VOLUME 1 ISSUE 1 YEAR 2013

Expert Journal of Business and Management

CONTENTS

EDITOR'S INTRODUCTION OF A NEW BUSINESS AND MANAGEMENT JOURNAL: EXPERT JOURNAL OF BUSINESS AND MANAGEMENT Simona VINEREAN	1
MODELING EMPLOYEE SATISFACTION IN RELATION TO CSR PRACTICES AND ATTRACTION AND RETENTION OF TOP TALENT Simona VINEREAN, Iuliana CETINA and Luigi DUMITRESCU	4
SEGMENTATION OF EMPLOYEE PERCEPTIONS IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY PRACTICES Alin OPREANA	15
THE FACTORS INFLUENCING ACADEMIC AFFAIRS SERVICES MANAGEMENT AT THE NATIONAL UNIVERSITY OF LAOS AND LUCIAN BLAGA UNIVERSITY OF SIBIU, ROMANIA Sounieng VONGKHAMCHANH and Emanoil MUSCALU	29
A MODEL FOR IMPLEMENTING HR'S STRATEGIC ROLE Anca SERBAN and Emanoil MUSCALU	36

EDITORS

Simona VINEREAN and Alin OPREANA

Expert Journal of Business and Management

http://business.expertjournals.com

Editors-in-Chief

Simona VINEREAN Sprint Investify simona@sprintinvestify.com business@expertjournals.com

Alin OPREANA Lucian Blaga University of Sibiu alin.opreana@ulbsibiu.ro business@expertjournals.com

Associate Editor

Alexandra VINEREAN Lucian Blaga University of Sibiu

Aims and Scope

The purpose of the *Expert Journal of Business and Management* is designed to be an open source forum for a dissemination of relevant and original scientific articles dealing with aspects of business and management. Expert Journal of Business and Management is an interdisciplinary journal that aims to publish thought-provoking and insightful articles of interest to business research and management.

Expert Journal of Business and Management provides insights and foresights to practitioners (CEOs, boards of directors, industry consultants, strategic executives, and managers) and scholars (academics, researchers, lecturers, students) interested in business management articles.

Submitted papers should cover theoretical or empirical manuscripts meant to provide relevant insights into the current management and have significant implications for business practice and research. Nonetheless, *Expert Journal of Business and Management* also publishes research articles, empirical studies, case studies, research notes, simulations, teaching notes, and book reviews.

All manuscripts should reflect original contributions and not be under consideration for publication elsewhere. The submitted papers should exhibit relevancy, value, originality, argumentation, reasoning, and analysis. *Expert Journal of Business and Management* is a double peer review process and is published by Sprint Investify.

Coverage includes, but is not limited to: Business Strategy and Policy, Business Performance Modeling, Entrepreneurship, Human Resource Management, Organizational Behavior, Organizational Theory, Supply Chain Management, Strategic Management, Business Ethics, Corporate Social Responsibility, Quality Management, Innovation and Change Theory, Cross-Cultural Management, Crisis Management, Corporate Intrapreneurship, Leadership, International Business, Operations Management, Logistics.

Publisher

Expert Journal of Business and Management is published quarterly by Sprint Investify. Expert Journal of Business and Management is published online at http://business.expertjournals.com. Visit the journal's homepage for details of the aims and scope, instructions to authors, submission process and Editor contact details. Use the website to search online tables of contents, read articles and submit your papers.

Copyright © 2013 Sprint Investify.

Editor's Introduction of a New Business and Management Journal: Expert Journal of Business and Management

Simona VINEREAN*

Sprint Investify

1. Introduction

Welcome to the first issue of *Expert Journal of Business and Management. Expert Journal of Business and Management* is an international, peer-reviewed academic journal that aims to contribute to a better understanding of change management and its implications at all levels, and to provide an insight into how best to manage change in different organizations, situations and environments.

The field of business management is an interdisciplinary one, concerning individuals, groups, organizations, societies and nations. Business and management examines management policies and practices in the context of organizational growth and development, management theory, theories of leadership, communication processes, business processes, employment relations, the dynamics of organizational behavior and corporate social responsibility. Therefore, research in business and management is crucial for decision making.

2. Objectives

Expert Journal of Business and Management aims to publish insightful, influential and timely articles that contribute significantly to our understanding of business and management studies. Giving the fact that it is an interdisciplinary journal, its broad scope implies to create accessible, thought-provoking content that is widely read and cited by the general academic business community.

The journal strives to maintain a balance between theoretical and empirical work, and aims to provide prompt and constructive reviews to paper submitters. *Expert Journal of Business and Management* is similar to other scholarly journals in its reliance on peer-review process and reviewer anonymity. Even though, this is the first issue of *Expert Journal of Business and Management*, we already managed to develop a team of expert reviews, who agree to provide voluntary and regular reviews of submitted business journal articles. The procedure at our journal is to place into the review process the submitted manuscripts that meet the minimum norms for fit, quality, and contribution to general understanding of business and management.

Expert Journal of Business and Management's objectives involve a number of initiatives, such as:

- openness to innovative research from all over the world,
- openness to different disciplinary approaches (behavioural, economic, statistical, quantitative, etc.)
- efficient online peer review process,
- fast and efficient of editorial decisions

Simona Vinerean, Sprint Investify, The Bucharest University of Economic Studies, E-mail address: simona@sprintinvestify.com

Article History:

Available Online 17 October 2013

Cite Reference:

Vinerean, S., 2013. Editor's Introduction of a New Business and Management Journal: Expert Journal of Business and Management. *Expert Journal of Business and Management*, 1(1), pp.1-3

^{*} Correspondence:

- development of citations and increasing the journal's impact
- adequate revisions of the submitted articles,
- fast time to provide an answer to authors,
- quick dissemination of findings to a wide audience,
- promotion of accepted articles among various social media outlets,
- broaden the audience of authors and readership.

3. Content

Expert Journal of Business and Management has a very broad editorial policy and does not impose constraints on the topics of accepted and published articles. Published work can however reflect the following questions:

- What effect does change have on stakeholders in different industries?
- What are the politics of change in a multinational company?
- How can companies manage resources in an ever-expanding environment?
- What leadership issues arise in today's uncertain business environment?
- What role does sustainability play for organizations, governments, employees, and customers?

Expert Journal of Business and Management aims to provide an avenue for high-quality research in the fields of sustainability; corporate social responsibility; change in developing, emerging and transition economies; leadership and management; readiness and capacity; critical management studies; organizational behaviour, communication and development; and any disciplines concerning the interaction between management and enterprise development.

In terms of these subjects and many others related to business and management, we encourage different types of contributions, such as:

- (1) Empirical papers can serve as evidence of sustaining or refuting certain hypotheses that which should be clearly defined and answerable.
- (2) Conceptual and theoretical papers should try to define and develop different business and management concepts by providing relevant underpinnings in new disseminations.
- (3) Industry reports can consist of in depth *analyses*, data, trends, market share, and/or forecasts of events that take place in different industries or countries.
- (4) Case studies are highly encouraged and should reflect descriptive, exploratory or explanatory analysis of a manager, company, event or industry, while emphasizing certain learning objectives;
- (5) Teaching notes will be published in relation to case studies or as theoretical developments for management or general business lectures, meant to help educators and academics;
- (6) Book reviews should reflect analyses based on content of business or management books, by providing subjective opinions and recommendations.

4. Emerging Topics

Globalization, technological change, environmental concerns, social and political upheaval, are of particular importance right now, as rapid and continuing change is occurring for businesses everywhere. From a theoretical and managerial point of view, aspects and issues about R&D, strategy and business models, and innovation are crucial for a company's survival. This is why we encourage research that can help managers and advance specialty literature.

Thus, Expert Journal of Business and Management is inviting submissions in emerging topics, such as: managing technology and innovation; resources management and sustainable development; social entrepreneurship; corporate responsibility, ethics and accountability. These topics do not form an exhaustive list of articles that are appropriate for this journal, although we believe however they can provide a starting point of more business research to come.

5. Call for More Submissions

Expert Journal of Business and Management attracts submissions from international academics focusing upon theoretical, empirical, policy and practitioner issues within the fields of business,

entrepreneurship and management. Our objective is to advance and nurture business and management research in the theory and practice globally. There are no restrictions to the subject areas for publication in *Expert Journal of Business and Management*; scholars are invited to send their best work, and all topics that fit the editorial policy of this journal are considered.

6. A Final Thought

On behalf of the *Expert Journal of Business and Management* Editorial Board, I would like to thank you in advance for your further contribution to the development of the Journal and the wider field of business management, through the submission of your work and reviewing process of articles on behalf of the Journal!

Modeling Employee Satisfaction in Relation to CSR Practices and Attraction and Retention of Top Talent

Simona VINEREAN^{1*}, Iuliana CETINA¹, Luigi DUMITRESCU²

¹The Economic University of Bucharest ²Lucian Blaga University of Sibiu

In today's economy, companies must work harder than ever to attract, retain and motivate talented employees in order to foster employee satisfaction, and in order to do so, CSR practices can provide a strategic tool. A green company no longer denotes solely the promotion of green products or reduction of energy consumption, as it has to incorporate proactive and innovative means of tracking sustainability while involving employees in such corporate behavior. This paper highlights an empirical study of responses from 10 multinational companies regarding their corporate social responsibility initiatives as a way to attract and retain good employees, while providing an appropriate environment for employee satisfaction, by constructing a structural equation model meant to expand HR literature and provide direct implications for organizations.

Keywords: employee satisfaction, employee retention, employee attraction, corporate social responsibility, structural equation model

1. Introduction

Corporations that operate at a global level face a number of issues related to sustainability: volatility, price and availability of resources, consumer requirements, the emergence of new markets and the evaporation of ancient ones, changes in financial operations, economic uncertainty, pressure from interest groups governments and communities, effects of attracting and retaining the best employees.

A green company no longer denotes solely the promotion of green products or reduction of energy consumption, as it has to incorporate proactive and innovative means of tracking sustainability while involving employees in such corporate behavior.

In today's employment market, there is an increasing competition for employees who are talented, creative, and highly motivated to make a change in the companies they choose to work. Thus, the task of companies to provide, monitor and maintain employee satisfaction is becoming a difficult task. Thus, companies' success hinges on their ability to attract and retain a talented pool of employees. Increasingly, various research provide evidence that a company's corporate social responsibility (CSR) policy is a legitimate, compelling and increasingly important way to attract and retain good employees, while providing an appropriate environment for employee satisfaction.

Simona Vinerean, The Bucharest University of Economic Studies, E-mail address: simonavinerean@yahoo.com

Article History:

Received 05 October 2013 | Accepted 08 November 2013 | Available Online 20 November 2013

Cite Reference:

Vinerean, S., Cetina, I. and Dumitrescu, L., 2013. Modeling Employee Satisfaction in Relation to CSR Practices and Attraction and Retention of Top Talent. Expert Journal of Business and Management, 1(1), pp.4-14

^{*} Correspondence:

Presently, the assumption is that corporate social responsibility is important for the organization, not only because it indicates the willingness of the company to display 'good citizenship', but it also provides a source of organizational competitive advantage. Once implemented, these sustainable programs can be monitored through internal marketing research to determine which programs offer the greatest value to which employee segments, and ultimately to the company. Measurements should include internal elements (attitude towards the company's commitment to continued sustainable activities) and external elements (attraction and retention of top talent, work effort, productivity) as outputs in identifying the processes in advance.

Internal marketing and human resources management are based on the satisfaction of employees for retention and attracting top talent that will lead to success. In the context of sustainability, when companies provide the right opportunities for involvement in such green practices, employees will be more connected with their work and feel that their actions make a difference in improving the environment and other social issues. Sustainability is closely linked to the concept of three pillars - People, Planet, and Profit - which could translate into a triple advantage of satisfied employees, long-term sustainable profit and a less polluted, sustainable planet.

The following section provides the premises of the concepts explored in this paper, and the hypotheses of the model which will be confirmed or refuted. Section 3 presents the methodology of the primary research and section 4 presents the empirical analysis. In the final part of this study, we elaborate on the contributions of the research, implications for managers and limitations of the research.

2. Literature Review and Hypotheses

2.1. Corporate Social Responsibility

Over the years the concept of Corporate Social Responsibility (CSR) has gained unprecedented momentum in business by becoming a strategic tool that goes beyond the departmental boundaries. CSR affects the way in which a company does business, especially in today's hectic business environment as consumers have higher demands in terms of a proactive approach from organizations. Nonetheless, Scholarly interest in CSR from a management perspective can be traced back at least as far as the 1930s, and the topic has been particularly contentious and ideologically charged from the start (Bauman and Skitka, 2012, p. 74).

In this sense, many organizations are complying with these new demands and have rebranded their core values to include social responsibility. Almost all major multinational companies, through their corporate websites, promoted policies and reports talk about their endeavors for CSR, as a way of ensuring that the organization is fulfilling all the obligations towards society and thus is eligible for the license to operate.

Aguinis (2011, p.855) concisely captured several key elements of CSR when he defined it as 'context-specific organizational actions and policies that take into account stakeholders' expectations and the triple bottom line of economic, social, and environmental performance'. Companies can have CSR initiatives in diverse arenas. For example, KLD Research & Analytics, Inc., a major provider of company-specific CSR information, rates companies on three broad dimensions: environment (e.g., clean energy uses, recycling efforts), social issues (e.g., women and minority benefits, health and safety), and governance (e.g., transparency, compensation practices).

For a long period of time executives wondered if they even have any responsibility as they followed renowned economist Milton Friedman, who argued that the only "social responsibility of business is to increase profits" (Friedman, 1970). But now more than ever, consumers are primed to use their purchasing power to make a difference. There are business thinkers that acclaim a more expansive view on CSR and think that businesses ought to use their power and resources for broad social ends and not simply for the narrowly circumscribed interests of private persons and firms (Bauman and Skitka, 2012, p. 70).

The implementation of such activities involves time, effort, resources and change in management vision, mission and culture, yet CSR represents a strategic tool through which companies can distinguish themselves from competitors. The tangible and intangible benefits associated with for organization are immense. CSR has many advantages for a company, including the enhancement of the brand image and reputation of the company, improvement in sales and customer loyalty, improvement of the financial performance and attraction of more investment with immense economic value. Also, pursuing CSR practices can have positive impact on increased ability to attract and retain employees, in terms of human resources management benefits.

