramlall (2004) selected four major motivation theories, namely; need theories, equity theory, expectancy theory and job design model, to analyse the impact of employee motivation on employee retention in an organisation. On the contrary, Mullins (2010) divided major employee motivation
theories into two categories, namely content theory and process theory. The author described content theory as the motivation theories developed by various scholars (Alderfer; 1969; Herzberg, 1968; Maslow, 1943; McClelland, 1961) to explain particular aspects which motivate an individual to work in an organisation. These theories identify an individual’s needs and strengths aimed to satisfy his expectations and this theory focused on the “nature of needs and what motivates”. In contrast, the process theory focused on the “actual process of motivation” (Mullins, 2010, p.260). The author described process theory as the motivation theory which grouped the expectancy theory, equity theory, goal theory and attribution theory to identify the relationship among the dynamic attributes which cause the motivation of an individual and “how behaviour is initiated, directed and sustained” (Mullins, 2010, p. 260).

2.9.1 Content Theories of Motivation

Maslow (1943) developed the hierarchy of needs model which consisted of five basic needs that are; physiological, safety, love, esteem, and self-actualisation. With reference to Maslow’s theory, people such as employees are “motivated by the desire to achieve or maintain the various conditions upon which these basic satisfactions rest and by certain more intellectual desire” (Ramlall, 2004, p. 54). According to Ramlall, the implications of the Maslow’s theory provides a useful insight for business leaders as they are able develop programs or practices to satisfy employees’ unmet and emerging needs. The other implication is to implement support programmes to understand specific needs of employees.
Other than satisfying the needs, some people strive for personal achievement rather than satisfying their needs. McClelland (1961) proposed an alternative need theory to Maslow’s theory known as the achievement motivation theory to underpin human motivation. McClelland’s theory included three dominant needs which are; need for achievement, need for power, and need for affiliation. The need for achievement was defined as human’s desire to achieve in high standards, succeed in mastering of skills and drive to excel. The need for power was defined as the desire to have significant impact on others. He defined the need for affiliation as the desire to develop close interpersonal relationship with others. Ramlall (2004) argued that an individual with a higher need of power has the desire to coach and encourage others to have achievement. Rather than motivating people based on their needs, this theory describes people who regard achievement as a motivation. Kreitner and Kinicki (1998) also stated that McCelland proposed senior managers should have a high need for power and a low need for affiliation.

Based on Maslow’s theory, Alderfer (1969) proposed a modified needs theory model to consolidate Maslow’s five levels of need into three levels. The three levels are; existence needs, relatedness needs and growth needs. Existence needs relate to physiological and safety needs of humans such as food, good pay, good working conditions and benefits (Islam & Ismail, 2008). Related needs are concerned with the social relationships with others such as friends, family and working groups. Growth needs address the development of self-esteem and self-actualisation. Alderfer suggested these needs are unlike the needs as defined by Maslow, where the needs progress through a hierarchy but instead he argued “these needs are more a continuum than hierarchical levels”
Alderfer’s theory not only simplified Maslow’s theory by re-classifying his five needs into three different needs, but also grouping the needs which have association.

Herzberg, Mausner and Snyderman (1959) proposed the two-factor theory of motivation which includes hygiene factors to prevent dissatisfaction of an individual and motivating factors to motivate an individual to perform better. Herzberg (1968) argued that preventing the cause of dissatisfaction would not result in satisfaction, while satisfaction or motivation would occur only when using motivating factors. Mullins (2010) stated that Herzberg’s theory caused frequent debates and there are two general criticisms. One of the criticisms is that the theory has limited application to unskilled workers or whose works have limited scope. The other criticism relates to the methodology which causes interview bias.

Based on the content theory, an employee is motivated through the needs of individuals, being; when an individual wants to have achievements; or through the use of hygiene factors and motivating factors.

### 2.9.2 Process Theories of Motivation

Mullins (2010) stated process theories address the association of dynamic factors that motivate people and in particular the required actions to affect an individual’s action and behaviour. He indicated that there was no other researcher has shown links to the process theory. The major scholars include the expectancy theory proposed by Vroom (1964), and Porter and Lawler (1968); the equity theory developed by Adam (1965); and the goal theory developed by Locke (1968).
The expectance theory of motivation describes “that people are influenced by the expected results of their actions” (Mullins, 2010, p. 269). An individual is motivated to an extent that he believes that spent effort would lead to a perceived performance and be rewarded with positive valence. Vroom’s model has three attributes which are; valence, instrumentality and expectancy. Vroom (1964) defined valence as the emotional orientation of an individual for a particular outcome. Ramlall (2004) stated that an individual’s valence is concerned with the anticipated satisfaction of an expected outcome for which an individual expects to receive. Instrumentality refers to “the extent to which first-level outcomes lead to second-level outcomes” (Mullins, 2010, p. 270). The first-level outcomes relate to the level of performance that leads to the second-level outcomes for an individual. And the second-level outcomes relate to the financial or non-financial rewards through the achievement of first-level outcomes. In comparison with the content theories, expectancy concerns the degree of belief of an individual to perceive the possibility of a particular outcome (Ramlall, 2004).

Vroom’s model was extended by Porter and Lawler (1968) to “identify the source of people's valences and expectancies” and “link effort with performance and job satisfaction” (Ramlall, 2004, p. 56). Their model proposed the motivation of an individual is influenced by the perceived reward when completing a work. Other than motivating people with the effort spent, it was also determined by the ability of an individual and his perception. Their stated job satisfaction depends on the perceived extent of intrinsic and extrinsic rewards for an appropriate performance.

The major contribution of expectancy theory is the prediction on how a person chooses to persist and engage in a job assignment linked with potential outcomes and
desire (Facer Jr. et al., 2014). Mullins (2010, p. 274) also stated that the theory helped “to explain the nature of behaviour and motivation in the work situation”, but it is not easy to apply in the workplace. Porter and Lawler (1968) surmise that the theory is only applicable to behaviours that is under the voluntary control of an individual.

Equity theory underpins an individual’s perception of fairness for the treatment received by him and received by others (Ramlall, 2004). Adams (1965) stated the perception of fairness is evaluated by comparing the inputs and outcomes received by an individual and by others; and by comparing the ratio of an individual’s outcomes to an individual’s inputs with the ratio of others’ outcomes to others’ inputs. When there is a difference in the ratio, an individual experiences inequity which causes him to develop a certain level of tension. Mullins (2010, p. 275) stated the “magnitude of perceived inequity determines the level of tension”. Organisations develop reward systems which are equitable and maintain the fairness to employees (Ramlall, 2004). Managers are able to remove the tension and inequity within organisation (Mullins, 2010). This theory is different from the expectancy theory, in that this theory focuses on comparing the ratio of the outcome to input for different entities. With the difference in the ratio, people are motivated to perform differently in an environment.

Goal theory, which is also called goal setting theory, focuses on the relationship between goals and performance. Locke (1968) stated organisations made use of clear goals and proper feedback to motivate employees. He acknowledged the importance of valence as mentioned in the expectancy theory and stated valences caused the desires and emotion of the people. To satisfy people’s desires and emotions, people strive to meet the goal which directs their work behaviour and performance (Mullins, 2010). The
performance and work behaviour lead to feedback or reward. Wiley (1997, p. 264) indicated the prerequisites of positive performance were based on the “acceptance of the goal assignment and provisions for performance feedback”. Locke (1991) argued that setting goals was importance to organisations and it was the final component of motivation. One of the practical implications for managers is that a goal can be set by a superior or by the employee, in which case the participation of the employee in the goal setting may lead to a better performance (Mullins, 2010). Rather than focusing on the outcomes discussed in the expectancy theory and equity theory, goal theory aims to motivate an individual by rewarding him when there is positive feedback, by returning the feedback to the individual for further improvement.

2.9.3 Reinforcement Theory

Bartol and Martin (1998) classified motivation theories into need theory, cognitive theory and reinforcement theory. Need theory and cognitive theory are the same as the content theory and process theory respectively proposed by Mullins (2010). Other than these two kinds of motivational theories, there is reinforcement theory. Facer Jr. et al (2014) stated reinforcement theory had consistently influenced management practice and organisational systems. In addition, Islam and Ismail (2008) stated the theory was the opposite of cognitive theories as it did not relate with personal states but rather focused on observable behaviour. Islam and Ismail (2008) further stated that reinforcement theory stated the behaviour of an individual was a function of its consequences and it was explained by consequences. They explained that the theory was built on a concept called law of effect. Bartol and Martin (1998) explained the law states that behaviours with
positive consequences were more likely to be repeated while behaviours with negative consequences were less likely to be repeated. The implications of reinforcement theory were to enhance productivity of the employees (Raj, Nelson, & Rao, 2006) and reduce their absenteeism (Pedalino & Gamboa, 1974). Facer Jr. et al. (2014) stated the ongoing debate of reinforcement theory among scholars and practitioners showed the importance of the theory as applied in organisational management.

The motivational theories, namely the content theory, process theory and reinforcement theory, have become the major theoretical concepts and management practices in motivating employees in organisations. They explain how an individual is motivated based on their needs, their expected outcomes and the behaviours of the consequences. Other than these theories, there are other studies carried out to explore the choice of motivation theory; the relationship between CSR and employee motivation, and the impact of employee motivation on organisational effectiveness. The following section discusses these studies to account for the gap and to examine the factors used to motivate employees.

2.9.4 Employee Motivation Theory and Motivation Factors

Similarly, Ramlall (2004) sought to identify the relationship between employee motivation and employee retention. The author stated the importance of retaining critical employees for an organisation, because as employees leave it causes financial loss due to the economic value of human capital and knowledge management. He selected the need theories, equity theory and expectancy theory to analyse the relationship as he found they were relevant to employee retention. From his study, he listed the critical factors in the analysis of the motivation theories for the purpose of employee retention. The factors
included the needs of employees, work environment, responsibilities, supervision, fairness and equity, effort, employee’s development and feedback. These factors are addressed by the need theories, equity theory and expectancy theory.

By analysing four motivation surveys performed over 40 years, Wiley (1997) sought to examine the present and the past attitudes towards the motivational factors in the workplace. The author examined the need theories; reinforcement theory, goal theory and expectancy theory, in the study. Ten motivating factors included good wages; full appreciation of work done; promotion and growth in the organisation; good working conditions; interesting work; sympathetic help with personal problems; job security; tactful discipline; personnel or companies in the organisation; and feeling of “being in on the things”. These factors were used by the Labour Relations Institute of New York initially and repeated later in different years.

During the survey in 1946, full appreciation of work done ranked at the top among ten job motivation factors. In the surveys done on 1980 and 1986, interesting work ranked top among the job motivation factors. Wiley (1997) stated organisations were able to satisfy the basic needs of employees but were not able to recognise work done by employees. In a 1992 survey, good wages ranked top among the same set of the factors and employees wanted to have feedback for their works. Among all the surveys, the results indicated full appreciation of work done was ranked top of the motivation factors. The author also argued that recognition of a good work with positive feedback was the top motivator. Managers can reinforce desirable behaviours or discourage undesirable behaviours.
Islam and Ismail (2008) also conducted the same survey on over 500 employees in 96 organisations so as to identify the motivation factors in Malaysia. The authors selected ten job motivational factors in the surveys. The respondents were required to rank the factors in assessing the perceived effectiveness of the factors which motivated them. The authors concluded the six most effective motivating factors included; good wages; promotion, job security, good working conditions, interesting work and full appreciation of work done.

From the surveys done by Wiley (1997) as well as Islam and Ismail (2008), the major motivation factors are good wages, promotion, job security, good working conditions, interesting work and full appreciation of work done. Though the full appreciation of work done ranks at the top of these factors and with the growing importance of CSR, a research gap exists for exploring the major motivation factors as well as the impact of CSR on employee motivation for employees working in the manufacturers located in Guangdong Province.

The following sections present the relationship between employee motivation and CSR as well as the relationship between employee motivation and organisational effectiveness.

2.9.5 Employee Motivation and Organisational Effectiveness

Malik, Ghafoor and Naseer (2012) conducted a study to examine the factors affecting the organisational effectiveness in the telecommunication and banking sectors in Pakistan. In the study, performance, organisational environment, managerial expertise, motivation, creative synergy, radical background and multi-ethnicity were the factors examined by the authors. In the examination of motivation, the authors reviewed
Maslow’s need theory, expectancy theory and reinforcement theory. The quantitative study was conducted over 103 employees. The authors initially found a positive correlation between organisational effectiveness and employee performance. Then there was a positive relationship between employee motivation and organisational effectiveness. In comparing the influence of employee motivation and employee performance over organisational effectiveness, the authors found employee motivation had comparatively more influence on organisational effectiveness.

Similarly, Manzoor (2012) identified the motivation factors of employees and the relationship between employee motivation and organisational effectiveness. The author argued that empowerment and recognition was the main employee motivating factor. The author indicated employee motivation is one of the ways for managers to enhance job efficiency and develop a competitive edge over rivals. A quantitative survey was also conducted on 103 respondents in the banking and telecommunication sectors of Pakistan. The results showed there was positive correlation between employee motivation and organisational effectiveness.

From the above studies, employee motivation not only enhances the organisational performance, but also indicated the importance of the factors to motivate employees for driving them to perform better in the organisation.

2.9.6 Employee Motivation and CSR

Iqbal et al. (2012) contended there are impacts of CSR on job attitude and the performance of internal stakeholders, namely employees. The authors argued the scholars mainly focused on examining the impacts of CSR on prospective employees. Employees
would experience and evaluate the CSR program of the corporations. Thus, CSR would have an influence on employees’ attitudes and behaviours that went beyond organisational commitment. The quantitative survey was conducted in urban areas of Pakistan for all kinds of companies and 245 questionnaires were completed. In the survey results, fair wages, professional development of employees, safety at work and respect of employee’s rights had impacts on the corporate reputation. Employees indicated the most attractive CSR activities are donations.

Differently to the work of Iqbal et al. (2012), Kim and Scullion (2013) conducted studies to compare the impact of CSR on employee motivation in the UK and Korea. Compared with the primary stakeholder focus of work by Freeman (1984), Kim and Scullion focused the study on employees because a significant number of studies have been done on external stakeholders and CSR. With 53 in-depth interviews with CSR/HRM managers or high-ranking officials, the authors argued CSR could be used to motivate employees by McClelland’s three motivational causes which were; achievement, affiliation and power. CSR helped employees to fulfil achievement needs according to Kim and Scullion. They noted that achievement needs were fulfilled when employees felt pride, loyalty, learning, fun and happiness after participating in the CSR activities. Also, affiliation was seen as enhancing a sense of involvement of the employees and the Koreans considered CSR could contribute to a family-friendly management style. The authors argued employees were motivated to work, because employees looked for human dignity and human value as a result of CSR activity.

Khan et al. (2014) conducted a research to explore the relationship of rewards and CSR on employee motivation in Pakistan. The authors contended there was no general
definition of motivation and reviewed only a few definitions proposed by various scholars. They identified motivation as a need; an achievement and a goal for an employee. The authors adopted the definition of internal and external CSR as proposed by Aguilera et al. (2007), Brammer, Millington and Rayton (2007), and Ligeti and Oravecz (2009). Internal CSR was described as the in-house operational activities used to fulfill employees' expectations, requirements and psychosomatic need of ownership. External CSR was classified into three different types which were external CSR (customer related), external CSR (business partners related) and external CSR (local communities related). External CSR related to philanthropic acts contributed by the organisation to the external stakeholders such as customers, local communities and commercial partners. The authors examined five hypotheses which were; the relationship between internal CSR and employee motivation; the relationship between external CSR and employee motivation; the relationship between intrinsic rewards and employee motivation; the relationship between extrinsic rewards and employee motivation; and the relationship between employee motivation and organisational commitment. The authors concluded that there was no correlation between internal CSR and employee motivation but there are positive correlations between external CSR of local communities and commercial partners, and employee motivation in Pakistan. On the contrary, a similar study has never been performed in the East to explore the impact of CSR on employee motivation.

