IMPACTION OF PROACTIVE PERSONALITY AND CORPORATE SOCIAL RESPONSIBILITY ON JOB PERFORMANCE: MEDIATING ROLE OF ORGANIZATIONAL COMMITMENT

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1. INTRODUCTION

To run a smooth and effective business, the effectual performance of the workforce is necessary (Demerouti & Cropanzanos, 2010). Due to globalization and technology up gradation, environment is changing very rapidly. To cope with the changes, the workers must have the ability to manage and adapt the changing environment (Fuller & Marlter, 2009). Personality traits of the employees form their behaviors at workplace (Messara & Dagher, 2010). Bateman & Crant (1993), in this behalf, asserted that a proactive individual can look for the new opportunities and take right actions to achieve goals and, can be agent to change. The trait of proactiveness of employees significantly enhances level of performance. But sometimes, a fast changing environment can affect commitment of employees in a negative way (Yogalakshmi & Suganthi, 2018). If an organization does not provide opportunities of growth for the employees, it fails to win commitment of its employees. Previous studies reveal that the organizations that encourage social activities and support wellbeing of their employees have committed workforce (Ali, Rehman, Ali, Yousaf, & Zia, 2010). Dawkins (2004) asserted that socially responsible organizations are able to improve commitment level of their employees. Social identity theory also states that individuals feel happy and are proud of being associated with a reputed organization (Brammer, Millington, & Rayton, 2007). Public at large and employees are proud of the attachment with socially responsible corporations (Brammer & Millington, 2003; Brammer et al., 2007; Dawkins, 2004). Increased commitment level leads towards several advantages for the organization, like job satisfaction, less turnover intention, job involvement and most importantly job performance (Meyer, Stanley, Herscovitch, & Topolnitsky, 2002). Liou (2008) argued that organization with highly committed environment perks up the retention rate and trims down costs. It also promotes high performance and efficiency in employees. Highly committed employees work harder to accomplish organizational goals. An employee with high commitment level feels to be a true member of the firm and embraces the values and beliefs of organization in true letter and spirit (Toletino, 2013). Hence, CSR and proactive personality improve the commitment level of the employees and employees with higher commitment level intend to perform better. This study, therefore, intends to investigate whether organizational commitment works as a mediator of the relationship between the independent variables i.e. proactive personality and CSR, and dependent variable job performance.

Organizational commitment is one of the key factors to improve performance but because of certain reasons a low commitment level has been observed in service sector. This low commitment is affecting the performance standards of the workforce that can affect the firms in a negative way. Considering the importance of performance,
the study proposes a framework that an employee can perform better if he is committed toward his organization. To improve the performance the study suggests that corporate social responsibility of the organization and proactive approach of the employees can increase the performance level via commitment. The objective of the study is to investigate the nature of relationship between proactive personality, CSR and job performance. The study also aims to explore how the mediation effects of organizational commitment between independent and dependent variables. Considering the problem and objectives this research study intends to answer the questions, how proactive personality impacts commitment? What is the effect of CSR on commitment? How organizational commitment impacts job performance? Does organizational commitment mediate the relationship of proactive personality and CSR with job performance? Rest of the work is arranged as literature review, methodology, results & discussion and conclusion.

2. LITERATURE REVIEW

The aim of every organization is to thrive and hence they are determined to make the performance better. Therefore, performance is the main concern for every firm. A firm’s performance can be measured by the profit it earns, the sales it makes and the prices of its stock etc. (Woznyj, Heggstad, Kennerly, & Yap, 2019). All of the success of the performance depends upon the performance of the employees. Performance is highly relevant to both organizations and individuals alike (Saleem, Bhutta, Nauman, & Zahra, 2019). Considering the relevance and importance of the performance, it has gained ample attention, practically and in research. It is very important for a firm that its employees perform at their best. Similarly, organizational commitment has vigorously been discussed and explained in the management research. Human beings want to be a part of the community. Social identity theory explains this human behavior. This theory states that social activities of an organization create a sense of affinity and devotion in the employees. Employees of a socially responsible organization feel proud and committed towards their organization (Gupta, 2017). Therefore, the organizations spend money on such activities. Pertaining to its importance, the researchers are investigating that how CSR activities can affect the stakeholders of the firms. Most of the research has been conducted focusing the consumers that are the external stakeholders and neglected the internal stakeholders i.e. the employees (Farooq, Farooq, & Cheffi, 2019).