This involvement of employees speaks of the strategic contribution of Human Resource Management (HRM) in CSR. In this context, the responsibility of human resource management department for encouraging sustainable practices that offer practically and theoretically new opportunities is very much.

Nancy (2004) discussed the role of HR in developing CSR culture in organizations and emphasized that with the growing importance of human capital as a success factor for today's companies, the role of HR leadership has become more critical in leading and educating organizations on the value of CSR and how best to strategically implement CSR policies and programs in different strategic business units of a multinational. Therefore, CSR is now considered a strategy to create, develop, and sustain positive company reputations and brand images.

2.2. Employee Satisfaction

Employee satisfaction refers to a positive emotional state resulting from the appraisal of one's experiences at work, which is relevant to work motivation. The emphasis on employee satisfaction can be attributed largely to the fact that today employees are expected to provide acts of performance. Therefore, to attract the best employees, retention and motivation are critical in situations where quality is the only differentiating factor between competitors. This situation occurs most frequently in services where customers demand a lot from employees, and employees, in turn, have high expectations from their jobs which are regarded as sources of professional self-realization and self-development.

Employee job satisfaction represents the level of fulfillment, contentment, or happiness that an employee experiences at his or her job, taking into account the work environment, compensation, and benefits (SHRM glossary). Moreover, employee satisfaction can be increased by treating 'jobs as products'; that is, designing jobs with features that prospective employees value (Ahmed and Rafiq, 2002, p.21).

In terms of employee satisfaction, it is important for a company to create a work environment where staff has decision-making power and accountability in order for them to feel a sense satisfaction, in general, and for practicing sustainability internally, in particular (Vinerean et.al, 2012, p.24).

Employee satisfaction can be enhanced when the focus is on value co-creation of social and sustainable practices (Bhattacharya, Sen and Korschun, 2007). Research suggests that CSR-based identification on the part of employees can cause them to feel satisfaction in their job, a sense of pride, and a feeling of well-being. In this context, sustainability and green practices can provide an extra level of motivation at work that would eventually lead to satisfaction and loyalty towards the organization. As Porter and Kramer suggested, many corporate philanthropic programs are designed for establishing good faith and a positive business reputation, thus improving employee morale and productivity (Porter and Kramer, 2002, p. 57).

H1: CSR practices will positively affect employee satisfaction.

2.3. Employee Retention and Attraction

The economic evolutions worldwide are uncovering a unique opportunity to garner top talent and are placing retention efforts at the forefront of forward-thinking management discussions. Particularly internal marketing literature suggests that attracting and retaining the right talented employees contribute to enhanced profitability. Just like external customers, internal customers want to have their needs satisfied. Fulfilling these needs enhances employee motivation and retention. Moreover, talent acquisition done well is a strong branding tool because it is meant to promote the company's mission, vision, and culture.

Retaining employees is possible especially by them identify with the norms, values and culture of the organization. If individuals buy into and share organizational values, then they are less inclined to leave. Values compatibility creates a sense of belonging and unconsciously motivates behaviors toward higher customer consciousness (Ahmed and Rafiq, 2002, p. 121). Failing to retain a key employee is costly to any organization because apart from the cost to recruit and select a new employee other issues such as training time and investment; lost knowledge; mourning, and possibly insecure co-workers will all have an impact on the organization. Improved customer retention means increased business, which it is believed can lead to delivering strong customer service.

H2: Employee retention and attraction will positively affect employee satisfaction.

Corporate social responsibility should also enhance firms' ability to attract and keep top talent (Bauman and Skitka, 2012, p. 65). Although it is not new to suggest that CSR can have a positive impact on

employees' view of their employer, very little work has attempted to explain how CSR affects employees and why CSR is likely to play a special role in employees' relationships with the firm.

CSR activities that provide positive distinctiveness and enhance the firm's reputation should help the firm attract and retain talent. Practitioners and theorists are increasingly turning to "internal marketing" as the rubric under which CSR can be used to acquire and retain employees. This perspective holds that in order to fulfill the needs of customer, companies need to manage their employees best by viewing them as internal customers. These internal customers also have needs that should be fulfilled their needs through a compelling "job-products." The features of such job-products include salary, health benefits packages, and job responsibilities and when designed properly, can contribute dramatically to job satisfaction, employee retention, and productivity (Bhattacharya, Sen and Korschun, 2008). In this respect, it is crucial for managers to identify and understand the needs of the different employee segments, configuring job-products – that include CSR – to address the needs of a diverse workforce.

CSR has become an increasingly important element in corporate success, especially in talent recruitment and retention. Companies can recruit and retain their workforce more easily if they possess a strong commitment to CSR (Turban and Greening, 1997, p. 658).

H3: CSR activities will positively affect employee retention and attraction

3. Research Method

3.1. Research Context

Almost all Fortune 500 companies are engaged in sustainable practices and corporate social responsibility, but these efforts are mostly carried out on normative basis, and are not based on long-term perspectives, with connotations for the internal and external environment. In this sense, this research sought to study the perception of employees on sustainable behavior of ten of the leading global companies.

In this regard, the marketing research problem of this study relates to a detailed understanding of internal and HR practices in multinational companies, due to their prioritization of sustainability in the global business environment. In order to examine this marketing research problem, we will study the three hypotheses developed in the previous section. Figure 1 summarizes these proposed hypotheses for this new model which incorporates CSR practices, employee satisfaction and attraction and retention of top talent in major global companies.

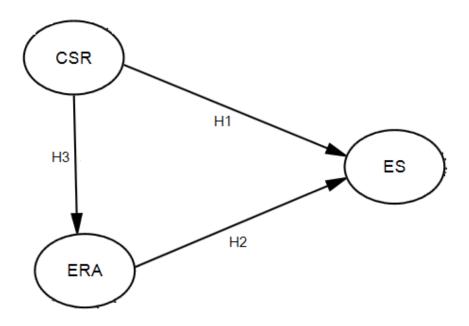


Figure 1. Research proposed model

Note: CSR = corporate social responsibility, ERA = employee retention and attraction, ES = employee satisfaction

3.2. Measurement Instrument and Data Collection

In the light of the research problem and proposed hypotheses, this research investigates employee perceptions regarding internal practices at their workplace. An online consumer survey was used for the data collection. The measurement items included in the online survey were newly formed and were aimed at studying employee behavior and reactions towards green marketing practices. Also, all the measurements used 5-point Likert scales ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The survey was accompanied by a brief description of the purpose of the research and a URL address.

The psychometric properties of the measures are provided in Table 1. Considering the fact that the scale items were newly compiled, we measured the reliability of the scales used to evaluate the internal consistency of the constructs. Reliability is identified by Cronbach's alpha with a minimum of 0.70 (Cronbach, 1970). As shown in Table 1 all values were above the recommended level of 0.7, with values that vary from 0.737 to 0.802.

Table 1. Constructs used in the model

Dimension	Dimension abbreviation	Measure items	Cronbach's alpha
Corporate	CSR	CSR1: My company does a good job of contributing to the	0.785
Social		communities in which we live and work.	
Responsibility		CSR2: My company's commitment to social responsibility (e.g.	
		community support, protecting the environment, etc.) is genuine.	
		CSR3: My company is reducing carbon emissions.	
		CSR4: My company is trying to make our data centers more	
		efficient.	
		CSR5: My company's corporate social responsibility efforts have	
		increased my overall satisfaction with working here.	
		CSR6: Performance on green initiatives is an element of employee	
		evaluation.	
Employee	ES	ES1: I feel I am treated with dignity and respect by my manager.	
Satisfaction		ES2: I do feel my company speaks openly and honestly, in terms of	
		internal communication even when the news is bad.	
		ES3: I have positive opinions about the degree of flexibility in doing	0.807
		my job.	
		ES4: At work, I am encouraged to take green initiatives.	
		ES5: I feel proud to work for my company.	
Employee	ERA	ERA1: I feel that my company attracts great talent, people with	0.743
Retention and		passion in order to drive success and growth.	
Attraction		ERA2: My company tries to retain top talent by offering	
		competitive compensation.	
		ERA3: My company tries to retain top talent by providing ongoing	
		development opportunities.	
		ERA4: My company supports employee volunteering activities.	

The data collection technique implied using the professional social networking site LinkedIn to attract information from relevant employees who work for companies that practice green initiatives. We used our personal connections of our network of professionals and generated 52 usable responses from employees from ten multinational companies, namely Facebook, Google, Procter & Gamble, Unilever, General Electric, Amazon.com, Best Buy, The Coca – Cola Corporation, Microsoft, and Starbucks. Considering the fact that we approached 170 personal connections of our network of professionals, we achieved a valid response rate of 30.58%. Regarding the employees' profiles, most of the respondents were males (57.7%). Most of the employees who responded to this survey are currently working in United States of America (69.2%). Also, most of the responses came from Facebook (19.2%) and Google (15.4%) employees. More information regarding the respondents' profiles can be observed in Table 2.

Table 2. Respondents' profiles

Company Sex		Country	Age	Percentage	
Amazon.com	Male	USA	25 - 29 years old	5.8%	

			20 - 24 years old	1.9%
			30 - 34 years old	1.9%
			35 - 39 years old	1.9%
Best Buy	Female	USA	35 - 39 years old	3.8%
The Coca - Cola	Female	United Kingdom	20 - 24 years old	1.9%
Company	remaie	Romania	20 - 24 years old	1.9%
		Ireland	35 - 39 years old	3.8%
	Male	United Kingdom	35 - 39 years old	3.8%
Facebook	Male	USA	25 - 29 years old	5.8%
		USA	30 - 34 years old	1.9%
	Female	USA	35 - 39 years old	3.8%
	Male	USA	25 - 29 years old	3.8%
Google	Maic	USA	30 - 34 years old	3.8%
Google	г 1	United Kingdom	25 - 29 years old	3.8%
	Female	USA	30 - 34 years old	3.8%
General Electric	Male	USA	20 - 24 years old	3.8%
General Electric		USA	35 - 39 years old	3.8%
	Male	USA	25 - 29 years old	1.9%
Microsoft		USA	25 - 29 years old	1.9%
Microsoft		USA	35 - 39 years old	3.8%
	Female	USA	30 - 34 years old	3.8%
	Male	China	25 - 29 years old	3.8%
Procter & Gamble	Female	Argentina	25 - 29 years old	1.9%
	remaie	Brazil	30 - 34 years old	1.9%
	Male	SUA	40 - 44 years old	3.8%
Starbucks	Female	SUA	30 - 34 years old	5.8%
	remaie	SUA	35 - 39 years old	1.9%
		Brazil	25 - 29 years old	3.8%
Unilever	Female	DIAZII	30 - 34 years old	1.9%
		France	30 - 34 years old	1.9%

4. Empirical Analysis and Results

4.1. Exploratory Factor Analysis

Firstly, the empirical analysis started with an exploratory factor analysis, which was used to reduce the number of scales assigned to each elaborated dimension explored in this paper. This analysis was achieved using SPSS, and as additional methods we used Principal Components (as the extraction method) and Varimax (as the rotation method, in case more than one factor was extracted for each dimension). The results for the exploratory factor analysis are shown in Table 3.

In addition, we used the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) in order to examine the relevancy of the exploratory factor analysis. High values (between 0.5 and 1.0) indicate that the factor is relevant. The psychometric properties of the measures developed in the questionnaire are presented in Table 2. The results for the exploratory factor analysis and descriptive statistics are shown in Table 3.

Table 3. Descriptive statistics and EFA results

Dimension	Items	Average	Standard deviation	Factor loading	Eigenvalue	% of Variance	КМО
Employee	ES1	3.38	1.223	0.621	2.955	76.152	0.821
satisfaction (ES)	ES2	4.44	0.752	0.711			
	ES3	3.75	1.412	0.868			
	ES4	3.44	1.514	0.886			
	ES5	4.35	0.764	0.748			
CSR	CSR1	4.04	1.047	0.559	3.930	79.737	0.794
	CSR2	3.71	1.304	0.725			
	CSR3	3.44	1.364	0.794			
	CSR4	3.37	1.547	0.818			

	CSR5	4.00	1.029	0.791			
	CSR6	3.44	0.916	0.494			
ERA	ERA1	4.06	1.074	0.927	3.442	86.404	0.768
	ERA2	3.90	1.257	0.903			
	ERA3	3.85	1.073	0.847			
	ERA4	4.40	0.693	0.053			

For this model, after applying the EFA, one factor was extracted for all the dimensions studied. We used Field's (2005, p.389-395) criteria to identify and interpret the factors, namely that each resulted factor should display and Eigenvalues greater than 1. Also, the eligibility of the factors can also be observed in terms of the variance explained by each resulted factor, as the variation exceeds 70%. Moreover, the Kaiser-Meyer-Olkin test displayed values greater than 0.5: 0.768 for ERA, 0.794 for CSR and 0.821 for ES. Although these values sustain the relevancy of the EFA, there are certain factor loadings that are under 0.7, and these scales should be monitored in a confirmatory factor analysis, and eliminated from the model in case their scores do not comply to this general accepted level.

4.2. Confirmatory Factor Analysis

The collected data were tested for reliability and validity using confirmatory factor analysis (CFA). Confirmatory factor analysis (CFA) was used to test the measurement model before conducting the test of the structural model. The model included 15 items that described three latent constructs: employee satisfaction; employee retention and attraction; and corporate social responsibility.

The CFA implied that the three constructs of the model were allowed to covary and were estimated using the maximum likelihood technique. Estimation of the CFA for the model generated has met the Hu and Bentler's (1999) cutoff criteria, the model demonstrated an excellent fit: $\chi^2 = 58.814$, df=28, p=0.001, χ^2 /df = 2.100, GFI = 0.907, NFI = 0.910, RFI = 0.903, CFI = 0.917, RMSEA = 0.89, AGFI = 0.809.

Further, in order to fully validate the first-order confirmatory factor analysis, the model's constructs were evaluated in terms of reliability, convergent validity, and discriminant validity. Table 4 presents the results of the CFA.

Table 4. CFA results						
Constructs	CR	AVE	Correlations between factors			
Constructs	CA	AVE	ES	CSR	ERA	
ES	0.815	0.617	0.786			
CSR	0.768	0.663	0.778	0.814		
ERA	0.860	0.671	0.706	0.758	0.819	

Table 4. CFA results

Note: $CR = Composite\ Reliability,\ AVE = Average\ Variance\ Extracted;\ the\ bolded\ elements\ on\ the\ diagonal\ of\ the\ matrix\ reflect\ the\ squared\ AVE$

The composite reliability (CR) values observed in Table4 exceed both levels proposed to validate this condition, namely they are above the 0.6 (Bagozzi and Phillips, 1991) and 0.7 (Gefen et al., 2000) acceptable levels and range from 0.768 and 0.860. Thus, the reliability condition for the confirmatory factor analysis was met.