From the above studies, CSR does have an impact on employee motivation. Most studies have mainly focused on analysing the impacts in the western world and some Asian countries. This study aims to fill the gap by exploring the extent of the impact of CSR on employee motivation in Hong Kong and Guangdong Province for manufacturers.
2.10 Summary

In conclusion, researchers’ focus has shifted from exploring definitions of CSR to examining the roles and impacts of CSR in the corporates as well as the benefits of CSR brought to organisational effectiveness. Among all the extant CSR studies, however, it has been shown that developing countries such as China have adopted the Western CSR practices, without examining the impact of the cultural differences. Literature on employee motivation covers the key theories developed to explain the factors which motivate employees to work in an organisation. Other scholars focused on linking employee motivation and organisational effectiveness. A few studies, which were from the West and the East, found a positive correlation of CSR and employee motivation with organisational effectiveness. Two studies have examined the impact of CSR on employee motivation in Hong Kong and China. Based on the studies of the impact of CSR on employee motivation in the western world, there is a research gap for studying the impact of CSR on employee motivation in Hong Kong and China.
3.0 RESEARCH METHODOLOGY

3.1 Introduction

The purpose of this qualitative study is to examine the relationship between CSR and employee motivation in manufacturing companies with plants based in Guangdong. This chapter starts with the major philosophical underpinnings of the research and the reason for conducting the study using a qualitative approach in Section 3.2. With the stringent business requirements and legislations in China, a qualitative approach is chosen to better capture an in-depth exploring of the impact of CSR on employee motivation. Sections 3.2 to 3.9 delineate the paradigm with the research design, population, sampling, informed consent, confidentiality, data collection and its analysis, and interview protocol.

3.2 Research Methodology Theory and Model

Creswell (2009) used different research methodology including two major components - philosophical worldview assumptions and a specific method of research. Guba (1990, as cited in Creswell, 2009, p. 6) described worldview as a “basic set of beliefs that guide action”, and Lincoln and Guba (2000) regarded it as a paradigm. The worldview shapes the nature of the research and guides researchers on the approach to research (Creswell, 2009). Among the paradigms for social research, four major kinds of paradigm, namely positivism, anti-positivism, constructivism and critical theory, are identified (Creswell, 2009; Denzin & Lincoln, 2005). The following sub-sections discuss each paradigm to lay down how the natural world of realism is known and criticisms on the paradigms are included.
3.2.1 The Four Paradigms

Along the epistemological axis, at the extremities it ends with either positivism or anti-positivism (Doğan, 2013). Doğan (2013, p. 248) argued that anti-positivism suggests “social reality is relative and social realities cannot be explained” if these realities are not involved. He further stated that positivism suggests regular and causal relationships which are established to explain what is happening in the social realities.

Positivism

From the perspectives of the positivist scholars, to better understand the social reality, positivism attempts to acquire predictive and descriptive information which relate to reality (Doğan, 2013). In addition, Poli (2013, p. 5) stated positivists usually have “only one level of reality”, they try to search for relationships, and are in favour of considering third-person rather than first-person accounts. Brand (2009, p. 438) argued that positivism is based on an assumption that findings are authentic while “the knower and the known exist as separate entities”. The general propositions of theory are developed only through observation and experiment for retrieving particular empirical knowledge (Doğan, 2013). Positivists make use of hypotheses and test them rigorously (Brand, 2009). Doğan (2013) argued that the hypotheses are developed by the fact that only observable facts become the subject of science and are examined within the boundaries of natural science.

The criticisms against positivism include the elimination of metaphysics and the sole “observable facts within the context of science” (Doğan, 2013, p. 249). He further stated that positivists only focus on absolute facts collected in science. Due to the fact that positivism focuses specially on facts and concrete experiences, it does not make sense to
seek for exploring or examining the ‘essence’ of something or the real causes (Tacq, 2011). Positivism only relies on using the process of inductive hypothesis testing such that “scientific progress originates from observation rather than theory” (Doğan, 2013, p. 249).

**Anti-positivism**

In contrast to positivism, Poli (2013) summarised that most anti-positivists’ interest is solely in exploring a higher level of reality, searching for motivation and having preference on first-person rather than third-person accounts. Similarly, Brand (2009) argued that anti-positivism, which is also known as interpretivism, addresses the weaknesses of the rigid positivist practice and heavily relies on the use of measuring techniques. Proponents of anti-positivism prefer to examine the internal perspective of the social reality rather than using observable facts as a subject of science (Brand, 2009; Doğan, 2013; Poli, 2013). Doğan (2013) further argued that anti-positivists create different associations from person to person and analyse reality using systematic norms. Doğan (2013, p. 250) contended that anti-positivists make use of a qualitative approach to address the shortcomings of the positivism from obtaining a “variety of knowledge and excluding non-measurable facts from the scope of science”. Brand (2009) argued that anti-positivism offers certainty and generalisability in business ethics research.
Constructivism

Constructivism scholars hold a belief that individuals develop meaning through experiences (Creswell, 2009) and it is a mind construct of individuals (Guba & Lincoln, 2000). Based on experiences, constructivism develops subjective meanings which lead researchers “to look for the complexity of views rather than narrowing meanings into a few categories or ideas” (Creswell, 2009, p. 8). Aliyu et al. (2014, p. 85) criticised the idea that a constructivist is not able to understand individuals’ minds because “individuals cannot imagine or envisage something existing with no notions of freedom and time”. Brand (2009) claimed that business ethics researchers seldom put an emphasis on this paradigm.

Critical Theory

Different from anti-positivism and constructivism, critical theorists refuse “to accept things the way they are” (Brand, 2009). Epistemologically, critical theory, which is similar to constructivism and anti-positivism, “emphasises the subjective and transactional nature of inquiry” (Lincoln, Lynham, & Guba, 2011, p. 99). Lincoln et al. (2011, p. 106) contends that this type of paradigm aims “to discover the truth as it relates to social power struggles” and the research result aims to impart social change. Brand (2009) claimed that business ethics researchers have little or no attention to this kind of paradigm.

Brand (2009) stated that most business ethics researches are in the positivist spectrum using closed question techniques. Considering the differences between positivism and non-positivism paradigms such as anti-positivism, constructivism and critical theory, non-positivism paradigms offer a better understanding of in-depth research
aspects. To adopt a paradigm which offers wider generalisation and is commonly used in business ethics research, the anti-positivist paradigm is chosen for this research study as it offers a better understanding of the relationship by examining the real causes of the impact of CSR on employee motivation, as it happens in the social reality. A qualitative method of analysis is adopted in this study and the traditions of qualitative research are discussed in the next section.

3.2.2 Traditions of Qualitative Research

The four traditions of qualitative research suggested by Gubrium and Holstein (1997), include: naturalism, ethnomethodology, emotionalism and postmodernism. Gubrium and Holstein stated naturalism intends to understand the social reality in its own terms. Silverman (2010, p. 15) described naturalism, “focuses on the factual characteristics of the object under study” but not being able to know “how people create meaning in their lives”. However, Moran (2008) argued that naturalism fails to reduce validity to factuality. Similarly, scholars also argued that a naturalist’s interpretive capacity of the participants and how participants “make sense of their own world” is unrelated (Silverman, 2010, p. 15).

The second qualitative approach reviewed by Gubrium and Holstein (1997) is emotionalism. They described emotionalism as the way to explore the ‘inside’ experiences of the participants. Silverman (2010) also stated that emotionalists are concerned with authenticity and better understanding of participants’ true feelings. Nevertheless, as noted by Gubrium and Holstein (1997, p. 108), emotionalists can be misled by the participants in that they shape themselves “by way of their own interpretive actions”.

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Ethnomethodology seeks to learn more on how social order is developed through interaction and talking in the interview session (Gubrium & Holstein, 1997). Davidson (2012) argued that ethnomethodology addresses the examination of the sense-making of participants in everyday ways and what participants already known through interactions with each other. Being different from the other two methodologies, ethnomethodologists aim to analyse the substance of everyday lives so as to understand the activities comprehensively (Silverman, 2010). Also, Silverman quoted an example on examining the relationship between a question, “How are you?” and “politeness” in everyday lives.

The last qualitative approach reviewed by Gubrium and Holstein (1997) is postmodernism. They argued that postmodernism focuses on the way presumed knowledge is represented. Silverman (2010) stated that postmodernism includes an analytical orientation that examines all the accomplishments of modernity. The common theme of the postmodernism is to explore the impact of cultural forces the participants used to understand certain representations of social reality (Gubrium & Holstein, 1997). Taboli, Pourkiani and Ahmadzadeh (2013, p. 1199) argued that postmodernists prefer to work under the “denaturalization of the meaning and demystification of processes” so as to put the meanings in a socially structured manner.

In considering the purpose of this study, ethnomethodology is the most suitable approach from amongst the four different methodologies, as it focuses on the participants’ everyday lives, and it can be used to examine the “understanding of how things become what they are” (Silverman, 2010). Thus, ethnomethodology is adopted in the study to explore the impact of CSR on employee motivation.
3.3 Research Design

The research methodology designed for data collection and analysis addresses the research problem statement and research questions (Creswell, 2011; Maxwell, 2012; Sekaran & Bougie, 2011). Most of the studies on relationships between CSR and human resources management (HRM) are written by scholars (Khan et al., 2014; Kim & Scullion, 2013) in the West while a few studies only focus on CSR and HRM reporting HRM practices in Hong Kong (Chan & Burgess, 2010; Tsoi, 2009). Qualitative, quantitative and mixed methods are further evaluated to examine an appropriate approach in addressing the problem statement. This section also discusses the appropriateness in the use of ground theory techniques to carry out the research.

3.3.1 Use of Research Methodology

Sekaran & Bougie (2011, p. 23) suggested in the research of management and behavioural areas, “it is not always possible to conduct investigations that are 100% scientific”. The purpose of quantitative research is to identify “multiple variables and seeks to measure them”, while the purpose of qualitative research is to “gather information on a single concept” (Creswell, 2011, p. 128). Creswell suggested different approaches lead to different procedures in data collection and analysis, and the orientation of the research problem.

Through the use of mathematical and statistical procedures, a quantitative method is used to explain, explore, predict and control social and behavioural context (Onwuegbuzie & Leech, 2005). Creswell (2011) noted the variables after identifying them from using the narrow and specific quantitative research questions. Quantitative
researchers apply statistical data analysis methods to relate the variables identified from the research problem (Creswell, 2011). The purpose of this study neither examines variables from the use of narrow and specific research questions nor uses mathematical and statistical procedures to explore the relationship between CSR and employee motivation. A quantitative approach is deemed not suitable for this study.

The qualitative research paradigm became popular in the 20th century in the field of social and behaviour science (Onwuegbuzie & Leech, 2005). Creswell (2011) stated that the qualitative research paradigm is suitable for exploratory studies. Similarly, Choy (2014, p. 101) stated qualitative research provides a “view of homogeneous exploration” and raises “more issues through broad and open-ended inquiry”. Only a few studies have been done (Chan & Burgess, 2010; Tsoi, 2009) on CSR and employee motivation in Hong Kong and China, therefore the qualitative research paradigm helps to explore how CSR influences employee motivation in Hong Kong and China. The qualitative approach is deemed suitable for the study.

A qualitative researcher should use an interpretive inquiry approach to gain a deeper understanding of the broader social setting (Onwuegbuzie & Leech, 2005). Through the analysis of the views of the interviewees or the focus group, qualitative researchers also note the details in a complex problem (Creswell, 2011; Sekaran & Bougie, 2011). As this study is to examine how employees are motivated in the manufacturing sector, provided that CSR is implemented in the organisation, a qualitative approach is suitable for meeting the goal of the study.

Business consultants “who want to initiate change processes in organisation” use mixed methods (Sekaran & Bougie, 2011, p. 31). Creswell (2011, p. 535) defined “mixed
method” as a process to collect, analyse, and use “both qualitative and quantitative approaches in a single study or a series of studies to understand a research problem”. Onwuegbuzie and Leech (2005) argued mixed method researchers use both inductive and deductive logic in a study to analyse the objective and subjective views of the participants. As particular variables and their relationships cannot be recognised in this study, the mixed method is not a good choice for this study.

### 3.3.2 Research Design Approaches

Creswell (2011, p. 20) defined research design as “the specific procedures involved in the research process; data collection, data analysis and report writing”. Creswell also noted three qualitative research methods, they being; grounded theory research, ethnographic research and narrative research. This section shows the appropriateness of the research design for the study.

Creswell (2011, p. 21) stated grounded theory is designed for researchers “to generate a general explanation that explains a process, action or interaction among people”. To develop the theory, its procedures include “collecting data, identifying categories, connecting these categories and forming a theory that explains the process” (Creswell, 2011, p. 423). CSR theories are mainly developed by scholars (Carroll, 1979; Freeman, 1984; Wood, 1991) in the West, and as such the existing theories may not be applicable to explain the current complex situation in China.

Grounded theory will be used when the existing theories are not able to answer the research problem or address the participants the researcher is planning to study (Creswell, 2011). Similarly, Sekaran and Bougie (2011, p. 105) suggested grounded theory is suitable
for “researchers do explore new grounds from time to time with the changing dynamics that occur in the workplace”. This study aims to explore the impact of CSR on employee motivation for employees working in manufacturing companies with plant based in Guangdong. For a few studies related to CSR and HRM in the Hong Kong and China context as well as changing regulations and clients’ requirements that have occurred in the organisation, grounded theory approach is considered appropriate for the study.

Sekaran and Bougie (2011) argued qualitative researchers collect data through observation or interview. They further stated data is analysed to reveal the pattern of a phenomenon of interests of the participants. The researcher of the study interviews employees from different manufacturing companies to obtain a thorough understanding of the influence of CSR on employee motivation. Qualitative research using grounded theory is appropriate for the study.

Contrary to the ground theory, ethnographic design is defined as qualitative procedures to describe, analyse and interpret a group of participants with common patterns in terms of behaviour, language and beliefs that have developed over time (Creswell, 2011). Creswell further stated that a case study is a kind of ethnography and it relies on analysis of a few studies to understand in-depth the research problem. Sekaran and Bougie (2011, p. 109) stated that a case study is more useful when it is applied to solve a “current problem based on past problem-solving experiences”. The purpose of the study is to explore the impacts of CSR on employee motivation, as such the study gathers views from manufacturing companies implemented with diversified CSR requirements and there is no single solution that can be applied to solve the current problem. The case study approach is not appropriate for the study.
Creswell (2011) described narrative research design as procedures “in which researchers describe the lives of individuals, collect and tell stories about these individuals’ lives, and write narratives about their experiences. Sekaran and Bougie (2011, p. 106) claimed that narrative research is “undertaken in an organisation to learn about and describe the characteristics of a group of employees”. This study does not aim to explore how an individual employee experiences CSR in manufacturing sector. The goal of the study is to understand the influences of CSR to employee motivation rather than telling stories about employees and their characteristics. Therefore qualitative research with narrative research design is not appropriate for the study.

3.3.3 Observation

Other than the interview, the researcher also collects information through observation. Creswell (2011, p. 213) stated observation is “the process of gathering open-ended” information by observing the places and people in the research sites. Creswell pointed out that observation is a well-accepted method for collecting qualitative data and the possible roles of an observer can be the role of a participant observer, a role of non-participant observer and changing observational role.

A participant observer requires the researcher to participate in activities in the setting he observes. Creswell (2011) indicated that special permission has to be obtained so that the researcher takes part in the activities and researcher writes down notes after he has left the research site. Non-participant observer will not take part in the activities and the researcher drop notes when he visits the sites. The changing observational role allows
the researcher to become a participant or a non-participant depending on the situation (Creswell, 2011).

### 3.4 Population

Sekaran and Bougie (2011, p. 262) defined population as “the entire group of people, events, or things of interest that the researcher wishes to investigate”. The researcher decides which group is studied and the population size (Creswell, 2011). The population of this study is the members of the Federation of Hong Kong Industries (FHKI). FHKI has 2700 members and 2000 of them are manufacturers. FHKI represents the industrial sector, to express the members’ views and provide recommendations to the Hong Kong government regarding policy issues and daily operation in different industries.

This qualitative study with grounded theory design examines the extent of the influences of CSR on employee motivation in manufacturers with plant based in Guangdong. FHKI provides profiles of the organisations and contact information of members to be the identified manufacturers meeting the criteria of the research study.
3.5 Sampling

A qualitative study aims to identify samples from a target population and uses a nonprobability sampling approach not aiming at drawing any statistical inference (Sekaran & Bougie, 2009). A qualitative study concerns itself with meanings rather than making generalised hypothesis statements (Crouch & McKenzie, 2006). Bertaux (1981) argued that the smallest acceptable sample size for qualitative research is 15. A small sample size dealt with through a qualitative approach provides more in-depth knowledge of a phenomenon compared a snap-shot at a point in time (Ragin, 1994). Similarly, Mason (2010) argued the most commonly accepted sample size of qualitative research is 20 and 30.

Creswell (2011) stated qualitative theorists use convenience sampling to select participants to realise the research problem. This qualitative study does not aim to seek representative sampling to indicate the statistical correlation between CSR and employee motivation. It aims to explore how CSR motivates employees in Hong Kong and China through an in-depth interview with the participants. Sekaran and Bougie (2009) also argued convenience sampling is most often used for an exploratory study and in this case the researcher is able to get information quickly and efficiently. This study used convenience sampling as the sampling method. From 8 manufacturers, 24 participants were recruited in this research study for evaluating the impact of CSR on employee motivation.