Literature indicates a positive relationship between corporate social responsibility and organizational commitment. Turker (2009), applied the social identity theory on a study of business professionals and found significantly positive relationship between CSR and OC. Many other researchers also evaluated the relationship in different contexts and found similar results (Ali et al., 2010; Boddy, Ladyshewsky, & Galvin, 2010; Brammer et al., 2007; Collier & Esteban, 2007). Shahid & Ali (2019) state that a good and cooperative environment for work has a workforce with higher commitment level. Hence, we can say that corporates social responsibility can enhance the commitment level of the workforce.

H1: CSR positively impacts OC

People are mostly expected to resist change but it does not happen always (Joo & Lim, 2009). Instead, sometimes they deliberately and directly bring change in their environments (Crant & Bateman, 2000). The individuals with proactive approach, create, control or improve new environment, instead of adapting undesirable situations (Zhang, Crant, & Weng, 2019). With the ever-changing environment, the organization can really use people with a proactive approach. Their proactive behavior can not only achieve higher individual performance but better organizational outcomes as well (McCormick, Guay, Colbert, & Stewart, 2019). According to Crant & Bateman, (2000) the employees, who are more proactive, are expected to be more self-determined. The proactive employees are more motivated and may be able to capitalize the opportunities that are provided by their jobs and roles (Lin, Chen, Ashford, Lee, & Qian, 2018). According to meta-analytical reviews, proactive personality is said to be related to various constructive outcomes like job satisfaction, success, OCB, performance, self-efficacy, social networking, etc. (Fuller & Marler, 2009; Thomas, Whitman, & Viswesvaran, 2010). It is considered to be the most significant personality trait that can nurture and raise in and extra-role behaviors of the employees (Bakker, Tims, & Derks, 2012; Buil, Martínez, & Matute, 2019; Crant & Bateman, 2000; Thomas et al., 2010).

It has been observed in the literature that personality attitude and work behaviors are related to each other (Messara & Daghrer, 2010). We all know that OC is attitudinal in nature. Highly proactive people cannot easily be hindered by situational forces and can bring great changes in their environment (Gudermann, 2011). In addition, they can “identify opportunities and initiate change” in their environment (Bateman & Crant, 1993). According to the available research proactive personality is related to occupational outcomes like job satisfaction, performance, OCB and organizational commitment (Liao, 2015). It is assumed that if employees are willing to change their work environment for the benefit of their own and their organization it can influence their commitment with their organization (Gudermann, 2011). Therefore, the study in hand, proposes a positive relationship between proactive personality and organizational commitment.
Organizational commitment, that is described as a psychological association between an employee and his organization, has been a part of research in social sciences for several years (Chen, Tsui, & Farh, 2002). Organizational commitment has been found to be positively associated with number of work outcomes like motivation, job satisfaction, and performance (Chen et al., 2002; Harwika, 2016; Vandenberghe & Basak Ok, 2013). Highly committed workforce can influence the effectiveness of an organization (Meyer & Herscovitch, 2001). In organizational behavior research, OC is the most studied variable, probably because it is expected to influence near about all work behaviors that are advantageous to an organization.

It can be assumed that the employees who feel connected with their organization are more hardworking. Because of the innovations and inventions emerging each day, it is essential for every business firm to use its resources up to the optimum level. For this they must have a committed workforce that will consequently improve the performance of the organization (Shahid & Ali, 2019). S. S. Kim, Shin, Vough, Hewlin, & Vandenberghe, (2018) has found that affective commitment, that is one of the dimensions of commitment, and job performance are positively related to each other.

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2.1 Conceptual Model

After going through the literature, the study presents the following model. In this conceptual model proactive personality (PP) and corporate social responsibility (CSR) are the independent variables and job performance (JP) is the dependent variable. The mediating role of organizational commitment (OC) is analyzed in the relationship.

2.2 Hypothesis

H1: CSR positively impacts OC
H2: PP Positively impacts OC
H3: OC positively impacts JP
H4: OC mediates the relationship between PP and JP
H5: OC mediates the relationship between CSR and JP

3. METHOD

It is a cross-sectional research study that follows the quantitative paradigm of research. The hypotheses have been deduced on the basis of the previous studies and theories. Analyses have been done on Smart PLS.
The responses are collected by an adapted questionnaire consisting 34 items. The data are collected in a non-contrived study setting from different banks and telecommunication centers on the basis of convenience. The unit of analysis is individual HR personnel, top and middle level managers, and customer service representatives. The findings are based on primary data. Using the item response theory, total 340 questionnaires (150 via email and 190 by hand) were distributed among the senior and middle level managers. Only 253 responses were received. 216 questionnaires were used for the study after omitting incomplete and negligent responses. The response rate for this study is 64%.