The convergent validity of the model was examined using the procedure suggested by Fornell and Larcker (1981), who recommended measuring the factor loadings (> 0.7) and the average variance extracted (>0.5). The factor loadings din not all comply with the accepted level of 0.7(similar to the EFA results) and the following scales were removed from the model, in order to improve the model: ES5, ERA4, CSR1, CSR6. Table 4 shows the results for AVE with values of 0.617, 0.663 and 0.671, all exceeding the 0.5 minimal level, thus proving the convergent validity of the model.

The factor correlation matrix in Table 4 indicates that there is discriminant validity for the model, both regarding the condition proposed by Fornell and Larcker (1981), so that the squared AVE for each construct (the bold values presented in Table 4) should exceed the squared correlation between that and any other construct, and the one proposed by Hair et al. (1998) that the correlation coefficients between constructs should be less than 0.9, to avoid multicollinearity.

In short, the measurement model demonstrated adequate reliability, convergent validity, and discriminant validity, and therefore the structural equation model can be expanded.

4.3. Structural Equation Model

A test of the structural model was performed using the AMOS procedure in SPSS in order to study the path coefficient of the hypotheses of this newly proposed model for studying employee satisfaction in relation to CSR practices and employee attraction and retention.

The structural model was tested in accordance with the criteria established by Hu and Bentler (1999) and developed in Table 5.

Table 5. Model accuracy for the proposed model

Measurement	Measurement model result	Recommended values
χ^2	126.777	p ≤ 0.05
	(p=0.00, 48df)	
χ^2/df	2.641	≤5
GFI	0.936	≥0.90
NFI	0.923	≥0.90
RFI	0.925	≥0.90
CFI	0.904	≥0.90
AGFI	0.828	≥0.80
RMSEA	0.089	≤0.10

Note: $\chi^2 = Chi$ -square, $\chi^2/df = ratio$ of Chi-square and degrees of freedom, GFI = Goodness of fit index, NFI = Normed fit index, RFI = Relative fit index, CFI = Comparative fit index, RMSEA = Root mean square error of approximation.

By observing Table 5, it is concluded that the goodness of fit indices exceeded the recommended levels, suggesting that the research model provided a good fit to the data analyzed in this paper and for this particular model.

To test structural relationships, the hypothesized causal paths were estimated. Table 6 reflects information regarding the unstandardized and standardized coefficients estimates, statistical significance, and standard error of each relationship. Figure 2 depicts the information about the model in a visual manner.

Table 6. Estimates of hypotheses testing for the newly proposed model

Hypotheses	Significance	Unstandardized Regression Weights	Standardized Regression Weights	Standard Error	Hypothesis Result
H1. CSR→ES	***	0.871	0.522	0.203	Confirmed
H2. ERA→ES	***	0.467	0.361	0.143	Confirmed
H3.CSR→ERA	***	0.819	0.634	0.196	Confirmed

*** Significant at a 0.001 level (Two-tailed)

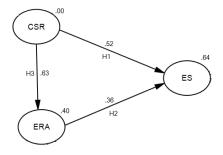


Figure 2. Standardized results of the research model

Note: $CSR = corporate \ social \ responsibility, \ ERA = employee \ retention \ and \ attraction, \ ES = employee \ satisfaction$

As presented in Figure 2 and Table 6, employee satisfaction is positively associated with corporate social responsibility practices ($\beta = 0.52$) and employee retention and attraction ($\beta = 0.36$) as all hypotheses are supported. These findings validate H1 and H2, respectively. Furthermore, the two variables explain a very large portion of employee satisfaction's variance ($R^2 = 0.64$).

The score for the variable that studied the retention and attraction of employees is rather small (0.36), even though it provides a positive basis for the confirmation of the associated hypothesis. This aspect can be explained through the fact that ERA only had three forming scales (as a result of eliminating one of the scales in the CFA), whereas the other latent dimensions in the model each had four. In a rather modest model, from a sample point of view, this aspect can diminish the proportion of the exhibited relationship. Also, another explanation may have to do with the fact that overall, employees from the examined companies feel only in a moderate level the retaining and acquisition initiatives explored in the survey.

The relationship between CSR activities and employee satisfaction is highly relevant (0.52) in this model and provides another proof in the existing literature review. We tested CSR through Likert statements such as reducing carbon emissions, a genuine perceived commitment to CSR, contributing to the communities, and others. These efforts seem to have increased employee overall satisfaction of working for their current company. Employee satisfaction for these respondents was enhanced when the focus is on value co-creation of social and sustainable practices, because a lot of the CSR initiatives explored in this research implied their direct involvement and co-creation.

In accordance with proposed model, CSR initiatives in all the multinational companies explored in this paper have a positive and significant impact on retaining and attracting top employees, exhibiting a high score of 0.63, and determining 40% of the variance in this latter variable of talent management. This result is in accordance with other similar studies. For instance, a study by the Stanford Graduate School of Business on the first 11 MBA programs in the United States found that the respondents would be willing to sacrifice, on average, 14.4 percent of their expected salaries in order to work for a company that has a program aimed at sustainability and social problems. Therefore, such CSR and sustainable programs have a crucial role in attracting and retaining top talent because the general perception is that a company that takes a real and honest involvement in the pursuit of sustainability has certain genuine values that guide its actions.

5. Conclusion

5.1. Theoretical Contributions

Through this research proves that there is growing evidence that a company's corporate social responsibility activities comprise a legitimate, compelling and increasingly important way to attract and retain good employees.

Corporate social responsibility is an especially complex strategic endeavor. It is clear that it now calls for considerably more attention and commitment from business leaders if it is to produce tangible results in terms of improved employee attraction, motivation and retention.

CSR takes into account the manner in which a company manages its economic, social, and environmental relationships and the methods it uses to engage with its stakeholders (shareholders, employees, customers, business partners, governments, and communities) because these relationships have a powerful impact on the company's long-term success.

Nowadays, companies need to use every possible source of advantage they can develop in order to succeed in a highly competitive business environment. In this respect, companies can use CSR as a strategic tool to improve the image for external stakeholders, and engage internal customers. Also, having the best employees can also provide a source of competitive advantage, and thus, retention and attraction of top talent are critical in situations where quality is the only differentiating factor between competitors.

5.2. Implications for Managers

Business management gurus Michael E. Porter and Mark R. Kramer believe that companies should act as good corporate citizens, "doing the right thing" by eliminating harms and supporting local communities even when there is no direct benefit to be gained (Porter and Kramer, 2006, p. 2). Their emphasized that, for maximum effect and sustainable profitability, CSR initiatives should be in line with the strategic plan of the company, to find the areas where social needs and long-term business needs intersect. By embracing shared value with the surroundings, businesses can have the greatest beneficial impact on society while maintaining the sustainable use of resources, by following the 3P principle of considering

planet and people in their quest for profit. Thus, CSR activity is capable of yielding substantial returns to both the employee and the company.

In terms of implementation, companies can utilize external CSR programs to improve a number of human resources functions including employee commitments, work performance, recruitment and retention, training and development, and employee job satisfaction. Moreover, companies should continuously motivate their employees to participate in corporate volunteer and community development projects. As positive consequences, companies will successfully enhance employee job satisfaction and improve organizational morale.

Corporate community involvement and employee volunteerism are the most common external CSR practices nowadays because they strategically combine a company's business missions with meaningful altruistic activities. In order to do so, companies and management should improve their internal communication and leadership by encouraging employees to participate in planning, managing, and evaluating corporate volunteer programs. These steps are very important because employees should feel a connection with the programs they will engage because they will be co-creators of social benefits for their community, themselves and the planet.

5.3. Limitations

This research must also be interpreted in the context of its limitations. Most importantly, the data for this study was collected from a limited number of employees from ten multinational companies (Amazon.com, Best Buy, The Coca – Cola Company, Facebook, Google, General Electric, Microsoft, Procter & Gamble, Starbucks, Unilever), by using personal connections on a social network website. The sample for this research is small and representativeness can always be improved. Even though, the results were consistent with the proposed hypotheses, a larger sample size might have resulted in stronger results for this new model.

Another important limitation of the study was that it did not include any demographic variables, such as sex, age, social class, level of education, current job, job experience in general and for the company they currently work for. Extending the research to include these aspects can prove to be a further area of research by improving the model and including demographic variables as mediation variables. However, in other to achieve this, the research needs exhibit more responses.

Also, the online survey did not include any of the scales previously used in other studies to comply a unified vision of the dimensions explored in this research, namely corporate social responsibility, employee satisfaction, and employee retention and attraction. Even though, the scales were deemed reliable (using Cronbach's alpha coefficient), they could have included a broader range of Likert statements.

To sum up, this research extends the literature on employee behavior and implementation of corporate social responsibility, and can be improved to reflect other important variables, and thus expand the future studies by observing drivers of employee perception and engagement with green marketing tactics.

6. References

- Aguinis, H., 2011. Organizational responsibility: Doing good and doing well. In Zedeck, S. (Ed.). APA handbook of industrial and organizational psychology. Vol. 3 (pp.855–879). Washington, DC: American Psychological Association.
- Ahmed P. K. and Rafiq M., 2002. *Internal Marketing Tools and concepts for customer-focused management*. Oxford: Butterworth-Heinemann Publications
- Bagozzi, R., Yi, Y. and Phillips, L. 1991. Assessing construct validity in organizational research. *Administrative Science Quarterly, 36*, pp. 421--458.
- Bauman, C.W. and Skitka, L.J., 2012. Corporate social responsibility as a source of employee satisfaction. Research in Organizational Behavior, 32, pp. 63–86
- Bhattacharya C.B., Sen S. and Korschun D., 2007. Corporate social responsibility as an internal marketing strategy. *Sloan Management Review*, Fall
- Bhattacharya C.B., Sen S. and Korschun D., 2008. Using Corporate Social Responsibility to Win the War for Talent. *Sloan Management Review*
- Bhattacharya, C. B., and Sen, S., 2003. Consumer -company identification: A framework for understanding consumers' relationship with companies. *Journal of Marketing*, 67(2), pp.76--88
- Cronbach, L. J. 1970. Essentials of psychological testing. New York: Harper and Row.

- Field, A. 2005. Discovering statistics using SPSS. London: Sage Publications.
- Fornell, C., Larcker, D. F., 1981. Evaluating structural equations with unobservable variables and measurement error. *Journal of Marketing Research*, 18, pp.39--50
- Friedman, M., 1970. The social responsibility of business is to increase profits. *New York Times Magazine*, 32–33, pp.122--126
- Gefen, D., Straub, D.W. and Boudreau, M.-C. 2000. Structural equation modeling and regression: guidelines for research practice. *Communication of the Association for Information Systems*, 4 (7), pp.1--77.
- Hair, J. F., Anderson, R. E., Tatham, R. L. and Black, W. C. 1998. *Multivariate data analysis* (5th ed.). Englewood Cliffs: Prentice Hall.
- Hu, L. and Bentler, P. (1999), Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling: A Multidisciplinary Journal*, 6(1), pp.1--55.
- Malhotra, N.K. and Birks, D.F. 2009. *Marketing Research An Applied Approach (3rd Edition)*. Essex: Pearson Education-Prentice Hall
- Nancy R Lockwood (2004). Corporate Social Responsibility: HR's Leadership Role December, retrieved on June 15th, 2008 from http://www.shrm.org/Research/quarterly/1204RQuart_essay.asp
- Porter, M., and Kramer, M., 2002. The competitive advantage of corporate philanthropy. *Harvard Business Review*, 80(12), pp.56--68.
- Society for Human Resource Management(SHRM), 2013. *Glossary of HR terms*. [online] Available at: http://www.shrm.org [Accessed 15 November 2013].
- Turban, D. B., and Greening, D.W., 1997. Corporate social performance and organizational attractiveness to prospective employees. *Academy of Management Journal*, 40(3), pp. 658--672.
- Vinerean, S., Cetina, I., Dumitrescu, L., Tichindelean, M., 2013. Modelling Employee Engagement in Relation to CSR Practices and Employee Satisfaction. Revista Economica, 65(1), pp. 21--37



Creative Commons Attribution 4.0 International License. CC BY

Segmentation of Employee Perceptions in Relation to Corporate Social Responsibility Practices

Alin OPREANA*

Lucian Blaga University of Sibiu

Sustainability is changing the competitive landscape and reshaping the opportunities and threats that companies face. However, for companies to become green they need employees to develop, believe and engage with these initiatives. To achieve success with sustainable practices, companies can use internal marketing which is based on the satisfaction of employees as a premise to achieve the retention and attraction of top talent that will lead to corporate success. It is estimated that the internal customer satisfaction and loyalty contribute to satisfying the external customers, leading ultimately to a company's profit maximization. In this paper I explore the impact of companies' sustainability efforts among their employees. More specifically, we examine the results of an online survey conducted on employees of 10 multinational companies regarding the implementation of green internal marketing and corporate social responsibility to enhance their satisfaction at work.

Keywords: internal marketing, employee segmentation, sustainability, green marketing, corporate social responsibility

1. Introduction

More than ever, sustainability is attracting public attention and debate. The subject is highly important on the legislative agendas of most governments; it is also receiving media coverage by increasing interest for consumers and employees alike. Therefore, for progress and industrial development to comply with the condition of sustainability, organizations need to address issues and challenges at a macro level, such as economic efficiency (innovation, productivity, profitability), social equitability (poverty, community, health, human rights) and environmental responsibility (climate change, land use, biodiversity).

A sustainable corporate behavior has the potential to affect all aspects of a company's operations and levels of value creation. The involvement of companies in practices aimed at sustainability and corporate social responsibility can have positive impact on internal and external stakeholders as these practices denote the benefits for the financial performance, cost reductions, company image and staff involvement. Particularly employees need to be involved and engaged in such green practices in order to achieve any sustainable strategy of an organization. Internal relations between the organization and employees represent the focusing of internal marketing.