From the members’ directory of the FHKI in 2012-13, eight manufacturing companies with plant, where are based in Guangdong Province in China, were randomly selected by the researcher, under the supervision of a supervisor.
Participant Information Statement (see Appendix A) together with the Organisational Consent Form (see Appendix B) was sent to each selected company. The researcher confirmed the participation of the organisation in the research once the signed Organisational Consent Form was received. This selection process continued until the eight companies were successfully recruited to participate in the research.

The selected companies have already incorporated CSR in their company goals. To identify the selected companies which implement CSR, they either issue a sustainability report or an ESG report, or obtain a third-party certificate to substantiate the CSR works done by the company. Examples of the certificate include the Social Accountability 8000 (SA-8000) certificate or the International Council of Toy Industries (ICTI) certificate. Junior et al (2014, p. 2) argued that a sustainability report influences “decision-making processes of different stakeholders” within an organisation. Most of the companies follow the guideline issued by the Global Reporting Initiative to compile the sustainability report. The report includes guidelines for reporting principles and disclosure standards to assist being accountable to various stakeholders, when showing the CSR performance of an organisation (Global Reporting Initiative, 2014). SA-8000 is a global social accountability standard, which has been mandated by the United States and European Union, to establish social compliance in organisations. The standard requires companies in China to implement CSR in their organisations, such that they will have improved economic and social aspect benefits (Wang, 2011). The ICTI certificate is issued to manufacturers who fulfill all the requirements set out in the ICTI CARE Process (ICP). The ICP aims to maintain the ethical standard for toy manufacturers. This study aims to select research
sites that fulfill the requirements of SA-8000, ICP or with a sustainability report or an ESG report issued.

From each selected company, an authorised representative of the company acts as the primary contact person to coordinate the meeting with the participants of the company. A few meetings were arranged with the representative by the researcher to determine the way to conduct the semi-structured interview without affecting the normal business operation of the company. The representative sent an email to the eligible participants and provided a list of the contacts of the participants to the researcher once the representative received the written consent through an email from the participants. The list also included the names and brief biographies of the eligible participants. The eligible participants were the senior management staff, who have experience in managing CSR initiatives for more than 2 years, and employees, who have more than 2 years of experience in participating in the CSR events. From the list provided by the company, convenience sampling was used to select the 3 prospective interviewees who were conveniently available to meet the researcher based on the list of any consenting staff. Initial contacts to the participants were made through email using the contacts provided by the representative.

3.6 Informed Consent

Parahoo (2006) defined informed consent as the process to get the consent from the participant to take part in a study with access to all relevant information. Creswell (2011) stated it is essential to acquire the consent of the participant in the study. The purpose of the informed consent is to protect the confidentiality of the participant who is involved in the study (Creswell, 2011). Creswell argued the informed consent form
includes participants’ right to know the purpose of the study; to withdraw at any time of the study; and their voluntary participation in the study. After the research sites were selected, a Participant Information Statement (see Appendix C) was provided to the identified participants via email, for them to understand the purpose of the study; the rights of the participants; the risks and benefits of the participation; and how the privacy of participants are protected. Once the participants have read and understood the statement, they sent a return email to the researcher indicating their willingness to participate in an interview, if in fact they wished to proceed.

Creswell (2011, p. 149) stated an informed consent form includes “a statement that participants sign before they participate in the research”. The participants of this study had to sign an informed consent form (see Appendix D) before the interview starts and the form was collected by the researcher. The form comprised a method to ensure the confidentiality of the participant, the procedure of the study and the time duration of the interview. Recruitment was deemed to have occurred if the participant indicated agreement to participate in the semi-structured interview and returned the researcher with the consent form signed.

3.7 Confidentiality

To comply with informed consent, Creswell (2011) stated qualitative researchers had to assure the confidentiality of the participants. Each participant was represented by a code or aliases before the collected data was analysed and reported (Creswell, 2011). In the study, all information received from the participants was strictly confidential. Each
participant was given a respondent ID for identifying the data collected from the participant throughout the research process.

The signed consent form was scanned and a softcopy is kept on a highly-secured computer held by the researcher. The recorded tape of the interview was labelled with the respondent ID for preparing the data analysis process and the tape was kept in a locked cabinet in the researcher’s office. The transcript is stored in a highly-secured computer through a program called NVivo. Only the researcher has access to the data. The de-identified data is kept on the server for a minimum of five years after the conclusion of the research.

3.8 Data Collection

Creswell (2011) stated that when qualitative theorists conduct an interview they asked the participants to answer open-ended questions and then recorded their answers. Fontana and Frey (2000) described the semi-structured interview as the most effective way to understand human beings. Creswell argued that open-ended questions allow the participants to express their views and feelings without being influenced by the researcher or past research findings. This study adopted the technique of a semi-structured interview with open-ended questions to collect participants’ views on how CSR influences employee motivation. This study used the convenience sampling to identify 3 participants from the 8 selected manufacturers. Before the start of the interview, participants were asked to read and sign the informed consent form (see Appendix D) for the study.

Gugiu and Rodriguez-Campos (2007) argued interview protocol standardises data collection and assists researcher and participants to focus on the research questions.
Creswell (2011) also stated that interview protocol helps remind the researcher of the process of the interview and it contains the research questions to be answered by the participants. This study used an interview protocol (see Appendix E) to guide the researcher to ask the open-ended questions for gathering the views from participants. The researcher met the participant individually to allow the participant to share the view freely. Each participant was provided a copy of the interview protocol as a reference before the interview started.

Before the interview, the researcher acted as a non-participant observer to observe the everyday activities and practices of the employee at the research site. Creswell (2011) suggested recording notes during the observation stage and this recorded data is called fieldnotes. After being introduced by the representative of the research site to carry out the observation, the researcher engaged in 15 minutes observing the working of employees and wrote down field notes about the interactions between employees and their reactions during the observation.

During the interview, the researcher briefed the participants about the goals of the research and the topics to be discussed. They were asked of their consent to have an audio-recording of the interview. The interview was recorded using a MP3 recorder and they could ask for the tape to be stopped and edited or erased in the interview. The researcher made detailed notes as supplementary information to ensure accuracy and completeness during transcription. If the participant did not allow the audio recording during the interview, the researcher made detailed notes and entered the information in the computer after the interview. At the end of the interview, the researcher collected the demographic information of the participants.
3.9 Interview Protocol

The goal of the study was to explore the impact of CSR on employee motivation. The collected data was used to answer how employees define CSR in the manufacturing sector in Hong Kong and China; what are the employees’ views about non-financial benefits of the works related to CSR; and to what extent does CSR impact on employee motivation. Fifteen interview questions in both English and Chinese (see Appendix F and Appendix G) were developed to address the research questions.

The first three interview questions were used to explore how the employee defines CSR. Questions 4 to 8 related to the perception of employees in terms of the non-financial benefits of the organisation. Questions 10 to 14 sought to evaluate the impact of CSR on employee motivation. The last question was an unstructured question to enable participants to comment on other aspects in relation to the influences of CSR on employee motivation.

3.10 Data Processing and Analysis

Creswell (2011) stated that a qualitative theorist needs to properly manage, analyse and interpret the collected data, which are complex, scattered and extensive. This study consisted of three major sets of questions. The audio-recording files of the interviews were transcribed into English language using a qualitative data analysis computer program called NVivo. To enhance the accuracy and completeness of the transcription, each audio file was processed twice and verification was made on the detailed notes taken by the researcher.
Each audio file and the corresponding transcription were labelled with a respondent ID (i.e. A1 to A30) for ensuring the confidentiality of the participants. The respondents’ ID was not assigned to the demographic information of the participant to avoid identification of the participant. The audio files and transcript files of the interview were kept in a highly secured computer and password protected.

Creswell (2011) stated that a qualitative data analysis program is required by the researcher to store, organise, code and search the data. Creswell introduced a program called NVivo which helps a qualitative researcher to effectively manage non-numerical and unstructured data. The program provides functions such as “rapid coding, thorough exploration, and rigorous management and analysis” (Creswell, 2011, p. 243) to assist the researcher to analyse the collected data. In this study, the researcher used Nvivo 10 as a data analysis tool to examine the data effectively.

3.11 Summary

In conclusion, this chapter initially examined the differences between positivism and anti-positivism so as to identify the proper philosophical underpinnings for the study. Ethnomethodology was adopted for the study. It then explained the rational for choosing the grounded theory in this qualitative study. The population size, sampling strategy, informed consent and confidentiality were outlined in the study. The population of the study were the manufacturers who are the members of the FHKI. Among the 8 selected research sites, a convenience sampling was used to identify the 24 participants.

Participants were invited to meet the researcher individually. Before the interview started, the purpose of the study, the procedure of the interview, the potential risks and
benefits and the rights to withdraw from the study were explained to the participants. All
recorded and transcribed data were labelled with a respondent ID to ensure the
confidentiality of the participants. Confidential information such as the signed consent
form, recorded audio files and interview transcripts were kept in a highly secure computer
which is password protected. All data and information will be kept for a minimum of five
years after the conclusion of the research. Chapter 4 contains the findings from the data
collected for the study.
4.0 RESULTS

4.1 Introduction

From the 2012-13 membership list of Federation of Hong Kong Industries, eight manufacturers with plant, where are based in Guangdong Province in China, were randomly selected from the list to conduct the study. There are two sources, which are 24 face-to-face interviews and 8 observations, to collect data during the first quarter of 2015. Nvivo 10 was used to analyse the interview data for identifying themes related to the perception of CSR and employee motivation in China as well as the correlation between CSR and employee motivation. Section 4.2 describes the features of each organisation. The demographics of all participants are described in Section 4.3. In Section 4.4, how employees define CSR in the manufacturing industry is discussed. In Section 4.5, three major non-financial benefits as identified by the participants are examined. The top five employee motivators are discussed in Section 4.6 which also reveals those motivators linked with CSR. This chapter ends with the discussion of the extent of the impact of CSR on employee motivation in the manufacturing industry. Some of the quotes in this section are translated into English.

4.2 Characteristics of Research Sites

Data are collected in the eight research sites according to the criteria determined in this study. Table 4.1 summarises characteristics of the research sites, namely the number
of employees, company history, major clients and key CSR initiatives.

Table 4.1: Definition of CSR and the Content Defined by Participants

<table>
<thead>
<tr>
<th>Research Site</th>
<th>Number of Employee</th>
<th>Company History</th>
<th>Type of Major Clients</th>
<th>CSR Initiatives</th>
</tr>
</thead>
</table>
| 1             | over 800 employees | over 50 years  | First-tier globally recognised audio leading branded customers | 1. Member of EICC Electronic Industry Citizenship Coalition  
2. Incorporated environmental friendly production process without causing health problem to employees  
3. Incorporated Code of Conduct through a set of standards (e.g. ISO14001 Environmental Management System certification) on environmental, social and ethical aspects in the electronics industry supply chain  
4. Implemented reasonable employment policy such that employees are rewarded in a fair manner |
<table>
<thead>
<tr>
<th></th>
<th>Member Company Characteristics</th>
<th>Large to mid-size/First-tier companies</th>
<th></th>
</tr>
</thead>
</table>
|   | over 250 employees over 70 years | Large to mid-size businesses | 1. Member of the Caring Organisation in Hong Kong  
2. Obtained CSR awards such as the HSBC Living Business Green Achievement Award and Green Management Award  
3. Joined as a member of the ICTI CARE scheme to promote safe and fair working conditions throughout the manufacturing cycle  
4. Actively participates in different local environmental friendly activities  
5. Participates in the Hong Kong-Guangdong Cleaner Production Partner scheme |
|   | over 4000 employees over 40 years | First-tier globally recognised company | 1. Member of Sustainable Apparel Coalition for maintaining sustainability in the apparel industry  
2. Incorporates self-auditing process in auditing the current ethical business practices within the organisation |
1. Implemented water footprint reduction target
2. Engaged customers in the sustainability projects
3. Launched and participates in community projects in China
4. Implemented employee engagement survey
5. Provides safe and healthy working conditions to employees
6. Implemented plan to pay employees accurately according to their working hours
7. Developed a sustainability report
8. Received an award from the China government for their contributions and support of education projects to promote recycling and reuse of hazardous chemicals
9. Implemented environment protection projects
10. Target to achieve zero discharge of hazardous chemicals
11. Participated in the Hong Kong-Guangdong Cleaner Production Partner scheme and Low Carbon Manufacturing Program
<table>
<thead>
<tr>
<th>5</th>
<th>over 1000 employees</th>
<th>over 25 years</th>
<th>First-tier globally recognized company</th>
</tr>
</thead>
</table>

1. Silver Member of WWF
2. Obtained the CSR awards such as the HSBC Living Business Award and Caring Organisation Award
3. Implemented environmental friendly manufacturing process for reducing health risks to employees
4. Incorporated mission statements to establish and maintain plan to comply with the ISO
5. Implemented employee engagement survey
6. Improving benefits for employees such as providing better salary and living conditions for employees
7. Providing safe and healthy working conditions for employees
8. Target is to reduce more than 15% of GHG intensity compared to baseline set up before
9. Received different awards such as the Green Management Award
<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>6</td>
<td>over 700 employees</td>
<td>over 5 years</td>
<td>Large to mid-size business organisation</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>5.</td>
<td>Adopted scheme to offer assistance to employees who come across problems</td>
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<tr>
<td>4.</td>
<td>Organised CSR activities for employees to serve the community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Adopted plans to ensure fairness to the employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Adopted environmental management plan to comply with world-wide standards such as ISO 14001</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Implemented plan to provide a safe and healthy working environment for employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>over 800 employees</td>
<td>over 10 years</td>
<td>Large to mid-size business organisation</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Obtained CSR awards such as Caring Organisation Award</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Deploys eco-friendly manufacturing process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Maintains high ethical standards</td>
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<td></td>
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<td></td>
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</tr>
<tr>
<td>4.</td>
<td>Requires the suppliers of the raw material to comply with relevant laws and regulations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Promotes recycle and reuse within organisation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Offers assistance to family members of employees &quot;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8</th>
<th>over 200 employees</th>
<th>over 10 years</th>
<th>Large to mid-size business organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Adopts world-class safety standards in producing products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Invites employees to host service projects for the community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Provides safe and healthy working conditions for employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Obtained the CSR awards such as the Hong Kong Corporate Citizenship Program Award</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Developed eco-friendly products</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4.3 Characteristics of Participants

The participants in this study were from two different levels of employees amongst eight manufacturers. Of the 24 participants, 16 of them were at senior management level and 8 of them were at middle or junior level. They were managerial staff, white collar or blue collar employees. 19 participants mainly worked in the office environment, either in Hong Kong or China. The other five participants worked with the other blue collar employees in the production line environment with manufacturing plants located in China.

There were 11 male and 13 female participants. The participants were in a range of age groups and various education levels. Eleven in the 31-40 age group, eleven in the 41-50 age group and two in the over 50 age group. One participant held a doctorate’s degree, three participants held a master’s degree, eleven had a bachelor’s degree and nine had senior high school level.

For the areas of expertise of the participants, five participants were in engineering, nine in business and management, four in sales and marketing, three in human resources management, one in design, one in accounting and one in logistic operations. Their specialists consisted of nine participants worked in management and administration team, four in human resources, three in sales and marketing, three in engineering, two in production, one in product design, one in quality assurance and one in accounting.

4.4 How Employees Define CSR in Manufacturing Industry in Hong Kong and China

Review of literatures reveals CSR was defined by various scholars and the commonly accepted definition is the one developed by Carroll (1979). To examine how
employees defined CSR, three themes emerge through the analysis of the data collected from the first three interview questions:

- Define CSR from a legal perspective
- Define CSR from an ethical perspective
- Define CSR from a discretionary perspective

The themes are further discussed from Section 4.4.1 to Section 4.4.3 to illustrate how employees have developed their understandings of CSR.

### 4.4.1 Define CSR from a Legal Perspective

The data analysis reveals that all participants developed their understandings of CSR from a legal perspective. Following the definition of CSR as developed by Carroll (1979), CSR is the legal responsibility of a business organisation to do business within the framework of legal requirements. It is noted that employers follow the legal requirements either in a keen manner or after being forced to do so.

