



An exploration of the hypothesis that the implementation of Corporate Social Responsibility can contribute to the existence of a positive Psychological Contract within “Pharma”.

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MA in Human Resource Management

National College of Ireland

2011

Abstract:

The overall objective of this dissertation is to explore the hypothesis that the implementation of CSR and its associated initiatives can contribute to the existence of a healthy psychological contract within “Pharma”. There exists an array of theory and literature supporting the suggestion that CSR engagement, and conducting CSR initiatives can and does positively impact the existence of a healthy psychological contract between an employer and employee. As such, it is an aim of this dissertation to investigate this proposition in an organisational setting.

A mixed methodological approach was used, utilising both qualitative and quantitative methodology as a form of triangulation. Qualitative methodology, through the conducting of semi structured interviews and quantitative methodology, through the subsequent administering of a survey, were used to collect rich relevant information providing a range of findings and results, which will act as a source in the exploration of the outlined hypothesis of this dissertation paper. Interviews were conducted with a member of “Pharma”’s HR team, a health and safety supervisor and two lower level employees. A grand total of 70 surveys were issued at random to employees from all across “Pharma”, of the 70 issued surveys, 54 were returned complete leading to a satisfying survey completion rate of exactly 77.1%. Survey participants were requested to respond to a potential 21 questions in relation to CSR and how it has impacted their relationship with their employer, “Pharma”.

The findings and results of the conducted research were analysed in- depth and very much support the theory suggested by the literature, that the implementation of CSR can contribute to the existence of a healthy psychological contract. As a result of “Pharma”’s engagement in and dedication to CSR, employees experienced enhanced levels of organisational trust, commitment, affiliation, aiding to the development of a strong employment relationship and a healthy psychological contract. It was noted that employee participation levels in “Pharma”’s CSR agenda are low and thus this dissertation will conclude with a recommendations section suggesting how to improve these participation levels and proposing how through CSR, “Pharma” can maintain and enhance the healthy psychological contract between them self, the employer and their employees.

Declaration:

I hereby declare that the following material which is to be submitted for assessment in completion with the programme for the Masters degree in Human Resource Management is entirely my own work. Any material by others included below is cited within the text, fully referenced in listed in the bibliography/references section of this dissertation paper. All conducted research was done so in a an ethical, appropriate manner in accordance with a confidentiality agreement made with the participating organisation and as such they and any affiliated organisational members are referred to under a pseudonym.

The final word count for this dissertation exclusive of the abstract, table of contents, acknowledgements, appendices and bibliography is 20,770 words.

Signed: _____

Date: _____

Acknowledgments:

I would like to thank Susan Brooks for her support, encouragement and guidance.

I would like to express my gratitude to “Pharma” for allowing me unlimited access to their organisation.

I am very grateful to all “Pharma” employees and participants who sacrificed their own time to discuss the relevant matters and to carefully complete the survey.

Finally and above all I would like to thank my family, friends and classmates, who without their patience, efforts and time, this would not have been such a satisfying experience.

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Chapter 1 - Introduction:

Huang. C.J (2010) explains that corporate social responsibility (CSR) is also referred to as a number of terms such corporate governance, corporate social performance amongst other and it is seen to hold much significance within business today. Mattera .P (2010) explains that in modern times, CSR is implemented worldwide on all continents, in many industries and sectors and it will continue to grow in importance. Craib Design & Communications in a joint effort with PriceWaterHouseCoopers in discussing the CSR trends of 2010 point out that CSR is “*not just a passing fad popular only when the economy is strong*”. They also emphasise that in business today the implementing of CSR is now a fundamental component of any policies ,activities, initiatives and strategies that organisations establish, whilst the general reporting of CSR is a key element in the relationship between an organisation and its stakeholders (e.g. customers, communities, employees etc) .

As it happens, this growth in the importance of being socially responsible in business has correlated with an increase in the significance of the psychological contract. Dundon *et al* (2006) outlines that only in recent decades has considerable attention been paid to understanding and appreciating the unwritten employment relationship and the bond between an employer and employee. Conway. N (2005) explains it is of considerable importance for organisations to comprehend the “*dynamics of the existent psychological contract*” to enhance and further the relationship between employer and employee so to be conducive and beneficial for all.

Particularly in recent times, time and effort has been paid in attempting to understand that possible impact the conducting of CSR and its associated initiatives has on the psychological contract. A collection of theory from authors such as Martinez *et al* (2002) and Klein. D (2007) amongst a range of others recognises and proposes the suggestion that the implementing of CSR and its associated initiatives can benefit and contribute to the development of a strong psychological contract. It is with this, that this dissertation will look to investigate CSR and its impact on the psychological contract. More specifically, it will explore the hypothesis that implementing CSR and its associated initiatives can contribute to the existence of a healthy psychological contract, within a modern-day multi-national corporation in Ireland that is ‘Pharma

Briefly, before introducing “Pharma” as a multi-national organisation in the pharmaceutical industry, it is important to provide understanding of what a hypothesis is. A hypothesis is an

“unproven statement or proposition about a factor or phenomenon that is of interest to the researcher” (Malhotra *et al*, 2006). It is with this definition that this dissertation will look to explore the hypothesis that the implementation of CSR contributes to the existence of a healthy psychological contract in “Pharma”.