The internal marketing concept argues that a company's employees represent the first market of any company (Berry, 1981; George and Gronroos 1989; George 1990). Major internal marketing concepts view

Alin Opreana, Lucian Blaga University of Sibiu, E-mail address: alin.opreana@ulbsibiu.ro

Article History:

Received 20 October 2013 | Accepted 10 November 2013 | Available Online 20 November 2013

Cite Reference:

Opreana, A., 2013. Segmentation of Employee Perceptions in Relation to Corporate Social Responsibility Practices. *Expert Journal of Business and Management*, 1(1), pp.15-28

^{*}Correspondence:

employees as internal customers and jobs as internal products (or 'job-products'). Moreover, internal marketing has been described as a philosophy for managing the organization's human resources based on a marketing perspective (George and Gronroos, 1989). Also, in the context of green internal marketing, such practices, and especially corporate social responsibility also humanize the company in ways that other facets of the job-product cannot; it renders the company as a contributing member of the society rather than an entity obsessed with maximizing profits often at all costs.

2. Promoting Internal Marketing Towards Sustainability

Internal marketing is based on the satisfaction of employees as a premise to achieve the retention and attraction of top talent that will lead to corporate success. In the context of sustainability, the most important aspect is the employee engagement.

The need for internal satisfaction of employees, as well as for the recruitment and retention of capable people, encourages organizations to treat employees as customers (Berry, 1981). Thus, it is estimated that the internal customer satisfaction and loyalty contribute to satisfying the external customers, leading ultimately to a company's profit maximization.

Internal marketing can be considered a management tool for engaging employees in organizational objectives. In the context of this paper, the objectives are related to sustainability and corporate social responsibility, which are closely related to the sustainability agenda of companies and how they can promote internal information, feedback and involvement of employees that can help to achieve green goals.

Companies must have a clear understanding of the positive results of sustainability, psychological impulses of employees on these results and the contingencies that moderate changes in a new company. The new directions to be implemented must be aligned with organizational values and norms for a better promotion and integration of sustainability.

Regarding internal promotion of green marketing, there are studies that discuss the implementation of internal branding techniques, namely 'employer branding'. Employer branding helps create a specific ideal job that is difficult to imitate by competitors. This could be the source of competitive advantage in resource-based theory. An employer branding campaign aims to present a job offer with tangible and intangible forms of the entire organization, including issues such as company image and identity promoted through internal communication campaigns to support and strengthen the pursuit of sustainability. A green employer branding campaign in the internal environment can be an opportunity to implement change management towards sustainability.

3. Importance of Segmentation in Internal Marketing for Green Initiatives' Success

External marketing research plays an important role in identifying opportunities and modifications needed to respond in an appropriate manner to consumer behavior changes, by monitoring both prospective and loyal customers. Internal marketing research emphasizes identifying and understanding the capabilities, skills, aspirations, desires and aspirations of employees.

Internal marketing researches are the equivalent to those through which companies monitor customer feedback on products and services. The main purpose of internal marketing research should to provide a segmentation of employees based on their derived and obtained benefits from implementing these green practices in the company where they work. This would imply segmentation based on accrued benefits by identifying demographic and psychographic similarities of employees that will then be targeted with specific sustainability programs.

The segmentation of the internal market of a company is the process of grouping employees with similar features and professional needs (Ahmed and Rafiq , 2002, p.72). A basis for segmenting the internal public in order for them to adopt sustainable practices can be linked to the involvement of employees in various programs or grouping them in various green programs. Especially in the context of sustainability, the segmentation of employees is needed to identify whether participants can form cohesive groups that share ideas about the importance of green practices and corporate social responsibility, and then to create specific packages with targeted activities to each cluster, thus, facilitating the implementation of such green initiatives.

Specifically, if certain aspects regarding the availability and sustainability resistance may be associated with segments clearly defined. To these specific segments, companies can offer specific packages that can be targeted to meet the needs of employees and to mediate their fears and resistance towards CSR practices.

At a company level, the development of internal longitudinal research is possible and can help develop the process of change towards green practices. However, these internal investigations must be handled with care, as employees in general may feel fear for repercussions. Therefore, after recording research results, employees should be informed to establish transparency, fairness and lines of action to be taken following the findings of the research.

After conducting the segmentation process, the internal positioning is aimed at developing a set of actions in the form of the internal marketing mix to create the prerequisites for a change in conditions conducive to sustainability for both the organization and employees. As external positioning, internal positioning is specific to each identified segment. The tactics are directed to various green sustainable programs assigned to different clusters of employees.

The role of positioning is to establish the directions of sustainability in the minds of employees to maximize the potential benefit to the company. For a successful positioning participants, or employees, must be taken into consideration and involved in the co-creation process of the internal value through sustainability. The idea of co-creating value by engaging consumers is well established through marketing practices, assuming various interactions (online or offline, via comments or marketing research) lead to better products and services to maximize consumer experiences. This co-creation can also give yields in internal environment because employees know their needs and are most interested to feel satisfaction at work. Their involvement can help to uncover and fulfill some needs that would otherwise be difficult to identify (Bhattacharya, Sen and Korschun, 2007).

4. Research Methodology

4.1. Research Context

One of the most important contributions of the marketing research is to define the marketing research problem that requires providing solutions. In this regard, the marketing research problem identified with respect to this research is given by a detailed understanding of internal practices in multinational companies as a result of the prioritization of sustainability in the global business environment.

Based on the established marketing research problem, we determined the research purpose that needs addressing information that allows the solving of the marketing research problem. The purpose is to determine green marketing practices of multinational corporations in their internal environment. The next step in marketing research process is to set goals. The targets set are derived from research purpose. For the analysis of sustainable corporate behavior in terms of internal marketing were determined following objectives and hypotheses:

Objective 1: Segmentation of respondents according to certain latent traits.

Hypothesis 1: There are at least two segments obtained from survey respondents.

Objective 2: Creation of factors based on common characteristics.

Hypothesis 2: At least three factors based on common characteristics will be determined.

4.2. Measurement and Research Instrument

As a research instrument I used a web-based survey that targeted employees. The study used primary data, namely data originated specifically to address the research problem. The measurement items of the survey are newly proposed to study certain employee characteristics in relation to green initiatives. Also, all the measurements used 5-point Likert scales ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

The psychometric properties of the measures are provided in Table 1.

 Table 1. Measurement constructs and descriptive statistics

Dimension	Scales	Average	Standard deviation
Green movement	How significant are the market opportunities presented to your	2.19	1.37
opportunity	company by the green movement? Rate on a scale of 1 to 5, where		
	1=Very significant and 5=Not at all significant		
Employee	My company does a good job of contributing to the communities in	4.04	1.047
Perceptions of	which we live and work.		
CSR, job	My company's commitment to social responsibility (e.g.	3.71	1.304
satisfaction and	community support, protecting the environment, etc.) is genuine.		
green marketing	My company is reducing carbon emissions.	3.44	1.364
practices	My company is trying to make our data centers more efficient.	3.37	1.547

		T .	1
	My company's corporate social responsibility efforts have increased my overall satisfaction with working here.	4.00	1.029
	I do feel my company speaks openly and honestly, in terms of	3.38	1.223
	internal communication even when the news is bad.		
	I feel I am treated with dignity and respect by my manager.	4.44	0.752
	At work, I am encouraged to take green initiatives.	3.75	1.412
	I have positive opinions about the degree of flexibility in doing my job.	3.44	1.514
	I feel that my company attracts great talent, people with passion in order to drive success and growth.	4.06	1.074
	My company tries to retain top talent by offering competitive compensation.	3.90	1.257
	My company tries to retain top talent by providing ongoing development opportunities.	3.85	1.073
	My company supports employee volunteering activities.	4.40	0.693
	Performance on green initiatives is an element of employee evaluation.	3.44	0.916
	I feel proud to work for my company.	4.35	0.764
Employee volunteering	Employee volunteering is a way to		
	Implement corporate business goals	3.62	1.286
	Implement community relations	3.83	1.061
	Create healthier communities	3.46	1.093
	Help employee morale	4.10	0.869
	Improve company's image	4.65	0.556
	Improve company's teamwork	3.98	0.939
	Gain personal achievement	4.25	0.622

4.3. Sample and Data Collection

The primary scope of this study is to understand employee behavior in relation to CSR and green marketing practices. The implemented online survey 52 usable questionnaires, as data was attracted using personal connections from the professional social networking site, LinkedIn. Most of the respondents were males (57.7%), and in terms of the country in which they currently live and work, most of them were from United States of America (69.2%). Nonetheless, the research included respondents from Brazil, France, Romania, China, Argentina, United Kingdom, and Ireland. The study contains important information from employees of 10 multinational companies, such as: Amazon.com, Best Buy, The Coca – Cola Company, Facebook (19.2% of all responses), Google (15.4%), General Electric, Microsoft, Procter & Gamble, Starbucks, and Unilever.

5. Empirical Analysis and Results

5.1. Factors explaining the perception of staff on sustainable corporate behavior

In this paper, factor analysis (Factor Analysis) was used to reduce the number of questions' choices. Factor Analysis is a general linear model (GLM) technique, which means that the data used for interval or proportional scales. Factor analysis has two distinct phases. The first step is to extract a low number of factors from the data. These factors can be interpreted as the attitudes reflected in the answers to those specific questions. There are several methods of extraction, but the method used in this analysis was Principal Components Analysis to determine the minimum number of factors that explain the maximum variation of the observed data. In the second step, the factors are rotated to facilitate interpretation. Varimax rotation is the method most often used in data analysis of questionnaires and was also used in this paper. Varimax rotation is an orthogonal method that tries to minimize the number of variables that have a high 'weight' on each factor, thus it leads to a better interpretation and more relevant factors.

Factor analysis was applied to two dimensions ('Employee perceptions of CSR, job satisfaction and green marketing practices' and 'Employee volunteering') of the research questionnaire (Table2) to summarize the data recorded.

The implementation of factor analysis on the 15 Likert scales of Employee perceptions of CSR, job satisfaction and green marketing practices' will lead to a better understanding of employees' perception of

internal marketing policy of global companies, in terms of job satisfaction and the companies' sustainable initiatives.

Initially, a test was conducted to show data adequacy necessary to achieve a relevant factor analysis. Thus, the "Kaiser-Meyer-Olkin Measure of Sampling Adequacy" (KMO) test was used as an index that compares the magnitude of the observed correlation coefficients with the partial correlation coefficients. Small values of KMO indicator show that those pair correlations between variables cannot be explained, and a factor analysis is not appropriate. In general, it is desirable to obtain a value greater than 0.5. For the 15 Likert scales a value of 0.830 was obtained, therefore factor analysis is relevant.

Table 2. Communalities for 'Employee perceptions of CSR. job satisfaction and green marketing practices'

Scales of 'Employee perceptions	s of CSR. job satisfaction and green marketing practices'	Initial	Extractio
			n
1. My company does a good job	of contributing to the communities in which we live and work.	1.000	0.841
	to social responsibility (e.g. community support. protecting the	1.000	0.715
environment. etc.) is genuine		4.000	0.047
3. My company is reducing carb		1.000	0.845
4. My company is trying to make	te our data centers more efficient.	1.000	0.838
5. My company's corporate soc with working here.	ial responsibility efforts have increased my overall satisfaction	1.000	0.708
6. I do feel my company speaks when the news is bad.	s openly and honestly. in terms of internal communication even	1.000	0.718
7. I feel I am treated with dignit	y and respect by my manager.	1.000	0.805
8. At work. I am encouraged to	take green initiatives.	1.000	0.788
9. I have positive opinions about	t the degree of flexibility in doing my job.	1.000	0.786
10. I feel that my company attrac growth.	ts great talent. people with passion in order to drive success and	1.000	0.790
	op talent by offering competitive compensation.	1.000	0.819
	op talent by providing ongoing development opportunities.	1.000	0.811
13. My company supports emplo	yee volunteering activities.	1.000	0.717
14. Performance on green initiati	ves is an element of employee evaluation.	1.000	0.451
15. I feel proud to work for my c	ompany.	1.000	0.581

Communality is the proportion of common variation within a variable (Table 2). Thus, this table shows the common variance - communalities - before and after the extraction of factors. Principal components analysis (Principal Component) is based on the initial assumption that all variation is common, therefore, before extraction all factor "communalities" are equal to 1 (column labeled Default). The values in the 'Extraction column' represent the extent to which the variance of a variable is common to the variance in the newly created factor. It is noted that all variables included in the composition of new factors are in high proportions, but the variable that refers to the performance of green initiatives as an employee evaluation element (Statement 14, Table 2) denotes a common variance of only 45.1% shared with the newly formed factor. 84.5 % of the variance associated with the variable that studies carbon reduction (Statement 3, Table 2) is implemented in the new factor that includes this variable.

Table 3. Total variance explained for 'Employee perceptions of CSR. job satisfaction and green marketing practices'

Compo	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
-nent	Total	% of Variance	Cumulat ive %	Total	% of Variance	Cumulat ive %	Total	% of Variance	Cumulat ive %
1	7.287	48.578	48.578	7.287	48.578	48.578	4.56	30.392	30.392
2	1.713	11.417	59.995	1.713	11.417	59.995	2.64	17.641	48.033
3	1.196	7.975	67.970	1.196	7.975	67.970	2.04	13.616	61.649
4	1.016	6.773	74.743	1.016	6.773	74.743	1.96	13.094	74.743
5	0.878	5.856	80.599						
6	0.656	4.376	84.975						
7	0.473	3.156	88.131						
8	0.398	2.651	90.781						

9	0.351	2.337	93.118
10	0.333	2.218	95.336
11	0.227	1.514	96.850
12	0.171	1.142	97.992
13	0.118	0.790	98.782
14	0.098	0.655	99.437
15	0.084	0.563	100

Eigenvalues refer to the explained or justified variance. Eigenvalues associated with each factor represent the variation explained by a certain linear component. SPSS displays Eigenvalues and percentage of variance accounted. Table 3 indicates the number of factors selected (in this case, four factors) and the level of variance in each one, before and after rotation.

Before rotation, the first factor explains 48.578 % of the overall variance. But after rotation, (the final part of the table labeled "Rotation Sums of Squared Loadings") the first factor explains 30.392 % of the total variance. Similarly, all four extracted factors explain 74.743 % of the total variance, which represents a satisfactory level for data interpretation. Rotation has the effect of optimizing the factor structure and the immediate consequence of this equivalence is the relative importance of the created factors.