Two aspects related to legal accountability are identified. Acting as a socially responsible corporate, employees defined CSR as the legal responsibility of employers to protect the employee and the environment. Table 4.2 depicts how employees define CSR from a legal perspective.
Table 4.2: How Employees Define CSR from a Legal Perspective

<table>
<thead>
<tr>
<th>Concluded CSR Definition</th>
<th>Responses Made by the Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>The legal responsibility to protect the environment</td>
<td>• The legal requirements required by local government to reduce environmental pollution</td>
</tr>
<tr>
<td></td>
<td>• The legal requirements required by clients to protect the environment</td>
</tr>
<tr>
<td>The legal responsibility to protect employees</td>
<td>• The legal responsibility of employers to pay the employees at a proper level</td>
</tr>
<tr>
<td></td>
<td>• The legal responsibility of employers to provide employees with a safe working environment and occupational health</td>
</tr>
<tr>
<td></td>
<td>• The legal responsibility of employers to comply with the working hours of employees</td>
</tr>
</tbody>
</table>

4.4.1.1 The Legal Responsibility to Protect the Environment

The data analysis reveals CSR is defined as the lawful responsibility of employers to protect the environment. The efforts made by employers to comply with regulations for reducing environmental pollution and fulfil the environmental standards contracted with clients reveals how employees define CSR as the legal accountability of employers to protect the environment. Employers were willing to adopt proper measures to protect the environment through their positive attitude.
An overwhelming majority of participants define legal responsibility of employers to reduce environmental pollution as part of the definition of CSR. Referring to the excerpts from P3 and P11, discourses of employers’ commitment in complying with regulations to reduce environmental pollution inform the definition of CSR. P11 claimed:

I think CSR is the core value including the commitment to environmental protection because we, as a manufacturer, may generate air pollution. My company needs to reduce the pollution.

P3 indicated:

One more point to add is that the standard of environmental protection, … has been achieved in our corporation… For example, we will fulfil the standard requirements of our products even though they involve a cost. Regarding the environmental requirements required by the government, we can also fulfil the requirements on the emission of polluted air and noise pollution, etc.

P3’s narrative excerpt clearly explains how CSR is defined as the legal action taken by employers to reduce environmental pollution. P3 described employers as willing to achieve the goal of reducing environmental impacts even though there were additional costs. Employers incorporate the legal action as the standard product development requirements for fulfilling CSR.

Participants explained that complying with the contractual requirements set by clients informed the definition of CSR. One of the major requirements stated in the contract is usually related to environmental protection. For manufacturers in Hong Kong and China, employers follow different sets of environmental requirements as stated in
clients’ legal contracts. P24, who has extensive experience in participating in CSR initiatives, stated:

Our clients are from all over the world, they have a distinctive set of legal standard requirements that expect us to achieve the purpose of environmental protection. As a result, my corporation decided to develop a more stringent CSR plan, even spending more to use advanced environmental technologies to achieve higher standards to protect the environment. Over the last few years, I’m proud to say the plan is successful and we have received positive feedback from clients in terms of environmental protection issues.

The excerpt from P24 illustrates the content of the CSR plan is affected by clients’ requirements. Employers have to follow the legal constraints for making business deals. To cater for the changing requirements, manufacturers, who are social responsible, prefer and have a very positive attitude toward setting higher environmental standards using more advanced environmental solutions to meet clients’ requirements. The discourses of legal requirements set by clients and works performed by manufacturers determined the CSR definition.

4.4.1.2 The Legal Responsibility to Protect the Employees

In deciding how to define CSR, participants drew on the legal responsibility of employers to protect employees. The CSR definition was attributed to the legal accountability of employers towards employees in terms of salary, working environment and working hours. P5 commented:

…, I think it helps to provide staff with a stable income, and a pleasant and safe working environment.
P5’s excerpt simply stated salary, working environment and safe work environment were important to staff members.

From a legal perspective, CSR is described as a way to provide employees with a safe working environment and occupational health. Over half of the participants stated that employers were required to be aware of the working environment and occupational health of employees in terms of legal obligations. The excerpt from P19 explains that the company has to impose a plan to protect employees’ health and safety:

The company regards CSR as caring for the employees, the plan is imposed to protect the health and safety of employees in production.

CSR embodies the employers’ actions to provide a safe and healthy working environment to protect their employees as a result of compliance to their legal responsibility.

Legal accountability of employees to provide a proper salary level informs the CSR definition. Quite a number of participants were concerned about whether employees were paid at a proper level or in a fair manner as compensation for their efforts in contributing to the company. P20 claimed, “It also represents the compensation made to the employees.” Salary is a kind of compensation which causes employees to feel happy or unhappy (Bryant & Allen, 2013). P3’s excerpt illuminates the importance of the legal system in protecting employees by receiving fair pay:

If staff have devoted their efforts, company has to safeguard their efforts and cannot exploit their contributions. The corporation should pay what staff deserve. If the law cannot secure their interests, the terms in the ordinance should be amended.
The discourse of pay to employees and the legal requirements to guide the pay constitutes how CSR was defined. The fairness of the payment to employees influences the CSR content and is underpinned by the requirements stated in the ordinance. Employers are expected to adopt a salary level higher than the requirements stated in law. CSR is delineated to include legal accountability of employers to compensate employees in a fair manner.

Legal systems regulating the working hours of employees determine how CSR was defined. Employees are protected in Hong Kong and China as a result of regulations to govern the total working hours per week. P1, who was a technical supervisor working with blue collar employees in the production line, indicated:

Since the start of the business, the company actually follows everything we should do at law, which means if they require working overtime to be paid by 1.5 or anything, the company have already achieved…

From P1’s excerpt, discourses of the actions taken by employees to follow legal requirements and the working hours of employees determine the CSR definition. Employees are bound to a maximum number working hours per week in the CSR initiatives adopted by employers. In comparison with the excerpts of P3:

Some employees also think that they are able to work overtime like working for 11 hours. However, with the restraint of the system, employees are not allowed to work overtime for more than two hours per day and are required to work only 5 days per week. Employees hope to adopt ‘the more you work, the more you gain’ approach but were restricted.
The two excerpts not only reveal that employers have conformed to legal requirements to limit the maximum working hours of employees, but also indicate that employees prefer to work longer in the manufacturing plants so as to earn more. Employers are willing to meet legal requirements even though they face the challenge of labour shortages.

### 4.4.2 Define CSR from an Ethical Perspective

In the process of analysing the data associated with how CSR was defined from an ethical perspective, ethical aspects were identified as components of CSR. With reference to the CSR definition developed by Carroll (1979), ethical responsibility ensures corporates behave ethically in all aspects which are not covered by legal requirements. The analysed data reveals two aspects related to ethical responsibility. Twenty participants noted that employers act voluntary in undertaking ethical responsibility towards the society and employees.

Ethical accountability is important to manufacturers in Hong Kong and China. Causing positive impacts to the community and expressing employers’ care towards employees informs the ethical responsibilities determined by participants. Table 4.3 depicts how employees define CSR from an ethical perspective.
Table 4.3: How Employees Define CSR from an Ethical Perspective

<table>
<thead>
<tr>
<th>Concluded CSR Definition</th>
<th>Responses Made by the Participants</th>
</tr>
</thead>
</table>
| The ethical responsibility to cause positive social impacts to society | • The ethical responsibility to maintain social morality  
• The ethical responsibility required by employers to seek suppliers that protect the environment |
| The ethical responsibility to show care to employees | • The ethical responsibility of employers to improve the quality of life and work of employees  
• The ethical responsibility of employers to value feedback from employees |

**4.4.2.1 The Ethical Responsibility to Cause Positive Social Impacts to Society**

Participants delineated that manufacturers were able to play an important role in acting ethically in today’s business world. Two ethical aspects were categorised by analysing responses of the participants to reflect how employers behaved ethically over and above their legal requirements. To produce a constructive impact on society, manufacturers make the effort to maintain social morality and seek suppliers that protect the environment.

To act ethically, the analysed data revealed that employers had to show social morality by causing benefits to society. Social morality is defined as the total sum of “the
norms and evaluative principles by which judgements of good and evil are made vis-à-vis human behaviour” in social systems (Liu, Chen, & Zhang, 2013). P5 commented:

In the manufacturing industry, the meaning of CSR is divided into two parts, which are social obligation and responsibility. In a broad sense, it includes social morality, safety production, occupational health, staff’s interest, energy conservation and environmental protection.

The excerpt from P5 explains why CSR is described as a social obligation and the responsibility of manufacturers is to consider interests of different stakeholders. Manufacturers are expected to make moral judgements that cause positive impacts to the society. Comparing with the excerpt from P4,

In the manufacturing industry, CSR is defined as a system established to promote a healthy lifestyle, and to strike a balance between work and other lifestyles. Moreover, it will draw more attention to the society. For example, in a toy industry, manufacturers will produce toys for consumers. Apart from work safety and child labour issues, CSR leads us to focus more on product safety and social morality.

P4’s excerpt reveals how manufacturers place more focus on social morality. In making well-behaved judgements socially accepted in the society, manufacturers have to ensure product safety and social morality. Product safety is an example that causes a positive impact to the society.

Participants defined CSR as the ethical responsibility of manufacturers on making a request to suppliers to protect the environment. Some participants commented that employers had the responsibility to ask suppliers to follow contractual requirements for supplying raw materials. As stated clearly by P4, discourses of the Code of Conduct and
commitment to clients informed the ethical accountability of manufacturers as part of CSR. P4 mentioned:

As for my corporation’s perspective, we are concerned about factors of our staff, suppliers and clients apart from the society. Most of the time, the code of conduct will consider the care of staff, the control of your suppliers as well as the commitment and achievement to clients… With regulations to the suppliers, we will check if they provide us a list of environmental materials as we claim that we manufacture environmental products. Hence, CSR is not only to focus on the society, but also to heighten the requirements to our staff, environment and safety. P4’s excerpt illuminates how CSR embodies the legal duty of suppliers when doing business with manufacturers. Employers refer to the code of conduct as a guideline for fulfilling the CSR requirements. These requirements are to protect the environment with the participation of suppliers.

P19 reiterated with the discourse of ethical responsibility and suppliers’ responsibility:

All stakeholders along the supply chain should be included in the consideration of CSR initiatives. For example, our suppliers are required to comply with regulations related to labour law and work safety. Otherwise, our company will not use the materials from that supplier. We expect they do the same as my company. P19’s excerpt shows that suppliers not only need to follow the regulations required by manufacturers, but also they are expected to adopt similar ethical responsibility to their suppliers. Similar acts are expected to be sustained and passed along within the spirit of
CSR. This initiative reveals the willingness of employers to adopt CSR as an ethical responsibility to produce constructive impacts to society.

4.4.2.2 The Ethical Responsibility to Show Care to Employees

As stated by almost all participants, caring for employees is one of key ethical accountability measures of manufacturers. Two ethical aspects in relation to caring for employees were identified revealing how employers behaved ethically above the legal requirements. To achieve the purpose of the ethical accountability, manufacturers took the initiative to enhance the quality of life and work of employees and listen to employees’ feedback.

Employers’ efforts to enhance quality of life and the work of employees informs the ethical accountability of CSR. P18 stated “attention to employee benefits, health and personal development” were important in enhancing the quality of work and life. From the excerpt of P3, the discourse of the body check program and how employees responded to the program determine by what means employees’ lives are improved and the difficulty encountered by employers:

From a management perspective, I think that we come across some difficulties in the implementation of the CSR program. For example, it is the corporation’s responsibility to offer a yearly body check to staff. However, today is the 4th day of the body check program, yet about 10% of staff have refused to have the body check as they consider their health condition is good. One of the reasons is that if they have poor health conditions, the corporation will ask them to rest. …Some employees think that they are able to work overtime, such as working for 11 hours per day. However, with the restraints on the program, employees are not allowed
to work overtime for more than two hours per day and are required to work only 5
days per week. Employees hope to earn more by working longer but they are
restricted from doing that.

P3’s excerpt reveals employers adopted a health program for improving employees’ health
conditions and have limited their work hours. Some employees have considered this as a
drawback to letting them earn more. With the intention to be more ethical through the
CSR program, it is necessary for employees to follow the guidelines set in the program
and employers expect the quality of life and work of employees to be enhanced.

Participants valued the opportunity for feedback to employers for refining ethical
accountability as identified in CSR. Analysed data reveals that employees found a
communication channel that facilitated trust and mutual learning between them and the
employer. P18 stated that there was a need to establish an effective mutual learning
platform to enhance trust. The excerpt of P23 revealed how employees valued the
feedback for addressing the ethical accountability of employers:

The company will consider ways to care for employees by providing a channel for
them to provide feedback about their needs about their work environment and lives.
For example, our company installed air-conditioners in the dormitory so that our
employees can have a better living environment. The employee also receives social
security for him/her to have a doctor consultation if he/she gets sick.

P23’s excerpt clearly informs how to include the ethical accountability of manufacturers
as a constituent of CSR. Employees require platforms to express their feedback. Through
their feedback, employers are able to show care to employees through an incorporated
plan to respond to the feedback. The site observations strengthened the beliefs of the need
to provide a way to listen to employees. They would then work happily and increase their sense of belonging to their employers.

4.4.3 Define CSR from a Discretionary Perspective

The analysed data showed how CSR was defined from a discretionary perspective; discretionary aspects were recognised as parts of CSR. Carroll (1979) defines CSR as discretionary responsibility to act voluntary in engaging in social activity which is not required by law and not expected in an ethical sense. Based on the data collected from thirteen participants, two aspects were identified from the scrutinised data. The discourse on employers’ acts showed them to be sympathetic to the community and compassionate to employees; this shows how discretionary responsibility informs CSR.

Discretionary accountability was commonly accepted as the way to convey the message of CSR from manufacturers to other stakeholders. Table 4.3 depicts how employees define CSR from a discretionary perspective.

Table 4.4: How Employees Define CSR from Discretionary Perspective

<table>
<thead>
<tr>
<th>Concluded CSR Definition</th>
<th>Responses Made by the Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>The discretionary responsibility to be sympathetic to the community</td>
<td>• The discretionary responsibility to participate in charitable activities</td>
</tr>
<tr>
<td></td>
<td>• The discretionary responsibility to make donations to the needy</td>
</tr>
<tr>
<td>The discretionary responsibility to be compassionate to employees</td>
<td>• The discretionary responsibility of employers to provide immediate assistance to employees who have a difficulty</td>
</tr>
</tbody>
</table>
4.4.3.1 The Discretionary Responsibility to be Sympathetic to the Community

Analysed data reveals CSR is defined as the discretionary accountability of employers to express empathetic care to the community. Participants delineated two aspects in relation to showing sympathetic attention to the people who need help. Employers preferred to make donations and to participate in voluntary activities with employees to achieve the purpose.

Employers supported and participated different types of charitable activities with employees for the needy. In the discourse of the efforts made by employers and the positive impacts caused to employees through the philanthropic activity, P10 noted:

My company will also organise different voluntary activities such as visiting the elderly. We will let our staff learn the concept of CSR by joining the charity activities. It is a good experience for employees to feel they have a role in the society and gain a sense of achievement through their participation.

P10’s excerpt clearly illuminates that employers are willing to support or launch charitable activities for the needy. Manufacturers are able to show their philanthropy to fulfill their discretionary accountability. Employers value the positive impacts that provide a chance for employees to join the activity and to enhance the sense of belonging of employees.

Participants noted that donations are a part of the CSR initiatives for employers to indicate their sympathy to the community. The discourse of making donations to the needy informs the intention of employers supporting the CSR initiatives. P6 stated:

But apart from that, our company has produced lots of notebooks and related products; we will donate our products to children who live at poverty-stricken mountainous areas. More charity works are involved in our corporation.
P6’s excerpt demonstrates not only that some manufacturers preferred to donate their products to the needy, but also their intent is to be sympathetic to the needy rather than to promote their products to them. Some participants found their employers did have choices in selecting how to make a donation without the intention of generating a marketing influence on the public.

4.4.3.2 The Discretionary Responsibility to be Compassionate to Employees

To helping state how to define CSR as a discretionary responsibility of employers to express kind-hearted care to the employees, analysed data reveals employers offered instant assistance to employees who were in an emergency situation. Participants highly appreciated employers providing immediate assistance to employees. The discourse of the actions taken to assist employees to solve unexpected accidents determines how employees define CSR as the ethical accountability of employers to show care to themselves and their family members. P9 noted how to care employees:

I think my company cares for people, for example, how to … take care of the family, and also the community.

The excerpt of P16 revealed an incident of how an employee experienced the positive outcome of the ethical responsibility of an employer:

If staff gets sick, the company should be humane in rendering appropriate assistance by any means. In 2013, one of our staff suffered severely from a car accident. She was hospitalised for several months and her husband, as a worker, had limited savings. The driver had fled away and we tried to co-operate with police in locating the driver. We also provided financial support to the worker, by
raising funds together. The family of the worker was touched by the efforts of our company and they wrote a letter to thank us for the assistance.