1.1 – “Pharma”:

“Pharma” is a worldwide organisation in the pharmaceutical industry with a collection of operations established on a number of continents. Discussion of “Pharma” is somewhat limited due to a privacy agreement made with the organisation, which is alluded to below, however some necessary information is required. It can be established that “Pharma” are an employer of thousands here in Ireland and have a number of sites all around the country. ‘Pharma’ have a huge commitment to CSR and being socially responsible in business and thus they can be found to be an established member of Business in the Community, which are a non profit business network set up to guide and inform organisations in Ireland on CSR. (bitc.ie, 2011).

“Pharma” have an array of CSR initiatives such as community education initiatives, disease prevention programmes in 3rd world countries, charity support activities, health improvement programmes in impoverished areas. “Pharma” are also well regarded for their equitable, fair treatment of employees and the range of initiatives they have on offer to them.

1.2 – Context:

In providing justification for the context of this dissertation, it can be seen that we are in a time of economic doubt in which long term secure employment cannot be certain. Coinciding with this, several pharmaceutical organisations have come under fire recently for allegations pharmaceutical malpractice, healthcare & accounting fraud and other unethical business dealings. (NBC, 2007; Irish Times, 2010) which has dented consumer opinion, organisational integrity/image and most probably employee trust and commitment which are integral in a healthy psychological contract.

On top of considerable layoffs within multinationals and claims of unethical business practices, in the pharmaceutical industry which will have lead to a significant weakening of the psychological contract, a 2008 study by Insidedge demonstrated that employee trust in their employer is at a distressingly low level.

This lack of trust will have only exacerbated since, with unemployment rates approaching 14.5% (CSO, 2011) and opportunities for continued employment and professional development severely limited, furthering the weakening and possible breach of the psychological contract.

Theory does indicate that organisations that have a consistent commitment to CSR have a greater affiliation and stronger relationship with their employees; nonetheless with these on-going claims of unethical practice in the pharmaceutical industry and in a time of recession, this positive employer-employee association may be no more.

Corresponding with the established literature, CSR can be implemented by organisations like ‘Pharma’ to establish a level of trust and develop a healthy psychological contract whilst neutralising the knock-on effect of the economic downturn and the persistent claims of health care fraud.

Commenting further, this dissertation allows the opportunity to explore the relatively new relationship between CSR and the psychological contract and as CSR is of continuing significance, it is argued that this subject matter involved is of considerable pertinence.

1.3 - Limitations:

The true identity of the organisation that this dissertation shall be based upon shall not be made known for reasons of privacy and confidentiality. It has been pledged to the organisation that their identity will remain unknown and shall be referred as fictitious name, ‘Pharma’. All organisational member and organisational initiatives shall be also referred to under an alias.

1.4 - Structure:

This dissertation’s overall structure will be as follows:

Chapter 1- There will be in introduction of corporate social responsibility the psychological contract and the relatively newly studied relationship between the two subject terms. The organisation that this dissertation will be formed upon; ‘Pharma’ shall be introduced. The organisational context for which this topic was chosen shall be discussed. Additional

reasoning and rationale providing justification for the relevance of this topic shall be provided. The overall structure of the dissertation will also be outlined.

Chapter 2 will primarily consist of an academic review of literature and theory relevant to the chosen subject matter. It is a priority there is provision of a definition and understanding of the psychological contract, whilst initially there is to be further discussion on the development of the psychological contract and the changing nature of the psychological contract. There will also be discussion and review of theory on CSR, its history and development, the perspectives on CSR and CSR today. Chapter 2 will conclude with a critical analysis and review of literature of the more pertinent substance, CSR's relationship on the psychological contract which will act as the basis for any empirical research and methodologies chosen. Worldwide studies, conflicting theories and literature examining CSR's impact on the psychological contract will be reviewed and contrasted.

Chapter 3 is concerned with research methodology and the research approach taken in gathering information to explore the hypothesis of this dissertation. There will be focus on the research aims and objectives of this dissertation paper. Logical reasoning shall be provided linking the underlying theory to the hypothesis that this dissertation is based upon. It will be identified that an inductive approach to research will be considered and that the researcher is taking the stance of a positivist epistemologist. The literature review will provide the guideline for research methodologies to be adopted and in doing so a mixed methodological approach, incorporating interviews and a survey, shall be taken. Again, established theory will provide insight into the research questions and the semi structured interviews will allow further development of employee survey. Ethical considerations are also explained.