Table 4. Rotated Component Matrix for 'Employee perceptions of CSR. job satisfaction and green marketing practices'

Scales of 'Employee perceptions of CSR. job satisfaction and green marketing	(Compone	ent	
practices'	F1	F2	F3	F4
1. My company does a good job of contributing to the communities in which we	0.105	-	0.052	0.905
live and work.		0.089		
2. My company's commitment to social responsibility (e.g. community support.	0.148	0.583	0.359	0.473
protecting the environment. etc.) is genuine.				
3. My company is reducing carbon emissions.	0.877	0.002	0.243	0.127
4. My company is trying to make our data centers more efficient.	0.807	0.265	0.313	0.136
5. My company's corporate social responsibility efforts have increased my	0.216	0.310	0.479	0.580
overall satisfaction with working here.				
6. I do feel my company speaks openly and honestly. in terms of internal	0.185	0.326	0.754	0.090
communication even when the news is bad.				
7. I feel I am treated with dignity and respect by my manager.	0.291	0.844	0.095	-
				0.013
8. At work. I am encouraged to take green initiatives.	0.752	0.372	0.142	0.254
9. I have positive opinions about the degree of flexibility in doing my job.	0.762	0.407	0.147	0.137
10. I feel that my company attracts great talent, people with passion in order to	0.636	0.613	-	0.097
drive success and growth.			0.003	
11. My company tries to retain top talent by offering competitive compensation.	0.602	0.651	-	0.156
			0.097	
12. My company tries to retain top talent by providing ongoing development	0.858	0.209	0.053	0.171
opportunities.				
13. My company supports employee volunteering activities.	0.133	-	0.823	0.033
		0.142		
14. Performance on green initiatives is an element of employee evaluation.	0.347	0.235	-	0.443
			0.281	
15. I feel proud to work for my company.	0.393	0.303	0.369	0.446

Table 4 presents the variables that are most relevant for each of the four formed factors. The first factor is entitled "Sustainable corporate behavior focused on the satisfaction of employees" (F1) because it characterizes employees who are encouraged to take green initiatives and sustainability influenced by activities related to data center efficiency and lower carbon emissions, resulting in job satisfaction in the multinational corporations studied. Also, this factor indicates high scores recorded for aspects of internal marketing to attract and retain the most talented employees that lead to a sense of pride for the company they work for.

The second factor extracted is named "Corporate behavior to support the value of employees" (F2). This factor has the highest score for the variable studied the respect and dignity with which managers interact with employees. Also, there were high scores for Likert statements studying the importance of attracting top

talent, and retention of employees by competitive rewarding. This factor highlights the respondents who consider their company's sustainable commitment to working honest and genuine.

The third factor is entitled "The direct approach to sustainable corporate behavior" (F3) due to the high score recorded for an internal communication that is open and honest regarding companies' sustainable practices. In the development of this factor, another variable that had a high proportion in directly addressing sustainable corporate initiatives to support volunteer activities of employees.

The last factor that resulted in this analysis is called "Corporate behavior of employees in community development" (F4). The composition of this factor was due to the involvement of the community in which it operates a variable which garnered a score of 0.905. This involvement led to higher levels of workplace satisfaction, while sustainable practices and corporate social responsibility print pride on employees to work for their company. Moreover, green initiatives represent an evaluation element of employees.

The same procedure was used for the following seven Likert scales studying the perception of employees on volunteering outside the company and work time (Table5). Factor analysis was applied to reduce the number of variants to denote the bases of attitudes and perceptions of employees on volunteering. KMO test result was 0.761; a factor analysis is therefore relevant in this case, as the minimum of 0.5 was surpassed.

Table 5. Communalities for 'Employee volunteering'

	Scales: Employee volunteering is a way to	Initial	Extraction
1.	Implement corporate business goals	1.000	0.842
2.	Implement community relations	1.000	0.750
3.	Create healthier communities	1.000	0.703
4.	Help employee morale	1.000	0.647
5.	Improve company's image	1.000	0.781
6.	Improve company's teamwork	1.000	0.654
7.	Gain personal achievement	1.000	0.807

Table 6. Total variance explained for 'Employee volunteering'

-		Initial Eigenvalues		Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
-nent	Total	% of Variance	Cumulat ive %	Total	% of Variance	Cumulati ve %	Total	% of Variance	Cumulat ive %
1	2.516	35.944	35.944	2.51	35.944	35.944	1.97	28.230	28.230
2	1.604	22.913	58.857	1.60	22.913	58.857	1.71	24.442	52.673
3	1.064	15.196	74.053	1.06	15.196	74.053	1.49	21.380	74.053
4	0.579	8.273	82.326						
5	0.482	6.881	89.207						
6	0.469	6.704	95.911						
7	0.286	4.089	100						

Table 7. Rotated Component Matrix for 'Employee volunteering'

Т.	unlavas valuntasuina is a way ta	Component			
E	nployee volunteering is a way to	F5	F6	F7	
1.	Implement corporate business goals	0.060	0.081	-0.912	
2.	Implement community relations	0.859	-0.022	-0.111	
3.	Create healthier communities	0.803	-0.015	0.241	
4.	Help employee morale	0.365	0.483	0.529	
5.	Improve company's image	-0.337	0.816	-0.045	
6.	Improve company's teamwork	0.540	0.236	0.553	
7.	Gain personal achievement	0.229	0.865	0.078	

For the scales studying 'Employee volunteering' (Table 7), the first factor consists of employees' perception about volunteering is called "Supporting the community" (F5). Variables that led to the formation of this factor indicate high scores for voluntary association with helping the communities where employees live and work.

The second factor is titled "Self-Realization of employees" (F6). Thus, this factor is made up of people who consider volunteering as a method of corporate image augmentation for the company they work for, but

also as a means of achieving personal goals and achievements. Therefore, employees are proud of the company they work for, especially because it creates the premises to use volunteering as a way to achieve personal goals.

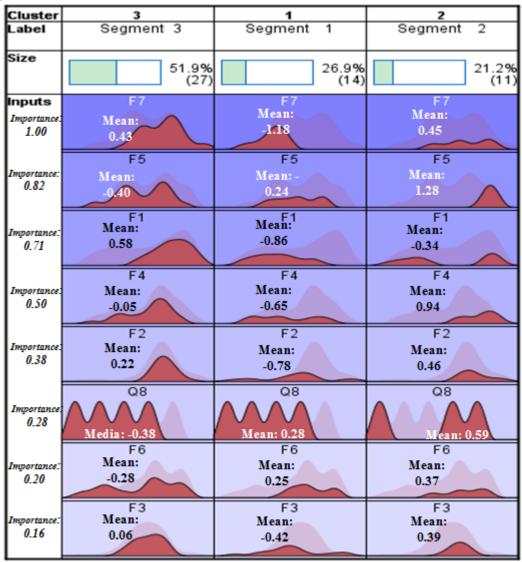
The third factor extracted is designated "Team-building activities" (F7), because in this case the employees perceive volunteering as a way to help sustain the teamwork and morale of employees undergoing sustainable initiatives.

5.2. Segmentation of Employees Based on Their Perception of the Companies Linked to Sustainable Practices

After detecting certain differences between survey respondents highlighted by the factor analyses, cluster analysis is deployed in order to group respondents with similar behavior, as evidenced in this case by employee perceptions and images. Through segmentation a better understanding of the similarities and differences between respondents is possible. The clustering is based on the concept of creating groups based on the proximity or distance. Therefore, a cluster's respondents are relatively homogeneous. In data analysis, we used the Two-Step Cluster based on log-likelihood distance model, the clustering criterion of Akaike (Akaike Information Criterion).

Thus, the implementation of this procedure resulted three clusters, from using eight variables for segmentation, i.e. the seven newly created factors and a scale that studied the 'green movement opportunity' (Table 1) measured by a standardized 5-step semantic differential that denotes employee perception on the importance of market opportunities for their company's sustainable practices. The quality of clusters is relatively relevant, given the small sample used.

In Figure 1, the most important information, about each segment, is presented. Thus, the following aspects were calculated: the mean for each variable; the distribution of observed values within each cluster, superimposed on the total distribution for all three clusters combined.



- F1: Sustainable corporate behavior focused on the satisfaction of employees
- F2: Corporate behavior to support the value of employees
- F3: The direct approach to sustainable corporate behavior
- F4: Corporate behavior of employees in community development
- F5: Supporting the community
- F6: Self-Realization of employees
- F7: Team-building activities
- Q8: Green movement opportunity

Figure 1. The mean and the distribution of the observed values for each segment

5.2.1. Segment 1

Segment 1 contains 26.9% of all observations of the total sample, including all employees from General Electric, Unilever, Best Buy, but also employees from Procter & Gamble and Amazon.com (Figure 2).

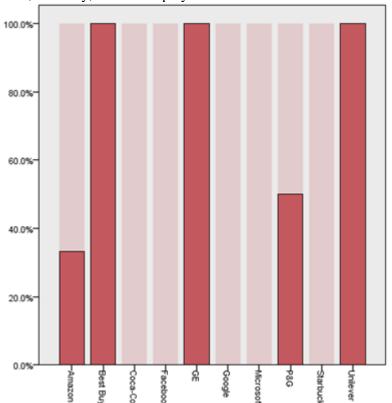


Figure 2. Distribution of observations according to the company of employees in Segment 1

The first segment consists of employees who do not perceive volunteering as a team-building opportunity probably because volunteering is not very well promoted in this direction internally, in the companies in which these respondents work. Also, the constituents of this cluster do not consider volunteering practiced by the company as a means of supporting the communities in which they work and live in the present. In conjunction with personal perception of volunteering reflected by F5 - "Supporting the Community", perceptions about the company's activities to support the community (F4 - "Corporate behavior of employees in community development") also has a low score of -0.65. The employees in this segment do not feel supported by their company to bring personal contribution to community development.

They, however, interpret the action of volunteering that leads to sustainability as an opportunity to improve the company's image, which has repercussions on personal fulfillment through image association of the employee with the company's image. The newly formed factor called "Sustainable corporate behavior focused on the satisfaction of employees" received a low score of -0.86 in this cluster analysis, denoting that the employees either do not believe in the sustainable activities of the company they work for, or these initiatives do not have resonance with the respondents of this research, which is why they did not have positive repercussions on their satisfaction at work.

Internal marketing practices of these multinational companies seem to have a positive effect on the respondents who participated in this research because employees in this segment do not feel respected or valued by means of retention (and attracting) in their organizations (score -0.78 for F2).

Moreover, this segment denotes internal miscommunication in terms of openness and honesty about sustainable practices. For the formation of the factor entitled "The direct approach to sustainable corporate behavior" (F3) the variable supporting the company's voluntary activities of employees had a large proportion. Therefore, a low score of -0.42 for F3 explains the low scores related to volunteering.

However, the perception of employees on the importance of market opportunities for sustainable practices, studied by differential semantic 'through green movement opportunity' (Q8), is positive, as reflected by a score of 0.28. Therefore, the employees of the first segment, who work for companies that make or market products with potential repercussions on the environment, tend to invest and emphasize green practices. Thus, sustainability can be a source of product innovation, while creating a positive green image associated with the company.

From a demographic perspective, segment 1 includes mainly men (56 %) and the predominant age range is between 35 and 39 years. It is noted that the majority of employees are from USA (in 56%), but there are also respondents from China, Brazil and France.

Table 8. Distribution of segment 1 according to the company, gender, country of origin and age

Company	ny Sex Country of origin		Age group	Percentage of observations
Amazon.com	Male	USA	Between 35 and 39 years old	14%
Best Buy	Female	USA	Between 35 and 39 years old	14%
General Electric	Male	USA	Between 20 and 24 years old	14%
			Between 35 and 39 years old	14%
Procter &Gamble	Male	China	Between 35 and 39 years old	14%
Unilever	Female	Brazil	Between 20 and 24 years old	14%
			Between 30 and 34 years old	7%
		France	Between 30 and 34 years old	7%

5.2.2. Segment 2

Segment 2 consists of 21.2% of the respondents, and they work for Coca-Cola, Starbucks, Procter & Gamble, Amazon and Microsoft (Figure 3).

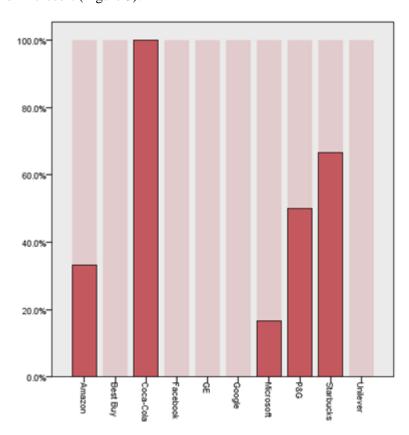


Figure 3. Distribution of observations according to the company of employees in Segment 2

These companies that appear in this cluster, create the premises for open internal communication of sustainable practices, and support employees in volunteering. Constituents of segment 1 perceive volunteering more as a team-building opportunity and a way to improve the morale of employees (F7 = 0.45) than as a means for self-association with the company's image and their personal goals (F6 = 0.37).

Also, employees in this segment perceive volunteering facilitated by the company for which they work as a means of helping and supporting the community in which they work and live (F5 = 1.28). They also feel that their organizations adopt corporate behavior of developing employees in their community that inspires a sense of pride for the company they work for (F4 = 0.94).

Therefore, segment 2 denotes a positive score (F2 = 0.46) for the variable that characterizes the perception of employees on their support in the workplace through respect and means of attracting and retaining talented employees, under an honest and authentic commitment for sustainable practices of the company they work for now.

In terms of market opportunity offered by the pursuit of green initiatives, employees in this segment perceive in a positive way such practices, mirrored by a score of 0.59 (Q8- 'green movement opportunity'). These respondents work for companies that sell products to end customers and in order to bring them to the market, they follow a value chain that can be improved in a positive way by addressing sustainable development in several ways. Thus, employees perceive in a favorable way the idea of developing green products. Also, sustainability opportunities can translate into product innovations that can provide a competitive advantage in the market.

The only negative score (-0.34) recorded for this segment for the variable that studies the satisfaction of employees in relation to sustainable corporate behavior. Thus, given the observed positive scores for the other variables, we can say that the dissatisfaction state of this segment's employees is not due to sustainable practices and there are other issues that led to this condition.

Table9 below summarizes the demographic characteristics of respondents that formed segment 2. They currently work for companies such as Starbucks, Coca-Cola, Amazon, Procter & Gamble and Microsoft in the USA (63%), Argentina, the UK and Romania. 82% of the employees of the second cluster are aged up to 35 years.