The incident illuminates the efforts contributed by both the employer and employees. The positive outcome was caused by the continuous support from employers to the employee. This kind of accomplishment had not been included in the CSR policy of manufacturers. The participant did appreciate the actions taken and this deepened their sense of belonging as a group of employees.

4.5 Non-financial Benefits Brought by CSR to Manufacturers and Employees

Non-financial benefits refer to the non-monetary rewards that benefit the companies or employees through the implementation of CSR initiatives in the manufacturing plants in Guangdong Province. To examine the non-financial benefits brought about by CSR to manufacturers and employees, five interview questions, which were questions four to eight, were used. The analysed data reveals that three themes related to the major non-financial benefits emerged:

- Good reputation/goodwill
- Recognition
- Sense of belonging

From P9’s excerpt, the discourse of non-financial benefits provides an example of the non-financial benefits and who are the beneficiaries of CSR:

Non-financial benefits are something that cannot be counted. For example, the sense of belonging, good reputation, good ethics and motivation to the employee.
Section 4.5.1 to Section 4.5.3 discusses the analysed data about the three major non-financial benefits brought about by CSR and Figure 4.1 reveals the major non-financial benefits defined by participants.

Figure 4.1: Major Non-financial Benefits brought by CSR

An overwhelming majority of participants recognised good reputation or goodwill as a kind of non-financial benefit caused by the implementation of CSR initiatives. The analysis of the data reveals the positive consequences of good reputation or goodwill benefiting the company and employees. One of the gains of running CSR initiatives was reputation. P16 stated:

Our reputation and popularity are enhanced. With the enhancement of reputation, we have gained a lot of customers worldwide.
From the excerpt of P16, reputation was enhanced and the discourse of reputation informed that the company was able to secure more customers. As compared with P12’s excerpt, the discourse of reputation illuminates another positive outcome related to employees:

Non-financially, we can have a good reputation. It may be the loyalty of customers and colleagues. Colleagues are just like family members. Thus, there is a need to create a good working environment for colleagues such that they work closely and develop trust. This can also generate a more efficient outcome when we work together.

P12’s excerpt reveals CSR intends to improve the working environment and is able to increase the loyalty of employees and uplift working efficiency. These positive outcomes are underpinned by the content of CSR and how employees perceive the content.

The other positive outcomes recognised by P19 include:

Employees are proud of being an employee working in a company with a good reputation.

P19’s excerpt obviously indicates the association of good reputation and how employees value the reputation. The narrative excerpt of P17 further reveals similar positive outcomes of good reputation. Discourses of how employees value a company with a good reputation and the working experience of employees inform a non-financial benefit of CSR. P17 claimed:

Good reputation is also a non-financial benefit. It is good for employees because they think the company is worth working for. As the company has a good reputation, employees are willing to work for the company. For example, if I work
for the company which does not have good reputation, I will work for just one or two years. I notice that there are many staff members who have been working for at least 10 or 20 years serving in this company.

P17’s excerpt clearly illuminates employees are willing to work longer if the company has a good reputation. The duration of the working period of an employee is mainly affected by the reputation of the company and how employees value its reputation.

### 4.5.2 Recognition

The data analysis reveals that thirteen participants noted recognition from different stakeholders. The stakeholders are mainly classified into internal stakeholders and external stakeholders. P3’s excerpt illuminates the recognition related to both internal and external stakeholders as:

Non-financial benefits may include some aspects like the company can earn recognition from staff members. When our clients visit the company, they found that our staff has a positive attitude no matter if there is anyone monitoring them. As for suppliers, we have paid them on time for the past 30 years, which has also gained their recognition.

From P3’s excerpt, employees were the internal stakeholders who would recognise the efforts being contributed in CSR initiatives by employers. Discourses of the perception of the suppliers and the duration of cooperation between manufacturers and suppliers determined the positive outcomes of recognising the efforts made.

Other than the recognition from suppliers and clients, participants noted the recognition from the government. P14 stated:
Second, with more efforts done in the industry or the community, the company will gain recognition from the suppliers, government and clients. We build up trust among parties.

P14’s excerpt illuminates the recognitions from government, suppliers and clients are able to build trust. Comparing with P22’s excerpt, one of the outcomes of recognition is the support from the government as:

The other gain will be the additional support from the government because we have recognition from the government. For example, when we have a problem in recruiting employees, the government will provide support to us.

From P22’s excerpt, the discourse of the problem in recruiting employees informs that employers are able to receive additional support from the government as a result of the positive consequences of implementing CSR initiatives. In line with P22, P23 stated:

The company receives the recognition from the government and the community. These recognitions provide a great support for the government. The company will receive implicit benefits by doing CSR.

From P23’s excerpt, the discourse of the recognition from the government and the community not only facilitated the supports from the local government, but also the company was able to receive benefits which were not monetary.

Participants noted one of the positive outcomes of recognition was to further enhance their position in the market. P6 claimed:

First, company will gain recognition of its position in the industry. If you have a certain position in the industry, you will gain respect for that and this will relatively affect other business issues.
P6’s excerpt informs that other benefits, such as respect from competitors, are obtained by the company if manufacturers are able to contribute efforts in implementing CSR initiatives.

4.5.3 Sense of Belonging

The data analysis reveals twelve participants interpreted the sense of belonging as being a major non-financial benefit for manufacturers as the outcome of implementing CSR initiatives. Two aspects in relation to sense of belonging were identified from the responses made by the participants. The first aspect was related to the association of sense of belonging and low turnover rate. The second aspect was the way to enhance the sense of belonging.

4.5.3.1 Association of Sense of Belonging and Low Turnover Rate

The analysis of data informed that participants noted the association of sense of belonging and low turnover rate. P1 indicated:

For the non-financial benefits, this company expects employees will stay a long time with us. They are happy working over here and they can contribute more to the company. Thus, sense of belonging is important to us.

P1’s excerpt clearly shows that employers valued employees who worked longer and contributed more effort to the company. To achieve this goal, employers were required to be aware of the sense of belonging of employees. On top of P1’s response, P16’s excerpt illuminates that low turnover rate is achieved when staff members are able to gain a sense of belonging as:
Staff gains a sense of belonging and therefore a lower turnover rate is noted. If the company is socially responsible, staff will be willing to work and contribute to the company. Some of our staff have been working for 10 to 20 years.

According to P16’s excerpt, a sense of belonging was able to reduce turnover rate and it affected how long the employee would work for the company. It is noted that there is an association between sense of belonging and turnover rate.

The discourse of P21’s excerpt about sense of belonging concluded that the association of sense of belonging and low turnover rate as:

Frankly speaking, sense of belonging causes the low turnover rate. I think this is because employees have a good feeling in working for the company.

P21’s excerpt clearly illuminates that the result of sense of belonging is low turnover rate as employees are able to work happily in the company.

4.5.3.2 Way to Enhance Sense of Belonging

Participants noted the way to enhance sense of belonging is a result of employers’ care of employees. P3’s narrative excerpt illuminates how to enhance a sense of belonging of employees as:

When we bumped into our ex-staff, they showed their support to our corporation. They think that we are a good corporation as we adopt a humane approach. When our staff members face family problems or difficulties, our boss will provide assistance to solve the problems voluntarily. Ten years ago, an engineer had heart problems and required surgery costing $150,000 to $160,000. After discussion with our boss, he said we could render him financial assistance. The employer lent him the money for surgery, and allowed him to pay it back when he could continue
to work. Till now, he is still working in the company but the employer has not asked him to return the money.

From the excerpt of P3, the discourse of caring action taken by the employer in expressing caring to the employee informs how to enhance a sense of belonging. Employees, who previously worked for the company, appreciated the kind acts of the employers. The action not only revealed that employees welcome the kind-heart actions of employers, but also determined the influence caused to other employees.

4.6 Motivating Employees in the Manufacturing Industry

To explore how to best motivate employees in the manufacturing industry located in Hong Kong and Guangdong Province, the interview questions nine through eleven were used to examine participants’ understanding of employee motivation. The analysed data reveals five themes related to the major employee motivators:

- Monetary rewards
- Benefits to the employee
- Job satisfaction
- Job promotion
- Sympathetic help with personal problems

The themes are further discussed from Section 4.6.1 to Section 4.6.5 to illustrate employee motivators based on the data collected from manufacturers in Hong Kong and Guangdong Province. Most of the employee motivators not only summarise the responses made by participants, but also include some of the CSR initiatives used by manufacturers.
to motivate employees. Table 4.4 shows the major employee motivators identified and
details of the initiatives used to motivate employees.

Table 4.5: Major Employee Motivators Identified in this Study

<table>
<thead>
<tr>
<th>Major Employee Motivators</th>
<th>Initiatives to Motivate Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td>• Using salary and bonus</td>
</tr>
<tr>
<td></td>
<td>• Increment in salary or salary adjustment</td>
</tr>
<tr>
<td>Benefits to employee</td>
<td>• Offering yearly body check</td>
</tr>
<tr>
<td></td>
<td>• Launching social activities</td>
</tr>
<tr>
<td></td>
<td>• Offering workers training</td>
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<tr>
<td></td>
<td>• Implementing specific CSR programs</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>• Gaining a sense of achievement</td>
</tr>
<tr>
<td></td>
<td>• Fulfilling employees’ needs</td>
</tr>
<tr>
<td>Job promotion</td>
<td>• Providing job promotion opportunities</td>
</tr>
<tr>
<td>Sympathetic help with personal problems</td>
<td>• Being sympathetic to employees who need help</td>
</tr>
</tbody>
</table>

4.6.1 Monetary Reward

An overwhelming majority of participants noted reward in terms of monetary
value was a good motivator for employees working in manufacturing in Guangdong
Province and Hong Kong. Monetary refers to the rewards in terms of cash, bonus,
adjustment in salary and a wage system. The analysed data revealed most of participants found salary and bonus were good approaches to motivate employees. P5 stated:

In this company, I think maybe the most determining factor is salary. If they earn sufficient salary, they will show more initiative.

The excerpt from P5 clearly noted salary was an important factor to drive employees to work. Similarly, P3 noted the importance of monetary rewards:

Job promotion is a minor factor but it is the salary adjustment that matters. Staff will feel unbalanced without adjusting their salary even if they have job promotion.

Frankly speaking, they accept job promotion but in long-term, they need some rewards like adjusting their salary for motivation.

P3’s excerpt illuminates adjustment in salary was more important than the other factors such as job promotion. Employees comparatively valued the monetary returns compared with personal career development.

Some participants expressed that participation in CSR initiatives was a key performance index (KPI) used by employers to consider the increment of salary. From P6’s excerpt, discourse of adjustment in salary informs how employees perceived CSR as a way to have adjustment in salary:

If staff pays extra effort in joining CSR related activities, we will also record and consider it as one of factors for salary increment in their personal Key Performance Index (KPI) record.

P6’s excerpt informs that other than salary and bonus, employees are able to have an increment in salary based on employees’ participation in CSR initiatives. The employer
makes use of the opportunity to encourage employees to participate in the initiatives. The observation revealed some employees welcomed the decision made by the employer.

4.6.2 Benefits to the Employee

Benefits provided to employees contributed to the participants’ motivation to work in their workplace. Benefits to employees refer to the non-monetary rewards or aspects provided to employees. Sixteen participants interpreted employee motivation as being the benefits offered to employees. Four benefits, which were yearly body check, social activity, training and implementation of CSR program, were identified from the analysed data.

4.6.2.1 Yearly Body Check

Yearly body check refers to the health status checking of employees as requested by employers. Participants indicated that the company would provide a yearly body check for each employee for showing care to them. P1 and P7 explained the “health check” as a benefit provided to employees in the manufacturing industry. P1 noted:

For example, we have the yearly health check, we must make sure employees do have the health check …

From P1’s excerpt, employers cared about the health status of employees and expected employees to be in good health condition. It was noted at the company where P1 worked, the intention for the body checking was solely to ensure employees were in good health rather than achieving other purposes such as obtaining a reputation.
### 4.6.2.2 Social Activity

Some participants commented that they were motivated to work as a result of participation in social activities launched by employers. As is clear in the excerpts of P4 and P11, discourses of social activities launched for employees determined the motive to work, P4 stated:

Staff may have to strike a balance between work and lifestyle, hence we will launch some recreational activities for them such as travelling, gathering and holding sports day or competitions for social purposes. By launching these activities, we hope that staff can release their pressure from work and feel happy being involving in the activities.

P11 noted:

My company launched different kinds of activities to motivate staff. The company launched charity activities such as the “Walks for Millions” and encouraged the staff to join the activity.

The above excerpts illustrate that employees found the social activity was an effective approach to motivate staff. From P11’s excerpt, activities related to CSR were used to drive employees to work.

### 4.6.2.3 Training for Employees

The analysed data reveals participants experienced uplift in knowledge and skills in the workplace through the training provided to employees. The trainings motivated employees to perform well in the workplace. Training for employees refers to the organised activity by employers aiming at improving the performance of employees.
Referring to the excerpts of P7 and P21, discourse of training provided to employees influenced the level of motivation of employees. P7 stated:

All staff has the opportunity to get promoted. Our factory will also collaborate with other educational institutes and community colleges by providing our workers with some training. The training will be conducted in our factory to enhance their skills.

P7’s excerpt reveals employers intend to provide training for enhancing employees’ skills and knowledge such that employees have an equal opportunity to get promotion. Fairness for the treatment to an individual and his colleagues affects employees’ motivation (Ramlall, 2004). Employees noticed that these trainings were provided through an educational institution which provided a kind of formal and practical training to improve their skills. Comparing with P7, discourse of training to employees informed the other intention to motivate employees. P21 commented:

Other than the salary earned by employees and to motivate employees to enhance their confidence in handling new tasks, training will be provided to equip employees or new employees with skills to tackle the job assignment faced in the workplace.

From P21’s excerpt, it illustrates the other purpose of providing training to employees. Participants valued the training for resolving issues that they came across in the workplace. Employers believed training were able to lift the confidence of employees.

4.6.2.4 Specific CSR Initiatives

Specific CSR initiatives related to the social responsible activities are used to motivate employees. The analysed data reveals participants reflected on their experiences
of being motivated in the workplace through CSR initiatives. Discourses of actions taken by employers to motivate employees through CSR initiatives determined how employees were motivated to work and how initiatives were further improved. P21 stated:

Our company has a team setup to provide psychological supports or guidance to employees if they encounter problems in works, lives or personal matters. The team will also report the feedbacks received from the employees to the CSR team. The reported information will also be used to launch specific CSR programs in future to assist employees.

P21’s excerpt illuminates that employees were motivated by using a channel to feedback their needs to see if there were any chance to improve the situation. Employers aimed to fulfill employees’ needs related to physiological, safety, love, esteem and self-actualisation as proposed by Maslow (1943). To fulfil the needs, the corresponding actions would be incorporated in the CSR program to echo the feedbacks.

4.6.3 Job Satisfaction

Over half of participants indicated job satisfaction was an important factor which caused them to work. Job satisfaction refers to the positive emotional state as a consequence of the appraisal of employee’s performance in the workplace. Two aspects, which are related to fulfilling employees’ needs and in gaining a sense of achievement, were identified.

4.6.3.1 Gaining Sense of Achievement

Participants expressed that sense of achievement was able to motivate them to work. Gaining a sense of achievement related to the positive results experienced by employees in the workplace. P5 stated:
… provide them with a safety environment and a sense of achievement. If staff has no achievement at work, they will not be motivated.

P5’s excerpt indicates that employees are motivated if they gain a sense of achievement at work. The sense of achievement is to fulfil people’s desire to achieve higher standards, master skills successfully and perform their best (McClelland, 1961). Employers are required to provide approaches for employees to experience this sense of achievement.

From the excerpt of P13, the discourse of the assessment and awards to encourage determined the achievements experienced by participants. P13 noted:

We also have many assessments to access their ability. If they pass certain assessment, they will be rewarded. We will also have Best Worker Award to encourage staff. ... The management will enhance their ability by offering some training, having them involved in some programs or projects and expanding their job duties to motivate them.

P13’s excerpt illuminates how employees are able to experience a sense of achievement at work. Employers are able to provide assessment and training to uplift employees’ abilities so that they are able to experience success at work. Employees are able to receive awards for recognising their success. It is also noted that employers have to spend effort in organising the training and preparing the assessment for helping employees experience a sense of achievement.

4.6.3.2 Fulfilling Employees’ Needs

Fulfilling employees’ needs relates to the efforts made by manufacturers in Hong Kong and China to satisfy employees’ desires in relation to work. The analysed data
reveals that satisfying employees’ needs is an important factor in motivating employees. P24 stated:

From a management perspective, if employers are able to notice employees’ needs and respond to them, then employees will stay longer with us. Actually, I guess this is why employees are willing to work longer for us.