3.1 Measure

It is a quantitative study and data is collected through questionnaires. The instrument is adapted from the work of previous researchers. In order to measure the construct a 7-point Likert Scale (i.e. from 1- Entirely Disagree to 7- Entirely Agree) is used. The respondents stated their degree of agreement on the statements. Proactive Personality is measured from scale provided by Bateman & Crant (1993) which contains 10 items. One of the sample items is “If I see something I do not like, I fix it.” Corporate Social Responsibility is measured using the scale earlier used by Turker (2009b). The scale had 12 items from which 6 items are used that cover community and environmental dimensions of the variable. The scale consists of the items like “our company supports employees’ growth and development”. An 8-item scale for the measurement of Organizational Commitment is used. 7 of the items were taken from Cook & Wall (1980) and 1 item was taken from study by Meyer & Allen (1984). Job Performance was measured using a 6 item scale used in a study by Karatepe, Uludag, Menevis, Hadzimehmedagic, & Baddar (2006). One of the items was, “I fulfill specific job responsibilities”.

4. RESULTS

Table 1 shows the values of Chronbach’s alpha that measures the internal consistency of the measure. The minimum acceptable value is 0.7. As the table represents that all the values are greater than 0.70 as, for CSR ($\alpha$=0.868), JP ($\alpha$=0.884), OC ($\alpha$=0.889) and for PP ($\alpha$= 0.828). This shows that the variables used in the study are reliable (Cronbach, 1951). The table also illustrates the values of composite reliability. The acceptable values should be minimum 0.6-0.7. The values given in the table ensure the composite reliability of the measure. The values of AVE if more than 0.5 ensure the validity of the instrument. As given in the table all the average variance extracted, except for the value of PP i.e. 0.383, are greater than 0.5 which shows that a high proportion of variance exists within the variable. The AVE of PP can be considered acceptable as its composite reliability is high.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR</td>
<td>0.868</td>
<td>0.899</td>
<td>0.599</td>
</tr>
<tr>
<td>JP</td>
<td>0.878</td>
<td>0.907</td>
<td>0.621</td>
</tr>
<tr>
<td>OC</td>
<td>0.889</td>
<td>0.913</td>
<td>0.600</td>
</tr>
<tr>
<td>PP</td>
<td>0.828</td>
<td>0.857</td>
<td>0.383</td>
</tr>
</tbody>
</table>

The values R-square ranges from 0% to 100%. It is the degree of closeness of the data to the regression line. According to the results of the following study job performance is explained 18% by the independent variable. which means that relationship exists between the constructs is week. PP and CSR explain 52% of OC.

<table>
<thead>
<tr>
<th>Variables</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>JP</td>
<td>0.180</td>
<td>0.176</td>
</tr>
<tr>
<td>OC</td>
<td>0.528</td>
<td>0.524</td>
</tr>
</tbody>
</table>

The figure below represents the structural model of the research study. The model presents the factor loadings ranging from 0.508 to 0.812. the figure also represents the R2 and path coefficients. All the values are well within acceptable range and are
Table 3 represents the results of the hypothesis testing. The hypotheses have been tested on the basis of t-statistics and p values. All the path coefficients, p values and t-statistics are significant. Therefore, the hypotheses are accepted and it can be concluded that the constructs are related to each other and that relationships are significantly supported.

Table 3. Hypothesis Testing Results

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Suggested Effect</th>
<th>β</th>
<th>T-Stats</th>
<th>P Values</th>
<th>Confirmation</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 CSR positively impacts OC</td>
<td>CSR -&gt; OC</td>
<td>Positive</td>
<td>0.424</td>
<td>6.778</td>
<td>0.000</td>
</tr>
<tr>
<td>H2 PP Positively impacts OC</td>
<td>PP -&gt; OC</td>
<td>Positive</td>
<td>0.456</td>
<td>6.571</td>
<td>0.000</td>
</tr>
<tr>
<td>H3 OC positively impacts JP</td>
<td>OC -&gt; JP</td>
<td>Positive</td>
<td>0.424</td>
<td>8.334</td>
<td>0.000</td>
</tr>
<tr>
<td>H4 OC mediates the relationship between PP and JP</td>
<td>CSR -&gt; OC -&gt; JP</td>
<td>Positive</td>
<td>0.179</td>
<td>5.212</td>
<td>0.000</td>
</tr>
<tr>
<td>H5 OC mediates the relationship between CSR and JP</td>
<td>PP -&gt; OC -&gt; JP</td>
<td>Positive</td>
<td>0.193</td>
<td>4.739</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Note. Significance at 10% (1.645) * Significance at 5% (1.96) ** Significance at 1% (2.576) ***