Percentage of observations Company Sex **Country of origin** Age group Amazon Male USA Between 20 and 24 years old 18% Coca-Cola Female United Kingdom Between 20 and 24 years old 9% Romania Between 20 and 24 years old 9% Microsoft USA Between 25 and 29 years old 9% Male Procter &Gamble Female Between 30 and 34 years old Argentina 18% Starbucks USA Between 40 and 44 years old 18% Male Female USA Between 30 and 34 years old 18%

Table 9. Distribution of segment 2 according to the company, gender, country of origin and age

5.2.3. Segment 3

Segment 3, the last cluster formed by the Two-Step Cluster analysis, contains 51.9% of employees who participated in this research. Segment 3 is formed in a proportion of 92.6% of companies from the technology industry, with online activities like Facebook, Google, Microsoft, Amazon.com. 7.4% of the employees that make up this segment come from Starbucks (Figure 4).

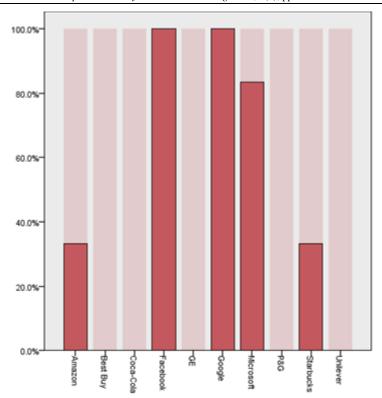


Figure 4. Distribution of observations according to the company of employees in Segment 3

Because of the online activity of these companies, the organizations in this segment streamline their data centers and reduce their carbon emissions to achieve a lower environmental footprint. Employees have a positive perception of these sustainable practices, especially because these organizations encourage green initiatives, offering them workplace flexibility. Also, the companies from this segment are known for the professional development opportunities offered to their employees (especially Facebook and Google). All these aspects lead to the satisfaction of employees in companies that promote sustainability (F1 = 0.58).

Furthermore, segment 3 accumulates employees who appreciate their work because they feel that their value are backed and supported by means of retaining and attracting the best employees, but also through honest involvement in initiatives aimed at sustainability (F2 = 0.22).

Regarding the perception of volunteering, components of segment 3 consider volunteering as a teambuilding activity that can strengthen the relationship with co-workers. These employees, mainly in IT, working more in teams, which is why volunteering is seen as an extension of the workplace, by practicing sustainability.

The other two factors that explain the perspective of employees volunteering recorded low scores. Therefore, they do not perceive volunteering as a means of self-realization (F6 = -0.28) or helping the community (F5 = -0.40). However, it is possible that the respondents of this research may not have been involved in many volunteering projects supported by their companies. It is also possible that these IT companies (Facebook, Google, Microsoft, Amazon.com) do not internally promote volunteering to thoroughly. This last idea may be supported by the low, though negligible score (F4 = -0.05) of the variable entitled "Corporate behavior in the community development of employees" that studies the perception of employees on the contribution of their organizations in their communities.

Also a score of a negligible importance in describing cluster 3 was recorded for variable that examines the direct approach through open internal communication on sustainable practices (F3=0.06). The formation of factor F3 was due mostly to the variable that studied the supported volunteering activities of employees. Therefore, internal communication on sustainable practices can be improved for this segment. Moreover, low scores recorded for the other variable on volunteering can be explained by the lack of an internal communication of supporting employees on green initiatives.

From the perspective of employees at Facebook, Google, Microsoft, the market opportunities presented by the green movement is not relevant because these companies do not sell tangible products. Therefore, pursuing sustainable practices does not depend on the fulfillment of rules for creating green products, but have to do with the corporate culture and pursue other strategic objectives that improve the image and long-term financial performance of the companies in question.

Company	Sex	Country of origin	Age group	Percentage of observations
Amazon	Male	USA	Between 25 and 29 years old	7%
Facebook	Male	Ireland	Between 35 and 39 years old	7%
		United Kingdom	Between 35 and 39 years old	7%
		USA	Between 25 and 29 years old	7%
			Between 30 and 34 years old	7%
	Female	USA	Between 35 and 39 years old	7%
Google	Male	USA	Between 25 and 29 years old	7%
			Between 30 and 34 years old	7%
	Female	United Kingdom	Between 25 and 29 years old	7%
		USA	Between 30 and 34 years old	7%
Microsoft	Male	USA	Between 25 and 29 years old	4%
			Between 35 and 39 years old	7%
	Female	USA	Between 35 and 39 years old	7%
Starbucks	Female	USA	Between 30 and 34 years old	7%

Table 10. Distribution of segment 1 according to the company, gender, country of origin and age

Table 10 presents the demographics that characterize this segment. Thus, 79% of employees are from the USA and 21% in the UK and Ireland. All employees are young respondents in segment 3, 72% of whom are under the age of 35. Also, it can be noted that the number of respondents in this study came from Facebook.

6. Discussion and Conclusion

6.1. Theoretical Contributions

Regarding the theoretical contributions, the present research sought to explore the perceptions of employees from companies like Amazon, Facebook, Google, Microsoft, Starbucks, Best Buy, Coca-Cola, General Electric, Procter & Gamble and Unilever, on sustainable practices and employee commitment in such programs. To achieve these goals, we have developed a primary research, implemented by means of an online questionnaire that was used to obtain information from employees of the companies mentioned above. The first objective of the research was to obtain segments of employees according to their perception of companies linked to sustainable practices. Thus, we obtained three clusters of employees.

Creating a work environment where employees have the power of decision and accountability can be an essential aspect in increasing the satisfaction of employees, in general and for implementing internal sustainability programs, in particular. In this context, sustainability can provide a level of motivation and commitment from the staff, which would ultimately lead to satisfaction and loyalty to the organization.

However, for successful implementation of green practices, multinational corporations must establish the foundation for these initiatives internally, by using internal marketing. The logic of internal marketing refers to the fact that when the needs of internal customers are satisfied, the organization will find itself in a better position to deliver the quality required to meet the needs of external customers.

Tracking programs that consider sustainability and corporate social responsibility have a positive impact on the internal environment, especially when developing marketing strategies for the internal and external environment in terms becoming more attractive to consumers. Companies that show commitment to such programs can attract, motivate, and retain employees easily, and this contributes to the overall company performance. Therefore, organizations should incorporate such programs and policies in strategic areas of the business, creating conditions for employees that provide them with the opportunities to actively participate in positive environmental and social change.

Overall, it is noted that to establish the main objective of internal marketing, namely the satisfaction of employees, organizations must implement sustainability strategies that have internal resonance for employees.

Information obtained from the analysis of the data collected confirmed all hypotheses developed for analyzing the perception of employees of multinational companies examined in this research, leading to the achievement of all stated and related assumptions.

6.2. Implications for Managers

As organizations confront the barriers to pursue and achieve sustainability, many managers find it difficult to understand where their companies are, where they need to go and how to get there. However, companies all around the world share a consensus view that sustainability will have an increasingly large impact on the business landscape going forward.

Nonetheless, companies do face challenges and implementing risks in relation to sustainability. A key challenge is the effective deployment of CSR as an internal marketing strategic tool is the lack of connection between such initiatives and a company's employees. An employee's proximity to CSR is program-specific and spans a continuum: from complete unawareness, at one end, to direct involvement at the other. Thus, managers should conduct appropriate programs in relation to identified segments.

Given the challenges that sustainability in general has, and more importantly in implementation practices, in order to succeed, managers should (1) bring their employees closer to the company's CSR and green marketing initiatives, (2) use a contingent input-output approach to formulate, evaluate and manage CSR-related outcomes, (3) understand and fulfill employee needs related to CSR, (4) focus on strengthening employee identification with the company, and (5) engage employees in co-creating green sustainable value.

This study's findings, and others related to sustainability, denote that it is essential is that companies start to consider more broadly and proactively this concept and its potential impact on their business and industry, and begin to plan and act accordingly.

6.3. Limitations and Future Directions

This research must also be interpreted in the context of its limitations. The research goals were met, but this study should be extended to gather more information from other companies in other industries to have a clear and comparative perspective regarding the internal marketing practices in promoting sustainability in various sectors. Given the data collection method used, through the personal connections from LinkedIn, the research has a rather restrictive generalizability. While the representativeness of the sample can always be improved, for this research special efforts were made to have high response rates and for the sample to be reflective of the target population.

Also, this study did not include several control variables or mediator variables such as work experience, work environment conditions to observe other dimensions that could lead to a better understanding of the relationships proposed in this paper.

In conclusion, this study provides various new ways to improve the assessment and to add the other important variables, and thus expand the future research in this direction of observing the drivers of employee engagement in a company pursuing green marketing tactics.

7. References

- Ahmed P. K. and Rafiq M., 2002. *Internal Marketing Tools and concepts for customer-focused management*. Oxford: Butterworth-Heinemann Publications
- Berry, L.L., 1981. The Employee as Consumer. Journal of Retail Banking, Vol. 3, pp. 33--40
- Bhattacharya C.B., Sen S. and Korschun D., 2007. Corporate social responsibility as an internal marketing strategy. *Sloan Management Review*, Fall
- Bhattacharya C.B., Sen S. and Korschun D., 2008. Using Corporate Social Responsibility to Win the War for Talent. *Sloan Management Review*
- Bhattacharya, C. B., and Sen, S., 2003. Consumer -company identification: A framework for understanding consumers' relationship with companies. *Journal of Marketing*, 67(2), pp.76--88
- Field, A. 2005. Discovering statistics using SPSS. London: Sage Publications.
- George, W. R., and Gronroos, C., 1989. Developing Customer-Conscious Employees At Every Level-Internal Marketing. In: C.A. Congram and M.L. Friedman. Handbook of Services Marketing. New York: AMACOM
- George, W.R., 1990, Internal Marketing and Organizational Behavior. *Journal of Business Research*, Vol. 20, pp.63--70.
- Malhotra, N.K. and Birks, D.F. 2009. *Marketing Research An Applied Approach (3rd Edition)*. Essex: Pearson Education-Prentice Hall



Creative Commons Attribution 4.0 International License. CC BY

The Factors Influencing Academic Affairs Services Management at the National University of Laos and Lucian Blaga University of Sibiu, Romania

Sounieng VONGKHAMCHANH* and Emanoil MUSCALU

Lucian Blaga University of Sibiu

This research aims are to investigate the attitude levels of staff's and students' on the motivation, effectiveness towards the academic affairs services management at the faculty of Economics and Business Management, DongDok campus in the National University of Laos, and the faculty of Economic Sciences and faculty of Sciences, Sibiu campus in Lucian Blaga University of Sibiu, Romania. There were 220 participants, five groups; presidents, deans, heads of departments, lecturers and students. The five-point Likert scale rating questionnaires were used to collect data. The SPSS version 20 was used to perform the needed analysis for reaching the proposed aims. In this regard, univariate and bivariate statistics were computed; Pearson Chi-Square Test, ANOVA, scale reliability and validity analysis were undertaken. The research goals are to improve the academic affairs services management systems in the two mentioned universities. Therefore, the results advised the university committee boards, the governments, the national, international donors, curriculum developers, staff and students to use them for the educational purposes.

Keywords: the motivation, academic affairs services management, the effectiveness of management

1. Introduction

This is the research of the academic affairs services management conducted in two universities mentioned above. The academic management is the heart of the university in terms of all educational activities success which is able to drive force economic growth and coordinate every organizational area to work effectively in the organizations, (Cole,G.A, 1993, p. 3-7); cited in Fayol, (1916), Brech, (1957), Koontz and O'Donnell, (1976). The main factors of this research theme are related to the motivation, academic professional fields, educational qualifications, academic affairs services management systems operated and the needs to improve the academic affairs services management systems. Specifically, the Likert scale format

Sounieng Vongkhamchanh, Lucian Blaga University of Sibiu, E-mail address: sounieng.vong@gmail.com

Article History:

Received 08 November 2013 | Accepted 08 December 2013 | Available Online 09 December 2013

Cite Reference:

Vongkhamchanh, S., and Muscalu, E., 2013. The Factors Influencing Academic Affairs Services Management at the National University of Laos and Lucian Blaga University of Sibiu, Romania. *Expert Journal of Business and Management*, 1(1), pp.29-35

[&]quot; Correspondence:

with five categorises was used to measure Lao and Romanian participants' the attitudes levels towards academic affairs services management and compare their attitudes within the two universities about significant correlation statistics which are based on the collected data of this research. This is also to find out some possible solutions to solve academic affairs services management.

2. Literature review

This section presents the management theories and literature reviews which are related to Laos and Romania academic affairs services management situations. This research based on a variety of management theories such as Frederick Taylor's Scientific Management in the era of modern management (Richard, 2010, p. 45, cited in Frederick Taylor (1856-1915, p. 45). In the late nineteenth and early twentieth century's to overthrow management "by rule of thumb" and replace it "the one best" practice. Richard, (2010, p. 44) cited in Frederick Taylor, (1856-1915). Furthermore, Richard, (2010, p. 48) cited in Henri Fayol (1841-1925),'s administrative theory mainly focuses on the personal duties of management at a much more granular level. His theory consisted of 5 principles and 14 fourteen principles of administration which are still actively practiced today. Douglas McGregor (1906-1964) postulated management ideas as contained in "Theory X" and "Theory Y" which is about using human behaviour in an organization depends on the beliefs of its managers. There were six basic assumptions for 'Theory Y' Richard (2010, p. 51-53), cited in Douglas McGregor (1906-1964). This research is based on the management theories mentioned above which play very important roles, not only from the top levels, but also for every section in the organizational areas without all coordination in the organisation, it is impossible to work successfully, (Harding & Long, 1998, p. 181, cited in H. Mintzberg and J.B. Quinn, 1991).

3. Research objectives

The overall aims of this research are to determine the major factors which influence the academic affairs services management in two mentioned universities. To achieve the research goals, staff and students were questioned about their levels of educational qualifications, attitudes levels towards the motivation, the effectiveness and the importance of improvement the academic affairs services management. Furthermore, the researcher desires to describe the significant correlations amongst specific factors. It is hoped that this research also contributes to a better understanding the nature of the academic affairs services management, to set up the feasible management and offer some suggestions to make the new effective academic management practices which are able to be appropriate for those two universities from now onwards.

4. The research hypotheses

This research is expected to examine the following hypotheses:

- Hypothesis₀₁ There is an unequal distribution among the participants which based on their genders and academic titles.
- Hypothesis₀₂There is an unequal distribution among Lao and Romanian's university staff which based on their educational qualifications.
- Hypothesis₀₃The students' motivation for choosing their home university differs between Lao and Romanian students.
- Hypothesis₀₄The staffs' and students' attitudes towards the effectiveness of the academic affairs services management differs greatly between two universities.
- Hypothesis₀₅The staffs' and students' attitudes towards the importance of improving the academic affairs services management systems differs greatly between two universities.