P24’s excerpt reveals that the importance of satisfying employees’ needs. The discourse of the special scheme and how the scheme was used to satisfy their needs determined the motivation of employees. P22 contended:

We also have a special team to launch the “Big Sister” scheme to communicate with the employees. The scheme aims to understand the needs of the employees through different kinds of activities such as employee forums and voluntary work. The team members not only want to understand the needs of the employees and dissatisfaction in their work, but also want to get feedback from the employees about the activities launched to them. This is a way to enhance the degree of job satisfaction of the employees.

P22’s excerpt illustrates the ways of understanding employees’ needs by employers and how to fulfil their needs. Employers assign staff to handle how to collect feedback from them, especially the dissatisfactions raised by employees. Employers’ efforts in understanding employees’ needs directly influenced the degree of job satisfaction of employees in the workplace.

4.6.4 Job Promotion

Eleven participants recognised job promotion motivated employees to work. Job promotion refers to the advancement of an employee within a manufacturer located in
Hong Kong and Guangdong Province. Participants mentioned their companies used job promotion to motivate employees. From the excerpts of P10 and P16, employees would be promoted when they performed well. P10 stated:

…, the corporation will provide job promotion opportunities to those who perform well. For example, through assessment of skills and 5S, they will be awarded and have a larger opportunity for promotion if performing well.

P10’s excerpt illuminates that employees who perform well will get promotion. Discourse of the criteria to get promoted informs employee’s concerns of opportunity to get job promotion in the workplace. P13’s excerpt further discusses the opportunity of job promotion. P13 stated:

…equal opportunities for job promotion …

P13’s excerpt informs that employers have to ensure the opportunity of job promotion and equal opportunity is a key concern of employees.

Other than the above mentioned factors to motivate employees, discourse of the involvement in CSR initiatives affects the job promotion opportunity. P24 noted:

As an individual, one hopes to gain power and position. If one can practice CSR well and perform their duties well, the individual is more likely to have job promotion by accumulating your efforts for a better future.

The excerpt of P24 indicates that taking part in CSR initiatives is regarded as an evaluation or KPI to consider the opportunity of the job promotion. Employees are evaluated through the increased options in assessing their performance.
4.6.5 Sympathetic Help with Personal Problems

Sympathetic help with personal problems refers to the kind of assistance rendered by manufacturers in handling personal issues. The analysed data reveals that nine participants will be motivated if employers are able to be compassionate when employees come across personal problems. Discourses of the sympathetic action taken by their organisations inform how employees were motivated. The excerpts of P11 and P16 reveal the sympathetic help. P11 noted:

For example, my company shows care to the staff by allowing female staff to take leave to handle family issues in the case of special needs.

P16 mentioned:

Regarding humane management, sometimes staff may feel sick or have some family issues, the company should flexibly allow staff to take day off and spend more time on their issues if the company is able to reassign staff. If female staff gets pregnant, the corporation should let her take maternity leave and handle job duties with less of a workload.

From excerpts of P11 and P16, the discretion given by employers not only expresses care to employees, but also motivates them to work. P13’s excerpt further explains the importance of the discretion. P13 stated:

If family is harmonious, staff feel comfortable to work. Family issues like economic burdens and quarrels with their spouse will affect their work performance. Staff cannot fully focus on their work. This will affect the quality and efficiency of their performance.
P13’s excerpt illuminates employers’ sympathy will reduce employee’s personal problems in dealing with various aspects of family life. When employees feel comfortable this positively affects their overall work performance.

4.7 To What Extent do CSR Initiatives Impact on Employee Motivation in Manufacturing Industry

The aim of interview questions twelve through fifteen was to explore the extent of the impact of CSR on employee motivation. All participants agreed CSR initiatives could be used to motivate employees in the workplace. To evaluate the impact of CSR on employee motivation, two themes, which are shown below, emerged from the analysed data collected:

- Motivating employees through voluntary activities
- Motivating employees through CSR initiatives that focus on employees

The themes are discussed in the Section 4.7.1 to Section 4.7.2, in particular on examining how CSR impacts on motivating employees. The themes, sub-themes and identified aspects related to the extent of impact of CSR initiatives on employee motivation are depicted in Table 4.5 to 4.6 contained within each theme.

4.7.1 Motivating Employees through Voluntary Activities

Voluntary activity is defined as “explicit CSR” to fulfil societal interests by the corporations (Matten & Moon, 2008). Thirteen participants stated that CSR initiatives motivate employees. Motivating employees through voluntary activities relates to motivating manufacturing employees in Hong Kong and Guangdong Province by involving them in charitable activities. Three themes emerge from the analysed data.
Table 4.6 depicts the theme, sub-themes and identified aspects related to motivating employees through voluntary activities.

Table 4.6: Theme, Sub-theme and Identified Aspects in Relation to Motivating Employees through Voluntary Activities

<table>
<thead>
<tr>
<th>Theme</th>
<th>Sub-theme</th>
<th>Identified Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivating employees through voluntary activities</td>
<td>• Positive impacts of getting involved by assisting others voluntarily</td>
<td>• Feeling a part of the society</td>
</tr>
<tr>
<td></td>
<td>• Positive impacts of building closer relationships with colleagues</td>
<td>• Feeling a part of the company</td>
</tr>
<tr>
<td></td>
<td>• Positive impacts of being proud of assisting others</td>
<td>• Making friendships and building relationships with colleagues</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Taking pride in participating in CSR initiatives</td>
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</tbody>
</table>

4.7.1.1 Positive Impacts of Getting Involved by Assisting Others Voluntarily

Participants shared experiences describe their positive impacts experienced when participating in voluntary activities. These experiences include descriptions like “get involved in the society”, “more motivated” and “makes people friendly”. The analysed
data reveals two aspects, which are feeling part of the society and feeling part of the company, in relation to getting involved in voluntary activities.

From the excerpts of P5 and P17, discourse of the experiences of feeling part of society determines the positive impact perceived by employees. P5 stated:

Participating in voluntary work helps staff to integrate into the society and it is also the only advantage to staff. 99% of staff are non-locals of this city and they are lacking a sense of belonging and feel they have drifted to the city because of work. Unlike people in Hong Kong, we are not used to working out of town and it was a new beginning for us. For example, I have been working here for more than 20 years. I have my own family and property here but I do not feel I am a local in this city. I always want to go back to my hometown, which is different from Hong Kong. We tend to do voluntary work and take part in the social activities held by my company and the community so that we can get involved in the society. Hence, you will less likely to feel like you are just working in this city. Doing voluntary work is less likely to be effective to the company.

P5’s excerpt not only illustrates employees’ feeling of working out of their hometown, but also reveals that employees feel they should be getting involved in the society. With the positive impacts experienced, P5 considered employees were motivated to work. Similarly, P12’s excerpt informs the linking of employees with society. P12 noted:

My company has a charity team to encourage employees to participate in the CSR activities such as the “Works for Million”. We also donate the red pocket to the public. These kinds of activities can have a positive impact when they join the activities. These activities can motivate employees because they will be proud of
the activities they joined in the company. They think they can contribute their
efforts to the society too.

Through participation in the voluntary activity, P12’s excerpt explained that employees
would experience a positive impact and perceive having made a contribution to the society.
The positive outcome of experiencing an achievement in participating in CSR initiatives
motivates them to work. Kim and Scullion (2013) agreed that employees were motivated
to work with the cause of the achievement.

Other than feeling part of the society, participants experienced feeling a part of the
company. From the excerpts of P6 and P17, discourses of participations of CSR initiatives
determine the positive influences caused by joining the voluntary activity. P6 stated:

From an environmental perspective, we will hold related talks and courses for the
Department Head to take part in so that they know what the company is working
on and why the efforts are devoted. This might involve more time and effort in
doing the related tasks. If they learn more about the environmental tasks which are
beneficial to the society or even themselves including health concerns, they might
be more inclined and willing to take part in it.

P6’s excerpt illuminates that employees will act positively and they are motivated when
they participate in a voluntary activity. As shown in the following excerpt from P17,
discourse of the involvement of family members in the voluntary activity informs the
positive impacts experienced by employees. P17 noted:

As I said, the company sets up the charity program to get the involvement of
family members. For example, employees bring kids to the farm to play. I think it
is like a family because I join the program then I think it is good, we go to the farm
to plant the plants and the kids were happy. Here like a big family. The company encourages employees’ family members to join the activities.

P17’s narrative excerpt reveals the participation in a voluntary activity by family members is able to motivate employees to work. The positive influence causes employees to feel a part of the company.

**4.7.1.2 Positive Impacts of Building Closer Relationships with Colleagues**

Participants experienced closer relationships with colleagues when participating in a voluntary activity. The positive impacts of the experiences are recognised by using wording like “enjoyed a lot”, “really motivates me to work”, “gain the relationships” and “make our minds in sync”.

As a consequence of P11’s participation in the voluntary activities, she experienced positive impacts of building closer relationships with colleagues. P11 stated:

As mentioned in the previous question, the company launched different types of charity program. For example, I joined one of the charity programs. I really enjoyed this program a lot because I had the chance to make neckerchief for the elderly. Though I did not know how to make a neckerchief, I learnt the skills from other colleagues. Also, I built up friendships with other colleagues as the interactions between departments are rare. This not only made me have the chance to serve, but also had the chance to make friends in the activity. This kind of CSR activity really motivates me to work.

From P11’s excerpt, employees are able to build closer relationships with other colleagues and it further motivates them to work. The positive outcome illuminates a family-friendly management style as proposed by Kim and Scullion (2013). Similarly, discourse of the
experiences in participating in voluntary activities by P17 further reinforces the positive outcome. P17 stated:

At least, from my case, I met a lot of people from the CSR program. Before the program, I don’t know them. During the servicing program, I met them. After that, when I need to connect to some people, this makes it more convenient. We know each other and have a relationship such that we are able to make our minds in sync. There are no barriers between employees because this kind of activity makes me feel like in a family. Also, this kind of activity makes people friendly.

From P17’s excerpt, employees are able to gain closer relationships with colleagues and eliminate barriers between colleagues. These advantages cause positive impacts to employees by motivating them to work.

4.7.1.3 Positive Impacts of Being Proud of Servicing Others

Participants used various wordings to describe their experiences of being proud of servicing others through voluntary activity. The positive impacts of the experiences are recognised by the wordings like “take pride of their ability”, “be proud of the activities they joined” and “take pride in the activities”.

Referring to P12’s excerpt in section 4.7.1.1, employees were proud of taking part in voluntary activities. A positive impact was achieved as employees were motivated to work. P6 and P13 shared similar experiences and below are their excerpts.

P6 stated:

Regarding the charity activity, we will invite our staff to take part in the activity by delivering goods to a mountainous area, for example. We have our own engineering and construction departments, etc. Recently, we have been
communicating with the related parties, hoping to repair electrical appliances in the countryside for the elderly. We encourage them to bring along their family members to join in so that staff will take pride in their ability to help others instead of only earning a living.

P13 noted:

We will encourage staff to take part in social activities. Staff can take pride in the activities which will in turn bring positive thinking back to their work.

From P6’s excerpt, discourse of supporting employees in participating in a voluntary activity determines whether employees are proud of taking part in the activity. Employees are able to experience constructive influences from P13’s excerpt. P13 expects the positive thinking to be good for both the employer and employee.

4.7.2 Motivating Employees through CSR Initiatives Focusing on Employees

Matten and Moon (2008) defined “implicit CSR” as the corporate’s obligation to satisfy the interests and concerns of different stakeholders. Employees are one of the stakeholders to be taken care of by employers. In order to engender positive influences on employees, thirteen participants said they would welcome their organisation implementing CSR initiatives which focus on employees. From the analysed data, Table 4.7 depicts the theme, sub-themes and identified aspects related to motivating employees through implementing CSR initiatives that satisfy employees’ needs.
Table 4.7: Theme, Sub-theme and Identified Aspects in Relation to Motivating Employees through Implementing CSR Initiatives Focusing on Employees

<table>
<thead>
<tr>
<th>Theme</th>
<th>Sub-theme</th>
<th>Identified Aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivating employees through implementing CSR initiatives focusing on employees</td>
<td>• Positive impacts of expressing care to employees</td>
<td>• CSR initiatives to express care to employees • CSR initiatives to satisfy employees’ needs</td>
</tr>
<tr>
<td></td>
<td>• Positive impacts of enhancing a sense of belonging for employees</td>
<td>• Perception of the CSR initiatives for employees</td>
</tr>
</tbody>
</table>

4.7.2.1 Positive Impacts of Expressing Care to Employees

Positive impact of expressing care to employees refers to the CSR initiatives that are designed to express care to employees or satisfy employees’ needs. Participants used various wordings like “are more willing to work”, “more proactive”, “That’s really good, we work more closely”, and “more willing to get involved in work” to express their experiences about the CSR initiatives. In relation to the sub-theme, the analysed data reveals two aspects which are identified: “CSR initiatives to express care to employees” and “CSR initiatives to satisfy employees’ needs”.

To examine the positive impacts of expressing care to employees through CSR initiatives, the following excerpts from P3, P7, P9 and P10 demonstrate participants’ feelings with regard to the care expressed by employers.
P3 stated:
As our boss knows that most of staff come from different parts of China, they left their hometown and family to make a living. He will require us to hold various cultural activities. For instance, at the Mid-Autumn Festival, we will deliver mooncakes to staff and hold a feast. Staff can feel free to perform … while what we can gain is that the workers are more willing to work.

P7 claimed:
During work, staff should be more proactive and bear their own responsibility.

P9 noted:
I think most of what the company is doing is to give a sense of belonging by organising some activities for the staff and family members. That’s really good. We work more closely.

P10 stated:
Our corporation will show care to staff and offer assistance to them. ... Environmental and safety measures established by the company will raise their awareness. They are more willing to get involved in work.

The excerpts from P3 and P10 illuminate the positive influences experienced by employees after the activities. Understanding of the concerns of employees and developed CSR initiatives that express employers’ care to employees produce positive impacts for the employers.

Other than employers expressing care for employees, the analysed data associated with using CSR initiatives shows the creation of a positive impact when employees’ needs are satisfied. Satisfying employees’ needs refers to the action taken to implement CSR
initiatives for fulfilling employees’ needs. Participants expressed their experiences using the wordings like “care for the needs of the employee”, “be motivated” and “are happy” regarding the CSR initiatives employees participated in. In addition to the P11’s excerpt listed in section 4.6.5, P11 further mentioned:

Also, the company has to care for the needs of the employee.

P13 stated:

Staff will be motivated if employers show their care to staff and also help to develop staff’s abilities. … Whenever staff encounters any problems, we will show our care and give a hand to them. … the company will show their care and offer help to staff when they are in need.

From the excerpt of P13, staff were motivated when the company offered help or satisfied employees’ needs. Similarly, P24 shared:

Over the last two years, we notice that employees are happy with the introduction of CSR program which is able to respond to the needs raised. They have the chance to give feedback on what they want so that we know how to adjust the content of the program.

P24’s excerpt not only reveals the positive influences of the CSR initiatives, but also satisfies the needs of employees. From the excerpts, CSR initiatives should incorporate a plan to fulfil employees’ needs for bringing positive impacts to employees. Employers are able to consider different channels to collect feedback from employees so as to understand their needs.
4.7.2.2 Positive Impacts of Enhancing Sense of Belongings of Employees

Participants used various wordings to describe the positive impact of experiencing an enhanced sense of belonging when they participated in the CSR initiatives. The wordings include “enhance sense of belonging” and “keep them motivated to work and increase their sense of belonging”. P8 shared:

Usually, my company will arrange a function like a health seminar, annual dinner and some CSR functions such as visiting elderly for the employees. These kinds of activities can enhance a sense of belonging.

From P8’s excerpt, CSR initiatives are able to enhance the sense of belonging of employees. P21 and P22 came across similar experiences. P21 noted:

The company also posts the news of the CSR program to promote the program to the employees so that they can get more caring or benefits from the company. Employees can notice the transparency of the CSR program and let them easily understand the importance of the program and the impact to them. … Due to the current situation that salary is not the major factor to motivate employee, caring from the company can help to keep them motivate to work and increase their sense of belonging.

P22 stated:

As I mentioned there is a “Big Sister” scheme. This scheme allows the team members to understand the needs of the employees and receive feedbacks from them. This company also has a CSR program to take care of the new employee. The program will have an assigned person to take care of the new employee to see whether she is happy in the work and any difficulties encountered in the workplace.
My company relies on this kind of scheme or program to set up the channel to understand the needs of the employee; listen to them and help employees have better social lives.