5. DISCUSSION

Performance of the workforce affects the performance of the organization and consequently the whole sector and the economy. Therefore, every organization makes sure that the employees are working at their best. Each firm that wants to grow and make a mark in the economy always looks forward to the ways by which they can improve the level of performance in their employees. Human resource is the backbone of the service sector and it mostly depends upon a well performing staff. Therefore, the present research proposes a framework which can be helpful for the organization in boosting up the commitment in the employees and hence they will perform at their full capacity. There is a large number of research available that connected the constructs used in the study and similar results were observed. But this study combines the constructs in such a way that a personality trait and an organization level construct both affect the work behavior of the employees that enhances their functioning. A brief comparison of the studies has been given below:
### Table 4. Comparison of Previous Studies

<table>
<thead>
<tr>
<th>Sr. #</th>
<th>Study</th>
<th>Focus of the study</th>
<th>Variables</th>
<th>Methodology &amp; Software</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Study in hand</td>
<td>Impact of proactive personality &amp; CSR via OC</td>
<td>Proactive personality, CSR, OC &amp; job performance</td>
<td>Regression model, Structure Equation Modeling in PLS Smart</td>
<td>Proactive employees &amp; CSR improve the commitment which subsequently improves performance.</td>
</tr>
<tr>
<td>2</td>
<td>Huang, Liao, Li, Liu, &amp; Biermeier-Hanson (2019)</td>
<td>Effect of leader proactive personality &amp; team need approval</td>
<td>Leader proactive personality, team commitment, team performance</td>
<td>CFA and MSEM in M plus</td>
<td>Leader proactive personality can predict commitment &amp; performance of the team.</td>
</tr>
<tr>
<td>3</td>
<td>Kim, Nurunnabi, Kim, &amp; Jung (2018)</td>
<td>Relationship between CSR &amp; OC</td>
<td>CSR, Meaningfulness of work, POS &amp; OC</td>
<td>SEM and correlation analysis in SPSS</td>
<td>CSR practices should be considered as investments rather than cost or obligation as it enhances commitment.</td>
</tr>
<tr>
<td>4</td>
<td>Chaudhary (2018)</td>
<td>CSR &amp; employee performance in Indian business industry</td>
<td>CSR, Job performance, OCB</td>
<td>Hierarchical regression analysis</td>
<td>CSR significantly influences JP &amp; OCB.</td>
</tr>
<tr>
<td>5</td>
<td>Metin &amp; Asli (2018)</td>
<td>Relationship of commitment &amp; work performance in industrial enterprises</td>
<td>Organizational commitment &amp; Work performance</td>
<td>Regression analysis</td>
<td>Affective commitment and work performance are significantly related to each other &amp; other two dimensions do not affect WP significantly</td>
</tr>
</tbody>
</table>

## 6. CONCLUSION

The importance of the service sector in the economic development of a country cannot be overlooked. The structures of the economies are changing very rapidly and the course of economic development is shifting towards service sector. A study conducted by Ahmad & Ahsan (2011), stated that the contribution of the service sector towards the economy in Pakistan is 54%. This level has increased up to 58.82% in the past years (Rehman, 2017).

The study concludes a positive relationship exists between CSR, proactive personality and job performance. It can be concluded that hiring proactive workforce can bring better results for the organization and ultimately for the whole sector. As it has already been discussed that a proactive person does not only accept change but can be a driver to bring change. Therefore, proactive people can easily adjust in any environment and are internally committed. That commitment motivates them to perform at their best not only for themselves but for their organization as well. A socially responsible organization can also extract better performance from the employees. When employees realize that their organization cares for its internal (employees) and external (customers, environment) stakeholders they feel attached with their organization. That sense of attachment increases their commitment and hence refine and boost up the performance. It has been observed that practical implementation of the CSR practices is not as much as it should be. Therefore, the study suggests that the organizations working in service sector must be responsible towards the good of the society and their employees, as it affects the performance of the employees. This way a firm cannot only raise its own profit but can also contribute towards economic development of the country.
The research is conducted under financial and time constraints. Therefore, there are some certain limitations that may challenge the generalizability of the study. Firstly, considering the integration and convenience of approach, the study focused only on the two divisions of the service sector i.e. telecommunication and baking. The future scholars can conduct the study in other divisions of the sector or in the other sectors as well. Secondly, the study focuses on just one mediator which is organizational commitment. However other mediators like thriving at work, perceived organizational support, etc. can also be used to link the constructs. Thirdly, the data is only collected from high and middle level management. The lower level employees can also be taken as the sample and may provide a clearer picture.

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