5. The research methodology

To meet the aims of this research, a quantitative paradigm was chosen as the most appropriate method to determine the staffs' and students' attitudes levels of motivation and effectiveness towards the academic affairs services management, (Khawaja, 2012, p. 16, cited in Sekaran & Bougie, 2010,p. 169) and makes use of variety of quantitative analysis techniques that range from providing simple descriptive of the variables involved, to establish the statistical relationships among variables through complex statistical modelling (Raphael, 2010, p. 38, cited in Saunders et al., 2009, p. 199). It is also to describe, explain and predict phenomena, uses probability sampling and relies on larger sample sizes as compared to qualitative research designs (Cooper & Schindler, 2006, p. 39). In order to make a good flow of this research, the researcher has a clearly defined purpose of research, research process is detailed in form of research proposal, research design is thoroughly planned, research relies on adequate analysis, the findings are presented unambiguously, conclusions are properly justified, limitations, reliability and validity are frankly revealed and high ethical standards are applied (Cooper & Schindler, 2006, p. 47). There were 220, categorized into five groups, (1). Presidents / rectors, vice-presidents / rectors, (2). Deans, vice-deans, (3). Heads of departments, (4). Lectures / teachers, and (5) and the second and third year students. The questionnaires were distributed directly to Lao and Romanian participants from February 2012 to July 2013. The 5-point Likert scale rating format and multiple choice questionnaires were used to collect data in this research which consisted of 100 items. Those adapted questionnaires were designed to measure the staffs' and students' attitudes levels towards the effectiveness, motivation and importance on the academic affairs services management. The Bivariate and Univariate descriptive statistics were used to show the frequency, percentages, mean, std, std. Error of Means, Median, Mode, std Deviation, Variance, Skewness, std. Error of Skewness, Kurtosis, std. Error of Kurtosis, Rage, Minimum and Maximum The test of reliability and validity Cronbach's alpha of questionnaires from part 1A to part 9. Factor 8 were from **0.713** to 0.924. Based on these statistics test results mean that the questionnaires were used in this research were reliable and acceptable.

6. The research results and data analysis

Hypothesis 1: The total numbers of participants who involved in this research were 220 (100%), out of which 102 (46.4%) participants were males and 118 (53.8%) females. Another interesting information to notice is that the number of Romanian females 70 (59.3%) was higher than the number Lao females 48 (40.7%), while Lao males 62 (60.8%) were more than Romanian males 40 (39.2%). Thus, an unequal distribution of the participants' genders can be observed.

The table No 1 below contains the participants' distribution according to their academic titles/academic functions. There were eight different target groups of participants in this research. One (0.5%) was the president / rector of university. Eight (3.6%) were vice-presidents / rectors of university. One (0.5%) was director of the academic affairs office in the university. Two (0.9%) were deans of faculties from two universities. Four (1.8%) were vice-deans of faculties from two universities. Four (1.8%) were the heads of departments in the faculties of Economics and Business Management and faculty of Economic Sciences from two universities. One hundred (45.5%) were lecturers / teachers from two universities and one hundred (45.5%) were 2nd and 3rd year students from two universities, (See table No: 1 below).

Table 1. The academic titles and functions of Lao and Romanian participants

Target groups	Frequency	Percent	Valid percent	Cumulative percent
Presidents / rectors	<u> </u>	.5	.5	.5
Vice-presidents/rectors	8	3.6	3.6	4.1
Director	1	.5	.5	4.5
Deans	2	.9	.9	5.5
Vice-deans	4	1.8	1.8	7.3
Heads of the departments	4	1.8	1.8	9.1
Lecturers / teachers	100	45.5	45.5	54.5
Students	100	45.5	45.5	100.0

Total	220	100.0	100.0	

Hypothesis 2: To validate or not hypothesis no. 2, bivariate statistics was computed and cross tabulation analysis was undertaken. The total numbers of university staff were 120 in this research, out of which 60 (50%) were from Laos and 60 (50%) from Romania, categorized into eight different educational qualifications. First, the total numbers of university staff who have been the lecturers-Professor holding Doctoral degrees were 16 (13.3%). Second, the total numbers of university staff who have been the lecturers-Associate Professor holding Doctoral degrees were 42 (35%). Third, the total numbers of university staff who have been the lecturers holding Doctoral degrees were 4 (3.3%). Fourth, the total numbers of university staff who have been the Teaching Assistant lecturers holding PhD degrees were 3 (2.5%). Sixth, the total numbers of university staff who have been the Teaching Assistant lecturers and being PhD Candidate were 3 (2.5%). Seventh, the total numbers of university staff who have been the Lecturers holding Master degrees were 21(17.5%). Finally, the total numbers of university staff who have been the Lecturers holding Bachelor degrees were 25 (20.8%), (See table No: 2 below).

Table 2. The educational qualifications of Lao and Romanian participants

No	Educational qualifications	Frequency	Percent	Valid Percent	Cumulative Percent
1	Professor. Dr.	16	7.3	13.3	13.3
2	Assoc .Prof. Dr	42	19.1	35.0	48.3
3	Assoc. Prof. Master	4	1.8	3.3	51.7
4	Lecturer. Dr	6	2.7	5.0	56.7
5	Teaching Assistant PhD	3	1.4	2.5	59.2
6	Teaching Assistant PhDc	3	1.4	2.5	61.7
7	Lecturer Master	21	9.5	17.5	79.2
8	Lecturer Bachelor	25	11.4	20.8	100.0
	Total	120	54.5	100.0	

Hypothesis 3: Lao and Romanian of 2^{nd} and 3^{rd} students' perceptions regarding the educational quality which was recognized by the international standard of two groups in Laos and Romania. This was measured by a Likert scale with five categories. Descriptive statistics were computed for this variable. Thus, the total mean was **high** = **4.03**, Std. Error of Mean = .1029, Median = 4.000, Mode = .5.0, Std. Deviation = 1.0294, Variance = 1.060, Skewness = -.798, Std. Error of Skewness = .241, Kurtosis = -.049, Std. Error of Kurtosis = .478, Range = 4.0, Minimum = 1.0, Maximum = 5.0. (See table 3 below).

Table 3. The educational quality is recognized by the international standard, students of 2 universities

N Valid	100
Mean	4.030
Std. Error of Mean	.1029
Median	4.000
Mode	5.0
Std. Deviation	1.0294
Variance	1.060
Skewness	798
Std. Error of Skewness	.241
Kurtosis	049
Std. Error of Kurtosis	.478
Range	4.0
Minimum	1.0
Maximum	5.0

The other interesting information to notice is that the ANOVA table which splits the students' perceptions regarding the educational quality which was recognized by international standard of two groups in Laos and Romania. According to the significance value of 0.00 < .05, (see table No: 4 below), it can be

stated that there is no statistical significant difference between the Romanian students' perceptions regarding the educational quality for the reorganization of international standard in their universities as well as Lao students'.

Table 4. The educational qualification is recognized by the international standard (ANOVA statistics)

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for		Min	Max
			Mean					
	N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Min	Max
Laos	50	4.260	1.0844	.1534	3.952	4.568	1.0	5.0
Romania	50	3.800	.9258	.1309	3.537	4.063	2.0	5.0
Total	100	4.030	1.0294	.1029	3.826	4.234	1.0	5.0

Hypothesis 4: Lao and Romanian participants' perceptions regarding the effectiveness of academic affairs services management systems operated in the National University of Laos and Lucian Blaga University of Sibiu, Romania which was measured by a Likert scale with five categories. Therefore, the total mean **was moderate 3.571**, item Variances = 1.037, Inter-Item Covariances = .415, Inter-Item Correlations = .404. According to the significance value of 0.00 < .05, it is able to conclude that there is no statistical significant difference between Lao and Romanian participants' perceptions of the effectiveness on academic affairs services management systems in two universities .(see table No: 5 below).

Table 5. The effectiveness of academic affairs services management systems

	Mean	Minimum	Maximum	Range	Max/ Minimum	Variance	N of Items
Item Means	3.571	3.386	3.745	.359	1.106	.017	10
Item Variances	1.037	.788	1.444	.656	1.832	.031	10
Inter-Item Covariances	.415	.213	.644	.431	3.023	.009	10
Inter-Item Correlations	.404	.236	.614	.378	2.601	.007	10

Hypothesis 5: The interesting information to notice is that the ANOVA table of Lao and Romanian participants' perceptions regarding the academic affairs services management systems needed to be improved in the National University of Laos and Lucian Blaga University of Sibiu, Romania which was measured by Likert scale with five categories. Thus, the total mean **was moderate** (3.755). According to the significance value of 0.00 < .05, it is able to conclude that there is no statistical significant difference between Lao and Romanian participants' perceptions of the academic affairs services management systems improvement in two universities. (See table: 7 below).

Table 7. The Academic Affairs Services Management Improvement (ANOVA statistics)

	Sum of Squares	df	Mean Square	F	Sig
Between People	636.927	109	5.843		
Between Items	20.764	9	2.307	3.018	.001
Residual	750.036	981	.765		
Total	770.800	990	.779		
Total	1407.727	1099	1.281		

Grand Mean = 3.755

7. Discussion and implications

The first results of a survey on the countries and genders revealed that the total numbers of female participants (53.8%) were more than males (46.4%). The other interesting information to notice is that the numbers of Romanian females (59.3%) were more than Lao (40.7%) while Lao males (60.8%) were more

than Romanian (39.2%). The second results of a survey on the target groups of participants revealed that there were sixteen groups of participants from two universities; presidents / rectors (0.5%), vicepresidents/rectors (3,6%), director (0.5%), deans (9%), vice-deans (1.8%), heads of the departments(1.8%), lecturers / teachers(45.5) and students (45.5%). The third results of a survey on the educational qualifications revealed that the numbers of Romanian staff who have been the lecturers-Professor holding Doctoral degrees (13.3%), and lecturers-Associate Professor holding Doctoral degrees (35%) were more than Lao staff. On the other hand, Lao staff who have been the lecturers holding Doctoral degrees were (10%), the Lecturers holding Master degrees were (35%) and the Lecturers holding Bachelor degrees (41.7%) were more than Romanian staff. The other interesting information to notice is that Romanian staff who have been the Teaching Assistant lecturers holding PhD degrees were (5%) and Teaching Assistant lecturers and being PhD Candidate were (5%), while none of them was Lao staff. The fourth results of a survey on the motivation levels of Lao and Romanian students of second and third year revealed that the educational quality was recognized by the international standard in the National University of Laos and Lucian Blaga University of Sibiu, Romania was high (total mean = 4.03). The fifth results of a survey on the effectiveness attitudes levels of Lao and Romanian participants revealed that the academic affairs services management systems operated in the National University of Laos and Lucian Blaga University of Sibiu, Romania was moderate (total mean = 3.571).

Lastly, the results of a survey on the importance attitudes levels of Lao and Romanian participants indicated that the academic affairs services management systems needed to be improved in the National University of Laos and Lucian Blaga University of Sibiu, Romania were moderate (the grand mean = 3.755). According to the significance value of 0.00 < .05, it is able to conclude that there is no statistical significant difference between Lao and Romanian participants' perceptions of the academic affairs services management systems improvement in two universities.

8. Conclusion

Based on those results, the National university of Laos has to recruit and provide more opportunities for female staff to work in this university while Lucian Blaga University of Sibiu also has to recruit and encourage male staff to work in this university. It is necessary for those two universities to find out the educational policies and other criteria to motivate female and male graduates to work in those universities.

According to the sample size theory, (Bartlett, Kotrlik, & Higgins, 2001:44) pointed out that the larger population, the better results will be. In addition, the National University of Laos has to provide more opportunities and educational policies for Lao staff to upgrade their higher educational degrees as much as possible. In terms of academic affairs services management systems in those two universities, Lao and Romanian participants indicated that those two universities have had well-equipped materials with modern technology, a variety of courses to study, the concepts, theories and practical work are able to link within the regions and other countries. However, this is not appropriate to the real situations. In fact, many things have to be improved and changed in order to provide satisfaction for people's demands in the society.

9. Recommendations

Based on the results of this research, the following recommendations should be considered:

- 1. It is necessary for those two universities to recruit and motivate young female and male graduates with balance numbers of genders to work in those universities.
- 2. The survey should be included with many participants and many universities in order to have more accurate results.
- 3. In case of Laos, the ministry of education and sports and other related organizations have to find out appropriate educational policies and opportunities for staff to upgrade their educational degree to higher levels.

- 4. It is necessary for those two universities to have as many subjects as possible for students to choose in order to work with international organizations effectively.
- 5. The further research of academic affairs services management systems should be more and specific areas in those two universities.

10. References

Bartlett, J.E., Kotrlik, J.W., & Higgins, C.C., 2001. Organizational Research: Determining Appropriate Sample Size in Survey Research. *Information Technology, Learning, and Performance Journal*, 19(1), pp.43-50.

Cole, G., 1993. Management Theory and Practice. London: DP Publication Ltd, Aldine Place.

Fayol, H., 1916. Administration Industrielle et Generale. *Bulletin de la Societe de l'Industrie Minerale, fifth series*, 10(3), pp.5-162.

Gerald, C., 2004. Management Theory and Practice Sixth Edition. Geraldine, Lyons, YHT, London.

Hair, J, Anderson, R., Tatham, R., & Black, W., 1995. Multivariate data analysis (4th ed.). Upper Saddle River, NJ: Prentice Hall.

Harding, S., and Trevor, L., 1998. Proven Management Models. Hampshire Gu11 3HR, England: Gower House.

IBM SPSS Statistics 20, 1989-2011. IBM SPSS Statistics 20 Brief Guide, IBM.

Khawaja, K., Haim, H., and Dileep Kumar, M., 2012. Get Along with Quantitative Research Process. *International Journal of Research in Management*, 2(2), p. 169.

Mintzberg, H., and Quinn, J. B., 1991. The Strategy Process. Englewood Cliffs: N.J.: Prentice Hall.

Orlando, R., 2007. A Leadership Perspective for Understanding Police Suicide: An Analysis Based on the Suicide Questionnaires. Boca, Raton, Florida, U.S.A.

Raphael, S., 2010. Celebrity Scandals and Their Impact on Brand Image: A study among young consumers. Books on Demand GmbH, Nordderstedt Germany.