We also have a dormitory keeper to take care of the needs come across in the dormitory. The keeper will help employees if they have requests and understand their needs. Thus, based on the “Big Sister” scheme, dormitory keeper and other CSR programs, the company takes care of the working environment, living, dormitory and recreational activity for the employees in motivating them. … These activities not only want to balance the social needs of the employees, but also aim to increase the sense of belonging to the company.

Excerpts from P21 and P22 reveal that CSR initiatives not only are able to express care to employees and create positive impacts, but also act as one of major components to increase sense of belonging to the company.

4.8 Conclusion

The purpose of this qualitative study was to examine the impact of CSR on employee motivation for manufacturers with plants based in Guangdong Province. Three research questions were prepared to guide the study. Themes were derived from the collected data through in-depth interviews and presented in the sequence of the three research questions.

The definition of CSR interpreted by participants was classified into three dimensions, namely; legal, ethical and discretionary. A good reputation / goodwill, a sense of belonging and recognition were identified as the major non-financial benefits related to CSR. The top five employee motivators are seen as; monetary rewards, benefits to the
employee, job satisfaction, job promotion and sympathetic help with personal problems. Participants noted that employees could be motivated through voluntary activities and CSR initiatives focusing on employees.

4.9 Summary

Chapter 4 delineated the results with reference to the research questions. The research questions sought to explore how employees developed the definition of CSR and non-financial benefits. Those questions were also used to examine the impacts of CSR on employee motivation. Findings were presented in a narrative format with quotes from participants. Figure and tables were used to present the findings regarding the definition of CSR, major non-financial benefits, employee motivators and the impact of CSR initiatives on employee motivation. Chapter 5 consists of a review of the core themes underpinning the research study, the aim of the study, the significant of the findings, and recommendations for future research on CSR and employee motivation in China.
5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

Through examining the influence of CSR on employee motivation in the manufacturing industry, this chapter contains a discussion of the findings based on current literature and determines whether the findings contribute any new knowledge for manufacturers based in Hong Kong and Guangdong Province. Section 5.2 presents the research findings which are compared with the results of the literature review. In Section 5.3, the conclusions of the study are discussed. The implications, limitations and recommendations for future study are presented in this chapter.

5.2 Developed Themes

5.2.1 How Employees Define CSR in the Manufacturing Industry in Hong Kong and China

The results reveal that participants defined CSR as a legal responsibility, ethical responsibility and discretionary responsibility for manufacturers in Hong Kong and Guangdong Province. The discussions of findings shown in sections 5.2.1.1 to 5.2.1.3 reveal how employees defined CSR, linking with the dimensions of CSR proposed by Carroll (1979) and the stakeholder approach proposed by Freeman (1984). This study identified three related themes that reveal how employees define CSR: from a legal perspective; from an ethical perspective; and from a discretionary perspective.

Unlike the arguments from Carroll (1999), and Yang and Guo (2014) that economic responsibility and legal responsibility were more important than ethical
responsibility and discretionary responsibility, the findings of this study reveal legal, ethical and discretionary responsibilities are more important than the economic responsibility. Participants noted manufacturers in Guangdong Province maintained industrial standards to satisfy government’s and clients’ requirements in terms of legal responsibility. Manufacturers did pay more attention to ethical and discretionary responsibilities than economic responsibility. Twenty participants argued manufacturers had to behave ethical to employees. P17 stated manufacturers had a higher priority to demonstrate care to employees. Over half of the participants valued the manufacturers’ efforts in addressing issues that involved discretionary responsibility.

5.2.1.1 Classify Fulfilment of Legal Responsibility as CSR

Define CSR as the legal responsibility of the employer - with reference to the findings in Section 4.4.1, they are consistent with the legal dimension of the total responsibilities framework developed by Carroll (1979). The manufacturers complied with the legal accountability to protect the environment and employees. These findings are consistent with the Lee (2008) study mentioned in chapter 2, where companies set CSR as one of their organisational goals. From P24’s excerpt in Section 4.4.1.1, the manufacturers incorporate the plan into their overall plans to achieve set goals and set higher environmental standards as compared with standards required by government and clients.

Rather than maximising the value of shareholders proposed by Friedman (1962), the manufacturers focus on contributing efforts to meet the legal responsibility through protecting employees. The findings specified in Section 4.4.1.2 match with Matten and Moon’s (2008) study that employers considered employees’ interests by: providing a good working and safe environment; offering fair pay; and regulating working hours of employees.
It is noted from the literature review that China was unlikely to meet the standard of CSR activities as in the West (Luethge & Helen, 2012) and was also weak in enforcement of legislation (Tsoi, 2009). However, participants noted manufacturers were willing to comply with legislation to do more on environmental protection, salary and protection of employees’ health and safety. P24 mentioned clients had diversified requests in terms of CSR standard and said “In most of the CSR standards, my company prefers to maintain CSR standards at a level which is equivalent to or higher than the expectations of clients or even government.”

5.2.1.2 Classify Fulfilment of Ethical Responsibility as CSR

Define CSR as the ethical responsibility of employer - according to the findings shown in Section 4.4.2, these findings are correspondent with the ethical dimension of the total responsibilities framework developed by Carroll (1979). The manufacturers behaved ethically in causing positive impacts to society and expressing care to employees which are not requested by law.

With reference to the findings in sections 4.4.2.1 and 4.4.2.2, these findings are consistent with Freeman’s (1984) study discussed in Section 2.6 that managers have to satisfy stakeholders’ needs. Regarding the manufacturers’ efforts to fulfil the ethical accountability, they maintained social morality and encouraged suppliers’ efforts to protect the environment. The findings match with Moir’s (2001) study that manufacturers need to analyse employees’ needs. Referring to P23’s excerpt, participants were able to express their feedback to employers through different channels for refining the CSR program.
5.2.1.3 Classify Fulfilment of Discretionary Responsibility as CSR

Define CSR as the discretionary responsibility of employer - referring to Section 4.4.3, these findings are consistent with the discretionary dimension of the total responsibilities framework developed by Carroll (1979). Table 4.3 depicts how employees define CSR from a discretionary perspective by being sympathetic to the community and being compassionate to employees, which these voluntary actions aimed to fulfil the social role that was not mandated.

The results depicted in sections 4.4.3.1 to 4.4.3.2 are consistent with Freeman’s (1984) study that managers are responsible to find ways to satisfy various stakeholders such as employees. Considering Freeman’s argument and the accountability towards the community (Maignan et al., 2005), participants’ responses indicated that employers made an effort to satisfy community needs by organising charitable activities and making donations. To satisfy employees’ needs, manufacturers’ efforts to be compassionate to employees, who encountered difficulties, were appreciated by participants. From the excerpts of P10 on Section 4.4.3.1 and P16 on Section 4.4.3.2, both type of efforts cause positive impacts to employees by enhancing their sense of belongings.

5.2.2 CSR Development for Manufacturers in Hong Kong and Guangdong Province

The discussion of findings illuminates the results which are associated with the CSR development in Hong Kong and Guangdong Province. In contrast with the argument raised by scholars (Beder, 2006; Doane, 2005; Fleming & Jones, 2013) that CSR was used to conceal some of the more unsavoury issues of neoliberalism, the findings shown in Section 4.4 reveal that the manufacturers implemented CSR initiatives in a voluntary manner to overcome the negative feelings of employees. The excerpt of P4 shown in
Section 4.4.2.1 indicates the manufacturers prefer to make moral judgements to make positive impacts to the community. P6’s excerpt in Section 4.4.3.1, and some other participants, reveals that manufacturers do not have an intention to generate a marketing influence on the society by making donations. Manufacturers also act beyond the legal requirements to offer assistance to employees who encounter difficulties and unexpected accidents.

The findings shown in Section 4.4 and 4.5 are not consistent with Lam’s (2009) study mentioned in Section 2.7 that senior executives did not value CSR in China. From the findings shown in Section 4.4, participants welcomed the CSR initiatives implemented for employees and positive impacts are developed through the enhancement of a sense of belonging. Regarding the findings shown in Section 4.5, participants’ responses are positive in regard to the non-financial benefits brought by CSR initiatives implemented by the manufacturers. With reference to the excerpts of P19 in Section 4.5.1, P1 in Section 4.5.3.1, and P3 in Section 4.5.2 and Section 4.5.3.2, participants experienced a positive influence from the non-financials, namely good reputation, recognition and sense of belonging.

Freeman and Hasnaoui (2011) argued that CSR concepts were different across the nations. The findings of the study reveal that the CSR development in the manufacturing sector in Hong Kong and Guangdong Province are consistent with the “implicit CSR” developed by Matten and Moon (2008). With references to the CSR initiatives mentioned in Section 4.4, the manufacturers focus on contributing efforts to fulfil both the needs of the society and the employees. Though Matten and Moon (2008) argued the globally spreading of “explicit CSR” affected European countries, this study notes the CSR
development in Hong Kong and Guangdong Province satisfies the societal interests and interests of employees.

5.2.3 Employees’ Views on Non-financial Benefits Brought by CSR to Manufacturers

Unlike the literature review that CSR initiatives improved financial performance of organisations (Choi et al., 2010; Peloza & Papania, 2008; van Beurden & Gössling, 2008; Wood, 2010), this study reveals three non-financial benefits identified by the participants. These benefits include “good reputation”, “recognition”, “sense of belonging”. Among these benefits, participants noted some of the benefits related directly to employees. Sections 5.2.3.1 and 5.2.3.2 illustrate how major non-financial benefits cause positive impacts to the manufacturers.

5.2.3.1 Non-Financial Benefits Brought to Manufacturers

Consistent with the studies on sharpening the competitive advantage over their rivals (El-Garaihy et al., 2014; Maruffi et al., 2013; Schnietz & Epstein, 2005) and enhancing organisational effectiveness (Mishra & Suar; 2010) mentioned in Chapter 2, this study reveals CSR is able to bring non-financial benefits to manufacturers for developing a competitive advantage. For instance, with the reputation gained by manufacturers, section 4.5.1 reveals that CSR helps manufacturers to gain more customers globally and to lift employees’ working efficiency. The findings shown in Section 4.5.2 reveals that recognition is gained from internal and external stakeholders. From the excerpts of P14, P22 and P23, there was recognition from the local government. Referring to the findings shown in Section 4.5.3, manufacturers have a low turnover rate as the result of enhancements in the sense of the belonging of employees.
5.2.3.2 Non-Financial Benefits Brought to Employees

Consistent with Mishra and Suar’s (2010) study that CSR directed towards employees influences the non-financial performance of the organisation, this study reveals that CSR brings non-financial benefits to employees. The non-financial benefits include: the positive outcome of good reputation noted from the excerpts from P12, P19 and P17 in Section 4.5.1; and the increase of a sense of belonging noted from the excerpts from P1 and P3 in Section 4.5.3. These findings concur with Obalola and Adelopo’s (2012) study that employers should not neglect the importance of CSR.

5.2.4 Using CSR to Motivate Employees in Manufacturing Industry in Hong Kong and Guangdong Province

Referring to the literature review in Section 2.8.4, ten employee motivators were discussed. Different motivator was ranked top in different period, interesting work, good wages and full appreciation of work done (Wiley, 1997). For the same survey conducted by Islam and Ismail (2008) that the top six employee motivators were good wages, promotion, job security, good working conditions, interesting work and full appreciation of work done. However, the findings shown in Section 4.6 reveal the top five major employee motivators recognised by participants were monetary rewards, benefits to employees, job satisfaction, job promotion and sympathetic help with personal problems.

With reference to the findings shown in Section 4.6, some of the employee motivators reveal how CSR initiatives influence employee motivation. Some participants stated that CSR can be used to evaluate employees’ working performance. For example, P6 contended that employees had a salary increment if they participated in CSR initiatives. Some participants were motivated to work after joining the CSR activity. For example, the excerpts from P4 and P11 reveal the positivity brought by CSR to drive employees to
work. Other participants experienced help from manufacturers, for example, the excerpts of P11, P13 and P16 shown in Section 4.6.5 illustrate how they were motivated to work longer periods of time for the manufacturers.

5.2.5 Extent of Impacts of CSR on Employee Motivation in the Manufacturing Industry

Unlike the literature review that states the most attractive CSR activity to motivate people is donation, the findings in Section 4.7 show that participants gained positive influence through manufacturers motivating them through voluntary activities and CSR initiatives focused on employees. The findings shown in Section 4.7.2.2 are consistent with the Kim and Scullion (2013) study mentioned in Section 2.9.6 that employees experienced a positive impact through the enhancement of their sense of belonging. For example, the excerpts of P8, P21 and P22 reveal they experienced positive influences when the sense of belonging was enhanced through the CSR initiatives.

In consistent with the internal CSR and external CSR proposed by Khan et al. (2014), this study reveals findings concur with findings from Khan et al. To match with the internal CSR to fulfil employees’ expectations, requirements and psychosomatic needs, the findings shown in Section 4.7.1 reveal the extent the impact of CSR on employee motivation. Participants expressed positive feelings for manufacturers who expressed care to employees. For instance, the excerpts from P3, P7, P9 and P10 reveal positive feelings from the CSR initiatives designed for them. Also, participants’ needs were met when manufacturers developed CSR initiatives to satisfy their needs. For example, the excerpts from P11, P13 and P24 in Section 4.7.2.1 delineate that employees’ needs were fulfilled. Another positive influence experienced by participants is the positive impacts because of
the enhancement of the sense of belonging among employees when manufacturers implemented CSR specifically designed for them.

To match with external CSR proposed by Khan et al. (2014), the findings of the study shown in Section 4.7.1 reveal the extent of the impact of CSR on employee motivation. This study reveals findings which are related to the external CSR (local communities related) as specified by Khan et al. From the findings shown in sections 4.7.1.1 and 4.7.1.3, participants were able to experience a positive impact when they served others voluntarily and became proud of serving the community. For instance, excerpts of P5 and P7 shown in Section 4.7.1.1 reveal employees experienced positive influences as they felt part of society. Excerpts of P5 and P12 further reveal the positive impacts due to the feeling of getting involved in the society. Participants noted the positive impacts of being proud to serve others. From the excerpts of P12, P6 and P13 shown in Section 4.7.1.3, participants were able to experience a constructive impact from joining the CSR activity.

This study reveals another positive impact experienced by joining the voluntary activity. From the excerpts of P11 and P17, participants were able to experience closer relationships with colleagues in the organisation. These experiences caused a positive impact by motivating employees to work.

5.3 Implications for Practice and Future Research

This study aimed to explore the impacts of CSR on employee motivation, in the manufacturing sector in Hong Kong and Guangdong Province. The study identified that there is an imbalance of efforts by manufacturers in recognising their major stakeholders.
In the competitive environment, manufacturers had limited resources to perform CSR initiatives. Manufacturers should consider examining their efforts in developing CSR initiatives and identify the target stakeholders for whom the initiatives are designed for.

The findings are important to all manufacturers in Hong Kong and China. A previous study on the relationship between CSR and stakeholders was completed for MNCs in China (Tsoi, 2009; Yin et al. 2013). The findings of this study provide a positive message to manufacturers that CSR could be used as a tool to motivate employees. Managers are able to develop CSR initiatives which can enhance a sense of belonging for the employees. This may enhance the organisational efficiency of business organisations.

The findings of this study provide an approach for organisations to collect feedback from employees in order to enhance the CSR initiatives designed for employees. This can also enhance both financial and non-financial benefits of the organisation.

Findings of this study increase the knowledge of how CSR could be used to motivate employees. CSR usually is considered as a tool to enhance financial performance of organisations (Chen & Wang, 2011; Luethge & Helen, 2012; Marom, 2006; van Beurden & Gössling, 2008) and senior executives do not value CSR (Lam, 2009). This study provides a case for the executives to notice the non-financial benefits of implementing CSR within an organisation.

Nonetheless, this research has implications for future research in examining the impacts of CSR on employee motivation. The findings of this research support CSR initiatives can be used to motivate employees in the manufacturing industry in Hong Kong and China. Further research study could be carried out on the different types of stakeholders for a manufacturer or an organisation. Managers could explore the proper
CSR initiatives which could be developed given they have limited resources. A research question could be: How can CSR be used as a tool to motivate employees? The result of the study may be able to give an insight on exploring proper CSR initiatives commonly accepted by employees.

Another implication for future research is on the effectiveness of CSR initiatives. This study only examined CSR initiatives that enhance organisational effectiveness. However, a future study on the effectiveness of CSR initiatives may provide information to identify proper CSR initiatives to be developed by an organisation. The possible research question could be: Which kinds of CSR initiatives attract the attention of stakeholders? How do you rank different kinds of CSR initiatives?

The last implication is to examine the different kinds of non-financial benefits by using a quantitative approach. The outcomes of the study might be able to shed light on identifying the non-financial benefits which are useful to businesses and for the managers to action.