Chapter 4 will concentrate on explaining and explicating the findings/results in a thematic style that have emerged from the conducted research. Graphs will also be provided to illustrate the survey results.

Chapter 6 – Conclusions will be formed on these research findings to establish CSR's impact on the psychological contract within "Pharma". It will be discussed that "Pharma"'s CSR commitment and their conducting of CSR initiatives has made a positive contribution to the existence of the psychological contract within "Pharma". All relevant and associated information will be discussed in a summarised logical fashion.

In Chapter 7, practical recommendations shall be made which “Pharma” can implement which can further CSR’s positive impact on the psychological contract in ‘Pharma’.

Chapter 2 - Literature Review:

Up to date literature and theory from a range of authors and associations such as Royle. T (2005), Sirota Survey Intelligence (2009), Ahmad *et al* (2010) and others can be found on the exploration that the conducting of CSR can contribute to the existence of a healthy psychological contract within organisations. The aim of this literature review is to provide a high level comprehension of theory and empirical studies on the subject area that will enlighten the researcher on a suitable evaluation on the organisation at the centre of this dissertation, “Pharma”. The examination and the testing of the hypothesis outlined as subject area of this dissertation necessitates a considerable understanding of the psychological contract, corporate social responsibility and furthermore and key, the possible relationship between the two. As this dissertation demands, one must first briefly discuss the development and the advancement of the psychological contract, the emergence and history of the term CSR and the various theories on it, prior to reviewing the more pertinent information on the potential association between CSR and the existence of a positive psychological contract within organisations.

2.1 The Psychological Contract:

In recent decades, there has been an evidential upsurge in focus on the psychological contract with the most significant works coming from Rousseau .D (1995, 1998, 2001), Guest .D (1996, 1998), Conway *et al*(2005) and it is Dundon *et al* (2006) who explains that it can now be understood to be within the “*lexicon of human resource management*”. As the term “psychological contract” is one created and used more commonly by practitioners in research rather than in everyday life, Conway *et al* (2005) suggest that there is no one succinct definition of the psychological contract. It, however, for the benefit of this study, it can be understood as the “*terms, conditions and convictions promised in the mutual agreements for exchange between employees and organisations*”, founded on the principles of trust and equality (Rousseau. D, 1989). Whilst Guest. D (1998) indicates that the psychological contract is very much intangible in that it is relates to individual’s psyche, he also acknowledges that its existence and the development of a strong psychological contract does have its benefits such as enhanced organisational commitment, employee motivation and job satisfaction. (Guest *et al*, 1996).

2.2 - The development of the Psychological Contract:

The widely acclaimed “*The Psychological Contract: A Critical Review*” by Dundon *et al* (2006) explains the origins, history and development of the psychological contract. Evidence of early development of the psychological contract can be linked to works from Bernard (1938)(Equilibrium theory) and March *et al*'s inducement contribution model (1958) in the context of social exchange theory. However the term itself was first coined and introduced to the academic world during in early 1960's. The most significant efforts can be attributed to the likes of Argyris. C (1960), Levinson *et al* (1962) and Schein. E. H (1965). During that time, attempts were made at comprehending the relationship between employer and employee, which is formed upon mutual obligations and responsibilities to one another, During the 1970's, Schein. E. H (1978) recognises that employer-employee link was more than just the provision of payment for a quantity of labour completed but that it also includes certain rights, privileges and reciprocal responsibilities between the two parties. It is Robinson. S.L (1994) that notes at this time, the employment relationship was understood to not just consist of the financial/monetary component but it was also to hold a significant emotive element. Much of the advancement of the psychological contract came at a time of considerable world-wide economic recession during the later years of the 1980's and early 1990's. Cooper. G (1999) acknowledges that during this time of economic recession and increased international competition, there was much change to the labour markets resulting in an increase in workplace flexibility and a decrease in job security. Dundon *et al* (2006) goes onto explain that greater deliberation and effort was made by theorists like Rousseau. D on the more effective management practices and the psychological contract because of the emergent changing work environment dynamics.

2.3 - Changing nature of the psychological contract:

More recently, there has been considerable effort and thought in relation to the changing nature of the psychological contract and the possible transition from the “*relational contract*” to the “*transactional contract*” (Rousseau. D, 1990). In discussing this shift, Hiltrop. J.M. (1996) recognises that in time of insecurity and greater pressure on organisations to be more efficient, both parties within the employment relationship are becoming less dependent on each other and as a result employers must establish new means to enhance organisational trust and commitment.