Richard, D., Martyn, K., and Natalia, V., 2010. International Edition, Seng Lee Press, Singapore

ACKNOWLEDGEMENTS

This research is funded by Erasmus Mundus Mobility with Asia, Action 2, 2011-2014 and was presented at the 1st International Conference for Doctoral Students - IPC 2013, Lucian Blaga University of Sibiu.



Creative Commons Attribution 4.0 International License. CC BY

A Model for Implementing HR'S Strategic Role

Anca ŞERBAN* and Emanoil MUSCALU

Lucian Blaga University of Sibiu

Understanding HR deliverables is an essential process for acknowledging its important role in driving organizational performance, in contrast with its traditionally elusive role. An organization can quantify the HR's overall strategic impact by finding the proper ways for measuring its impact on the success drivers. This paper aims to identify and describe the steps needed in order to implement HR's strategic role. The article reviews the relevant literature regarding the integration of HR into business performance measurement and suggests some guidelines for creating a HR scorecard.

Keywords: human resources, measurement, strategic map, HR Scorecard

1. Introduction

Since the early 20th century, due to the works of Frederick Taylor and Elton Mayo regarding the human relations movement, we are familiar with the concept of human resources management. Although initially perceived as a function which dealt with problems such as payrolls, benefits and other few administrative aspects, nowadays HR focuses on strategic matters like succession planning, talent management, mergers and acquisitions, career management and other labour relations.

In the context of globalization, technological advancement and economic crisis, various researchers began documenting ways of creating business value through the strategic management of the employees.

Lately, strategic human resource management became a subject of ongoing discussion for academics. Its definition and relationships with other aspects of business planning and strategy wary, but the common agreement is that SHRM is a complex process that is constantly evolving and that there is a need of understanding its usefulness.

2. Strategic Human Resource Management

Strategic Human Resource Management (SHRM) is defined as "the undertaking of all those activities affecting the behaviour of individuals in their efforts to formulate and implement the strategic needs of business" (Schuler, R.S., 1992) and as "the pattern of planned human resource deployments and activities intended to enable the organization to achieve its goals" (Wright, P.M., McMahna, G.C., 1992).

The human resource management is an integral part of how an organization is going to achieve its mission and only by integrating it into the organization's strategic plan one can keep people aligned with the

Anca Şerban, Lucian Blaga University of Sibiu, Faculty of Economics Sciences, Department of Management, Marketing and Business Administration, E-mail address: anca.serban@ulbsibiu.ro

Article History:

Received 12 November 2013 | Accepted 08 December 2013 | Available Online 12 December 2013

Cite Reference:

Serban, A., and Muscalu, E., 2013. A Model for Implementing HR'S Strategic Role. Expert Journal of Business and Management, 1(1), pp.36-41

^{*} Correspondence:

objectives of the organization. Having quality professional practices and services is a must, but this shouldn't be the only focus of the best HR practitioners. They are able to combine their attention to basic administration while also making important strategic inputs that have a positive impact on the future of the organization.

John Sullivan points out human resources professionals often think they are being strategic when they are actually being tactical. He states that being strategic means having a business impact on the organization's corporate goals and objectives and that a certain program is strategic only if it meets the following criteria (Sullivan J., 2004):

- It has a broad impact.
- It focuses on future needs.
- It has the potential to provide a sustainable competitive advantage.
- It has the potential to generate at least 1 percent of revenue or profits.
- It has a direct impact on long-term corporate goals.

We deduce that the acknowledgement of HR's strategic impact needs to take into account financial, but also nonfinancial measures. In this case we need to differentiate between *lagging indicators* on one hand and *leading indicators* on the other hand. Lagging indicators are those which give us a better understanding of the past and are mostly financial metrics and leading indicators are those which help us prepare for the future. The latter category of indicators differs for every organization but some examples can include customer satisfaction, employees strategic focus or the R&D cycle time or any other indicators that asses the status of the key factors (Becker B. et.al., 2001, p. 30).

In order to clarify the elusive role of HR, we have to determine the relationship between key success factors at the intersection between HR and the organization's strategy implementation plan as shown in figure no.1.

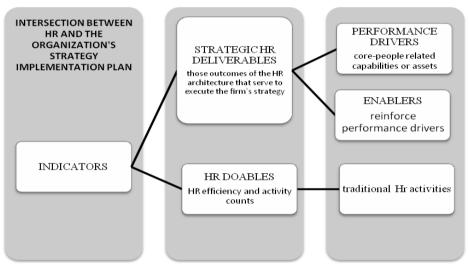


Figure 1. The intersection between HR and the organization's strategy implementation plan Source: after Becker B., Huselid M., Ulrich D., (2001)

3. How to measure HR's strategic influence?

Various researchers argue that the alignment between the personal objectives of the employees with the ones of the organization is a driver of positive behaviour (Rucci A. et. al., 1998), but the problems appear when practitioners want to establish exactly how, for example a certain training affects the revenues.

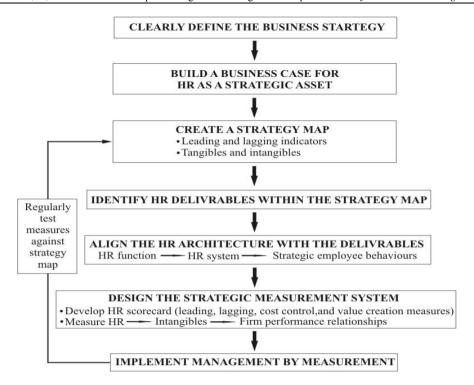


Figure 2. Transforming the HR Architecture into a Strategic Asset Source: Becker B., Huselid M., Ulrich D., (2001)

The question regarding the quantification of HR's strategic role remains one of the biggest challenges of our times. One recent and appreciated model of formalization of HR's strategic role was elaborated by researchers Becker, Huselid and Ulrich (Becker B. et.al, 2001) which developed a seven steps model as presented in figure no.2 and in the summary below:

Step 1: Define business strategy

The involvement of HR in the strategy design is necessary mainly if we think about its implementation. When strategic goals are not developed taking into account the way in which it will be implemented, they tend to become very generic (Becker B. et.al., 2001, p. 36), with no guarantee of their success.

Step 2: Building a business case for HR as a strategic asset

After clarifying its strategy, HR professionals must have an accurate view on why and how HR can support that strategy. According to an ongoing research of the above mentioned researchers, the strategy implementation, rather than strategy content, differentiates successful from unsuccessful firms and moreover, successful strategy implementation is driven by employee strategic focus, HR strategic alignment and a balanced performance measurement system. Figure no. 3 depicts the influence of HR on strategy implementation.

Step 3: Create a strategy map

An accurate performance measurement system must cover all the elements from de value chain and all the links between them. The best way of making sure that all the processes are covered, we should design what Robert Kaplan and Dave Norton define as a strategy map as shown in figure no.4.

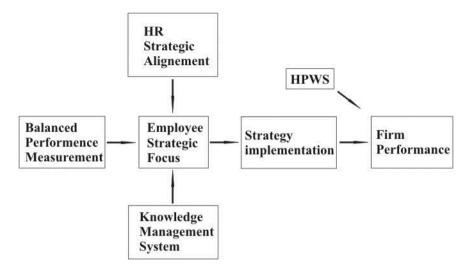


Figure 3. HR and Strategy Implementation Source: Becker B., Huselid M., Ulrich D., (2001)

The strategy mapping is a tool that explicitly shows how value is created for the company (Kaplan, R.S. & D.P. Norton, 2000), as shown in figure no.2. The four box model (of the traditional balanced scorecard) is transformed in a strategic map which places the four perspectives in relation to each other to show that the objectives support each other.

The design of the strategic map shows the cause-effect relationship between the elements. Improving performance in the objectives found in the Learning and Growth perspective enables the organization to improve its Internal Process perspective objectives, which in turn enables the organization to create desirable results in the Customer sector which finally leads to affect the Financial perspectives.

Step 4: Identify HR deliverables within the strategy map

Taking in account that HR creates much of its value at the point of intersection between the HR system and the strategy implementation system (Becker B. et.al., 2001, p. 42), practitioners need to have a 360 degrees view and understanding both roads: the *knowledge about the business* on one hand and a *full appreciation of the HR part*.

Some human resource performance drivers are elementary (employee competence, motivation etc.) so it is very difficult to place them on the strategy map. In order to do so we need to figure out which HR deliverables support the firm-level performance drivers from the strategy map (Becker B. et.al., 2001, p. 42).

Step 5: Align the HR architecture with HR deliverables

If the previous step told us on which deliverables we should focus on, the next step answers the question "How can the HR system be structured in order to provide proper deliverables?".

In order to align the HR architecture with the HR deliverables we need to take into consideration the internal components of the HR system and determine the way in which each supports the other elements that represent the value chain (the external alignment).

Step 6: Design the strategic HR measurement system

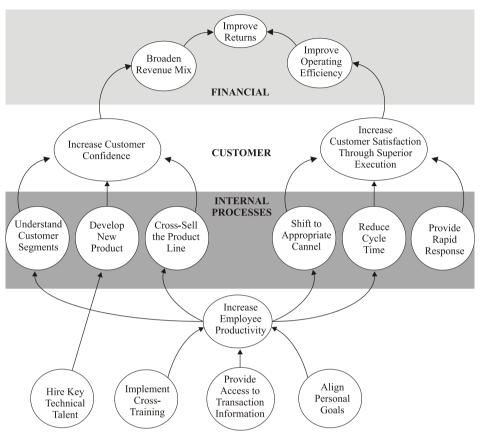
In order to measure the HR- firm performance relationship we need to develop valid measures for HR deliverables and this consists of two parts: the correct choice of HR performance drivers and enablers and the correct choice of measuring those deliverables. The hard part refers to jumping the gap between operational measures (traditional) and strategically measures which means identifying the intangible elements.

Step 7: Implement management by measurement

After finishing all the previous steps we encounter the new powerful management tool, as named by its designers, and we discover that it is more than just keeping score of the HR deliverables, the internal and external alignment of the scorecard, Hr professionals will have new insight into what it takes to actually manage HR as a strategic asset (Becker B. et.al., 2001, p. 51).

Also, once we develop the HR scorecard it is imperative that we constantly review that work we have done and constantly adjust it to the new context that arises because some drivers or enablers won't be always strategically significant.

STRATEGIC MAPPING



LEARNING & GROWTH (Employees)

Figure 4. Balanced Scorecard Strategy Maps Source: Kaplan, R.S. & D.P. Norton, (2000)

4. Conclusions

Organizations whose leaders regard the development of people as one of the primary responsibilities of all managers have a competitive advantage because a person whose personal learning goals are aligned with those of the organization is likely to be fully engaged and highly productive.

The Balanced Scorecard represents a set of indicators that assures a unitary presentation of the management vision regarding the performance control and supposes the relational approach on four dimensions: financial perspective, customers' perspective, internal business processes and organizational learning and growth perspective.

Developing a HR scorecard is necessary in order to manage HR as a strategic asset and to demonstrate HR's contribution to a organization's financial success.

5. References

Becker, B., Huselid, M., and Ulrich, D., 2001. The HR Scorecard-Linking people, strategy and performance. Harvard Business Review Press

Kaplan, R.S., and Norton, D.P., 2000. The Strategy-focused Organization: how balanced scorecard companies thrive in the new business environment. Harvard Business School Press, Boston

Rucci, A.J., Kirn, S.P., and Quinn, R.T., 1998. The employee-customer- profit chain at Sears. *Harvard Business Review*, 76(1), p.90

Schuler, R.S., 1992. Strategic human resource management: linking people with the needs of the business. *Organizational Dynamics*, 21(1), pp.8-32.

Sullivan, J., 2004. Rethinking Strategic HR- HR's role in building a performance culture. CCH Incorporated Wright, P.M., and Mcmahan, G.C., 1992. Theoretical perspectives for SHRM. *Journal of Management*, March, pp.215-247.

ACKNOWLEDGEMENTS

This article was presented at the 1st International Conference for Doctoral Students - IPC 2013, Lucian Blaga University of Sibiu.



Creative Commons Attribution 4.0 International License. CC BY

Expert Journal of Business and Management

http://business.expertjournals.com

Expert Journal of Business and Management is published by Sprint Investify.

Article Review Process

Expert Journal of Business and Management has a two-stage review process in order to be accepted for publication.

In the first stage, the business management articles are reviewed by one editor who will verify the reasoning of the paper and if the article fits the aim and scope of Expert Journal of Business and Management. Articles that do not concur to the journal's scope are rejected. Articles that are already published fully or partly in other publications or websites are neither reviewed, not accepted. The editor decides if the paper should be assessed by a reviewer.

In the second stage, the paper will be verified by at least one reviewer for detailed comments on how to improve the paper. In the peer review process of Expert Journal of Business and Management, the identities of the reviewers and authors remain anonymous. Whether a business management article is accepted or rejected depends on the average score given by reviewers. The reviewer grades a submitted article on a scale of 1 to 5. To be accepted for publication, the article must obtain an average score of at least 2.5.

Originality and Plagiarism

All the articles sent to Expert Journal of Business and Management should reflect original works, and the authors should appropriately cite and quote any influential publication or work of other authors. Please take note that we examine all submitted research articles for plagiarism and check for resemblances and similitudes to existing published papers. Articles that denote any form of plagiarism are rejected.

Article Copyright

The copyrights for articles published in Expert Journal of Business and Management belong to the authors. The journal is granted the first publication right. However, the journal is not responsible for subsequent uses of the authors' work.

Expert Journals

Currently, Expert Journals represents four open access journals: Expert Journal of Business and Management, Expert Journal of Economics, Expert Journal of Finance and Expert Journal of Marketing.

Expert Journals is committed to publishing papers that are thought-provoking and exploratory in order to make contributions to each field of study.

These journals deliver original, peer-reviewed papers from international authors meant to provide new theoretical and empirical frameworks and ideas in their respective fields. The research articles in all the journals are available in full-text and free of charge to our web visitors.

High-Quality Manuscripts. Manuscripts submitted to Expert Journals can present empirical, conceptual and review papers, teaching notes, case studies, book reviews that provide relevant insights in banking and finance. The submitted articles should exhibit relevancy, value, originality, clear argumentation, reasoning, persuasive evidence, intelligent analysis, and clear writing. Also, we highly recommend that authors concur to generally accepted publication ethics in developing their articles.

All online journals for Expert Journals are open access, meaning that the accepted articles are available for any reader to access and download for free.