5.4 Limitation

This study involved twenty four participants from eight manufacturers with plants based in Guangdong Province. The CSR initiatives by each manufacturer were different. Participants may have different levels of understandings or perception about the initiatives. Findings, which were collected using a semi-structured interview, were not able to be transferred to other case study (Yin, 2003). Thus, the study was not able to be generalised and to do this would require carrying out empirical analysis in future studies. However, in general, qualitative research is generalizable across theoretical propositions, which is why
it is important to demonstrate how this research study has advanced theory with respect to motivating employees through CSR initiatives.

Findings collected from the participants may have a bias as they had different working experiences and had various levels of involvement in CSR initiatives. However, as there was a requirement of a minimum duration of involvement in CSR initiatives when identifying participants and convenience sampling was used to select the participant, the possibility of lying or exaggerating should be minimised.

This findings, which were used for analysing the theories depends on how many interviews could be performed in this study, and this was limited by the availability of interviewees and documents (Neuman, 2006). To make sure the analysis was trustworthy; collected data was deemed to be enough to carry out the analysis.

Another limitation in this study may have been the bias in how to measure and interpret the data. To reduce this kind of bias, the research questions were properly designed to enhance the reliability of the collected data.

The last limitation in this study may have been the error in translating the recording of the participant. To minimise this kind of error, the transcription of the recording in Chinese language was done by the researcher.

5.5 Summary

The purpose of this qualitative study was to examine the impact of CSR on employee motivation for manufacturers in Hong Kong and Guangdong Province. This chapter included numbers of themes to delineate how CSR influences employee motivation. This chapter also presents the implications and limitations.
REFERENCES


Manolopoulos, D. (2008). Does the board know whether it is the money or the love? Employee Motivation in the Greek Public Sector. *Human Resource Management International Digest*, 16(3), 14-16.


APPENDIX A: ORGANISATIONAL PARTICIPANT INFORMATION STATEMENT
Organisational Participant Information Statement for the Research Project:

The Impact of Corporate Social Responsibility on Employee Motivation

Version 3 dated 4 March 2015

I write to invite your organisation to participate in the abovementioned research project that is being conducted by Mr Kin Sun Lam from the Newcastle Business School at the University of Newcastle. This project is supervised by Prof. Ken Kamoche from the Business School at the University of Nottingham.

What is the purpose of the research?

To explore the overall impact of CSR on employee motivation.
Who can participate in the research?

The participants in the research consist of two senior management staff and an employee of your organisation. The senior management staff has experience in managing CSR initiatives for more than 2 years and have been working in manufacturing industry for 2 years and an employee who has been working in manufacturing industry implementing CSR initiatives for more than 2 years.

What you are being asked to do?

If your organisation agrees to participate in this research, your organisation will assign an authorised representative to act as the contact point with the researcher, and contacts of the representative, which include email and office contact, will be provided to the researcher through email. The researcher will meet the representative to determine the way to conduct the semi-structure interview without affecting the normal business operation of the organisation.

The representative will also identify the eligible participants for interview, seek consent from them, and email the researcher a list of any consenting within your organisation. The participants will be contacted by the researcher through email. Later, they will meet with the researcher for a semi-structure interview. Before the interview starts, they will be asked to sign a consent form for the research.

Other than the interview with participant, the researcher will also collect information through observation within the premises of your organisation. The researcher will act as a
non-participant observer to observe the everyday activities and practices of the employee in your organisation. The details arrangement of the observation will be discussed and agreed by your organisation before it is carried out by the researcher. After being indicated by the representative on where and how to carry out the observation in a workplace, the researcher will engage in 15 minutes observing the working of employees and write down fieldnotes about the interactions between employees and their reactions during the observation. The meeting venue will be within the premises of your organisation.

The interviews with the participants will be held within the premises of your organisation. During the interview, the researcher will brief the participants with the goals of the research and topics to be discussed within the premises of your organisation. The interview will be taped and they can ask for the tape to be stopped and edited or erased in the interview. A script will be prepared after the interview, they may review the transcript of the interview and edit their contribution. The interview will be completed within 45 minutes.

The interview will be conducted using English and/or Chinese language. The researcher asks questions using English language while the interviewees can use either English or Chinese language to express their view.

**What do you need to do if you agree for your staff to participate?**

If your organisation agrees to participate in this research, the representative of your organisation will sign and return the attached Organisational Consent Form to the
researcher through mail or email as an attachment. Also, the representative will send the researcher a list of any consenting staff within your organisation who have experience in managing or implementing Corporate Social Responsibility, and who may be interested in participating in an interview through email.

What are the risks and benefits of participating?

There is minimal, if any, risk to you if your organisation participates in this research. You or your organisation will not be identifiable in the published output from the research. While we cannot promise any direct benefit to you or your organisation, better understanding of the impacts of corporate social responsibility on employee motivation would be of useful to business leaders to form the corporate strategic plan.

Further information

If you would like further information please contact me, Martin Lam or Prof. Ken Kamoche. Our contact details are listed on the letterhead. It would be highly appreciated if you could confirm your willingness to support the study. Thank you for considering this invitation.

Professor Ken Kamoche
Chief Investigator

Mr Kin Sun Lam
Researcher
4 March, 2015

Complaints about this research:

This project has been approved by the University’s Human Research Ethics Committee, Approval No. H-2015-0035. Should you have concerns about your rights as a participant in this research, or you have a complaint about the manner in which the research is conducted, it may be given to the researcher, Unit 1605, 16/F., Fortress Tower, 250 King’s Road, North Point, Hong Kong, telephone +852 93065820 (Hong Kong) or +86 14715012340 (China), email c3118962@uon.edu.au, or, if an independent person is preferred, to the Human Research Ethics Officer, Research Office, The Chancellery, The University of Newcastle, University Drive, Callaghan NSW 2308, Australia, telephone (02) 49216333, email Human-Ethics@newcastle.edu.au.
APPENDIX B: ORGANISATIONAL CONSENT FORM
Organisational Consent Form for the Research Project:

The Impact of Corporate Social Responsibility on Employee Motivation

Version 1 dated 4 March 2015

I agree to participate in the above research project and give my consent freely.

I understand that the project will be conducted as described in the Organisational Participant Information Statement, a copy of which I have retained.

I understand that I will receive a hard copy of the findings to be provided to the senior management for reference and have the right to use the findings at my own will.
I understand that all information in the research will be anonymised including the name of the organisations.

I consent that I will allow the researcher to recruit participants for interview through email.

I understand that the researcher will engage in 15 minutes observing the working of employees and write down fieldnotes about the interactions between employees and their reactions during the observation within the premises of my organisation determined by me and be agreed by the organisation.

I have had the opportunity to have questions answered to my satisfaction. If I decide to withdraw, all data related to the organisation and participant will be withdrawn and destroyed.

I am indicating that I consent to the above on behalf of the organisation and that I am in a position to do so.

Print name: ___________________________ Position: ___________________________

Signature: ___________________________ Date: ___/___/_______
Participant Information Statement for the Research Project:

The Impact of Corporate Social Responsibility on Employee Motivation

Version 5 – 4 March 2015

You are invited to participate in the abovementioned research project that is being conducted by Mr Kin Sun Lam from the Newcastle Business School at the University of Newcastle. This project is supervised by Prof. Ken Kamoche from the Business School at the University of Nottingham.

Why is the research being done?

Over recent decade, manufacturing industry in China faces challenges in satisfying salary, working environment and safety aspects required by clients. These challenges urge manufacturers in China and Hong Kong to adopt CSR initiatives originated from the
West. However, there are few research studies about how CSR influences employee motivation in the East as compared to the West. This study aims to examine the impacts of CSR on employee motivation and how employees perceive the influences of the requirement. You are invited to participate in a semi-structure interview and the results shall be used by your organisation to better manage employee motivation.

Who can participate in the research?

With the information obtained from the Federation of Hong Kong Industries, your organisation has been randomly selected from a list of eligible organisations located in the Guangdong Province, China. Participants are the senior management staff and employee of the selected organisation.

You are eligible to participate in this research project if you are senior management employees who have experience in managing CSR initiatives for more than 2 years or an employee who has engaged in the CSR initiatives for more than 2 years. You also have the responsibility for or knowledge of the corporate social responsibility practices or initiatives implemented in your organisation. The interview will be conducted using English and/or Chinese language. The researcher asks questions using English language while the interviewees can use either English or Chinese language to express their view.
What choice do you have?

Participation in this research is entirely your choice. Only those people who give their informed consent will be included in the project. Whether or not you decide to participate, your decision will not disadvantage you. If you do decide to participate, you may withdraw from the project at any time without giving a reason and have the option of withdrawing any data which may identify you. If you decide to withdraw, all data related to you will be withdrawn and destroyed. Your decision whether or not to participate will not disadvantage you in your current or future relationship with the University.

What you are being asked to do?

If you agree to participate in this research, you will be contacted by a researcher through email. Later, you will meet with the researcher for a semi-structure interview within the premises of your organisation. Before the interview starts, you will be asked to read and sign a consent form for the research. Researcher will also provide you a copy of interview protocol for reference before interview starts.

During the interview, researcher will brief you the goals of the research and topics to be discussed. The interview will be taped and you can ask for the tape to be stopped and edited or erased in the interview. A script will be prepared after the interview, you may review the transcript of the interview and edit my contribution.
The interview will be conducted using English and/or Chinese language. The researcher asks questions using English language while the interviewees can use either English or Chinese language to express their view.

**How much time will it take?**

The interview will be expected to complete within 45/60 minutes.

**What are the risks and benefits of participating?**

There is minimal, if any, risk to you if you participate in this research. You or your organisation will not be identifiable in the published output from the research. While we cannot promise any direct benefit to you or your firm, better understanding of the impacts of corporate social responsibility on employee motivation would be of useful to business leaders to form their corporate strategic plan.

**How will your privacy be protected?**

All information received from you will be strictly confidential. The tape of the interview and the script will be de-identified first by the researcher and then checked by you to ensure there is no identifying information. The de-identified tape will be transcribed by the researcher into script and all interviews done in the Chinese language will be translated by the researcher. Code numbers will be used in place of names throughout the research process. For the collected data stored other than on in electronic form (e.g. paper transcriptions) and the script, they will be scanned in electronic form and be kept on a
highly-secured computer of the researcher.

The consent form will be kept on a highly-secured computer of the researcher. Only the researcher will have access to the data. The de-identified data will be kept in the server for a minimum of five years after the conclusion of the research.

If you would like further information please contact me, Martin Lam or Prof. Ken Kamoche. Our contact details are listed on the letterhead. It would be highly appreciated if you could confirm your willingness to support the study. Thank you for considering this invitation.

Professor Ken Kamoche
Chief Investigator

Mr Kin Sun Lam
Researcher

4 March, 2015
Complaints about this research:

This project has been approved by the University’s Human Research Ethics Committee, Approval No. **H-2015-0035** Should you have concerns about your rights as a participant in this research, or you have a complaint about the manner in which the research is conducted, it may be given to the researcher, Unit 1605, 16/F., Fortress Tower, 250 King’s Road, North Point, Hong Kong, telephone +852 93065820 (Hong Kong) or +86 14715012340 (China), email [c3118962@uon.edu.au](mailto:c3118962@uon.edu.au), or, if an independent person is preferred, to the Human Research Ethics Officer, Research Office, The Chancellery, The University of Newcastle, University Drive, Callaghan NSW 2308, Australia, telephone (02) 49216333, email [Human-Ethics@newcastle.edu.au](mailto:Human-Ethics@newcastle.edu.au).
I agree to participate in the above research project and give my consent freely.

I understand that the project will be conducted as described in the Participant Information Statement, a copy of which I have retained.

I understand that I can withdraw from the project at any time and do not have to give any reason for withdrawing. During the interview, I can ask for the tape to be stopped and edited or erased. I may also review the transcript of the interview and edit my
contribution. If I decide to withdraw, all data related to me will be withdrawn and destroyed.

I consent to:

1. Participate in an interview of no more than 45/60 minutes.

2. The interview being recorded onto a digital recorder.

I understand that my personal information will remain confidential.

I have had the opportunity to have questions answered to my satisfaction.

Print name: ________________________________

Signature: ________________________________ Date: ____/___/_______
APPENDIX E: INTERVIEW PROTOCOL
**Interview Protocol**

<table>
<thead>
<tr>
<th>Research Topic: The Impact of Corporate Social Responsibility on Employee Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time of interview:</td>
</tr>
<tr>
<td>Date:</td>
</tr>
<tr>
<td>Place:</td>
</tr>
<tr>
<td>Interviewee:</td>
</tr>
<tr>
<td>Position of Interviewee</td>
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<tr>
<td>The purpose of study</td>
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<tr>
<td>What choice does interviewee have?</td>
</tr>
<tr>
<td>What you are being asked to do?</td>
</tr>
</tbody>
</table>
provide interviewee with a copy of interview protocol for reference before interview starts.

During the interview, researcher will brief interviewee the goals of the research and topics to be discussed. Interviewee will be asked of the consent to have audio-recording in the interview. The interview will be taped and interviewee can ask for the tape to be stopped and edited or erased in the interview. A script will be prepared after the interview, interviewee may review the transcript of the interview and edit the script.

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much time will it take?</td>
<td>The interview will be on average 45 minutes.</td>
</tr>
</tbody>
</table>
| Have the interviewee read and sign the consent form? | Yes ➔ Collect the informed consent form. Scan and keep it in a highly-secured computer of the researcher  

No ➔ End the interview and look for the other participant                          |
| Have the interviewee agrees to have audio recording of the interview?            | Yes ➔ Turn on the tape recorder to record                                    

No ➔ Drops down the detailed notes and enters the information in the computer after the interview |
1. How do you develop the meaning of CSR in the manufacturing industry?

2. How does your organisation develop the meaning of CSR?

3. What are the similarities and differences between the meaning of CSR developed by the organisation and yourself?

4. What are the gains of your organisation?

5. How do you interpret the non-financial benefits?

6. How does your organisation interpret the non-financial benefits?

7. What are the similarities and differences between the non-financial benefits known by the organisation and yourself?

8. In your opinion, how would the non-financial benefits affect the organisational performance?

9. How do you develop the meaning of employee motivation?

10. How does your organisation motivate employees?
11. In your opinion, what factors would affect employee motivation?

12. How does your organisation make use of CSR initiatives to motivate employee?

13. How do you assess the effectiveness of the CSR initiatives in motivating employee?

14. What factors would affect your organisation’s ability to enhance the effectiveness of the CSR initiatives to motivate employee?

15. Do you have other feedbacks you would like to add about your organisation’s role in defining CSR and its influences on employee motivation?
Interview Questions

1. How do you develop the meaning of CSR in the manufacturing industry?

2. How does your organisation develop the meaning of CSR?

3. What are the similarities and differences between the meaning of CSR developed by the organisation and yourself?

4. What are the gains of your organisation?

5. How do you interpret the non-financial benefits?

6. How does your organisation interpret the non-financial benefits?

7. What are the similarities and differences between the non-financial benefits known by the organisation and yourself?

8. In your opinion, how would the non-financial benefits affect the organisational performance?

9. How do you develop the meaning of employee motivation?
10. How does your organisation motivate employees?

11. In your opinion, what factors would affect employee motivation?

12. How does your organisation make use of CSR initiatives to motivate employee?

13. How do you assess the effectiveness of the CSR initiatives in motivating employee?

14. What factors would affect your organisation’s ability to enhance the effectiveness of the CSR initiatives to motivate employee?

15. Do you have other feedbacks you would like to add about your organisation’s role in defining CSR and its influences on employee motivation?
APPENDIX G: INTERVIEW QUESTION (CHINESE VERSION)
採訪問題

<table>
<thead>
<tr>
<th>1. 在製造行業內，你認為社會企業責任的意思是什麼？</th>
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<tr>
<td>2. 在貴公司里，你認為社會企業責任的意思是什麼？</td>
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<tr>
<td>3. 你認為以上兩個意思有什麼相同和不同之處？</td>
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<tr>
<td>4. 你認為公司獲得了什麼？</td>
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<tr>
<td>5. 你如何解讀非財務得益？</td>
</tr>
<tr>
<td>6. 你認為你的公司如何解讀非財務得益？</td>
</tr>
<tr>
<td>7. 你認為以上兩種得益有什麼相同和不同之處？</td>
</tr>
<tr>
<td>8. 在您看來，非財務得益怎樣影響公司的表現？</td>
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<tr>
<td>9. 你認為員工積極性的意思是什麼？</td>
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<td>10. 你的公司如何推動員工的積極性？</td>
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<td>15.</td>
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