Conway *et al* (2005) explains the transition from relational to the transactional contract, as the shift from where by employers provided long-term secure employment alongside benefits such as a pension in return for employee loyalty to the firm and a level job performance, to a situation where emphasis is placed upon a transaction of support over job security ,e.g. employee training & personal skill development , remuneration or other job perks in return for completing one's work related responsibilities and a degree of organisational commitment.

With the ongoing development and furthering of variable workplace practices and occupation contracts, it is considered that this steady increase of flexible working arrangements directly correlates with a more regular break of the implicit obligations between employee and employee thus contributing to a weakening or breach of the psychological contract. (Guest. D, 2004). Rousseau. D (1994) explains a breach in the psychological contract can be understood as “when *one party in a relationship perceives another to have failed to fulfil promised obligations*” which can result in a decrease in employee motivation, organisational trust and commitment. Despite a 1998 study by Hill *et al* which indicates that the attitudes and perceptions of employees are not impacted by the existence of this workplace flexibility and it can actually make a positive contribution to the psychological contract, much of the literature does indicate that these “new-age” flexible working arrangements correlate a weakening of the psychological contract (Lewis *et al*, 2002)

As the psychological contract has received much more attention in recent years (Dundon *et al*, 2006) there has been a simultaneous rise in the popularity of corporate social responsibility and behaving ethically in business (Matera. P, 2010). Interestingly, offering flexible working arrangements (which is perceived to cause a weakening of the psychological contract) can be seen as a CSR activity .This literature review will now explore CSR theory prior to focusing solely on CSR and its relationship with the psychological contract furthering awareness of evaluation methods appropriate to be used within “Pharma”.

2.4 - Corporate Social Responsibility:

Like the psychological contract, literature on CSR is broad ranging and varying in theory, in which there exists not one exact definition (Lindgreen *et al* 2009). There is, however, a basic comprehension of what CSR consists and for the purpose of this study it can be understood as incorporating

“all the ways in which an organisation and its activities interact with society, balancing the right to trade freely with the duty to act responsibly. It addresses how an organisation behaves in relation to its key impacts and stakeholders. Broadly speaking it is an attitude of mind, which informs behaviour and decision making throughout the business.” (The Works Foundation, 2005).

It has been recognised that CSR has gathered significance in recent decades mainly due to an increase in environmental/ecological concern, the increase in accountability for “*sustainable economic development*” and the subsequent tightening of legislation in this area (Zadek. S, 2004). CSR, today can be understood to include an array of initiatives and programmes such as charity initiatives, establishing environmental & waste/recycling policies, community development schemes , offering work-life balance programs for employees and a number others initiatives. (Business in the Community, Ireland, 2011)

2.5 - History of Corporate Social Responsibility:

Holmes. S.L, (1976) Carroll, A.B (1979) recognise that evidence of the CSR concept can be somewhat witnessed since the early 1900’s, while acting responsibly and behaving ethically in business has been in practice for centuries. It is Wood. D.J (1991) that explains that CSR as we know it today was first established during the early 1970’s in the United States of America, as a result of the sharp increase in the quantity of large organisations (MNC’s) forming along with their enhanced obligation to the local community, the environment and society in general. Although no precise definition of CSR has been established since then, theory on CSR has advanced significantly, particularly through the works of Fredrick W.C (1978), Freeman R.E (1984), Wartick *et al* (1985) and Zadek. S’s “*Civil Corporation*” (2004, 2007) which was identified by the Financial Times as the most significant piece of literature on CSR, amongst others. To put it simply, Panwar *et al* (2010) outlines that supposedly ethical acting organisations should act “*beyond*” the sole intention of enhancing profit

margins and take accountability for any impact upon their stakeholders (including their own employees). CSR has continued to gain importance in the conducting of business, the establishing of organisational goals and objectives and the generation of business strategy, whilst it is also now seen under various guises such as corporate governance, corporate social performance and corporate citizenship (Fombrun C.J, 2006, Huang. C.J, 2010).

2.6 - Perspectives on Corporate Social Responsibility:

When exploring the available literature further on CSR, one can see that there are a number of established but contrasting theories on the subject area. It can be said that some of these perspectives and theories of CSR back up and support the concept of an existing healthy psychological contract within organisations whilst other viewpoints negate the importance of the psychological contract in the employment relationship (Hitt *et al*, 2008). A contrast of CSR philosophies will now be discussed.

2.6 a) - Freeman's Stakeholder Perspective:

Freeman R. E's (1984) Stakeholder theory on behaving ethically in business is concerned primarily with the organisation's stakeholders, i.e. a group or individuals who have a particular concern with, and can be affected by, an organisation's activities and actions (Armstrong. M, 2006). Hopkins. M (2003) explains that these stakeholders can be differentiated between internal stakeholders e.g. shareholders, management and employees and external stakeholders who are bodies on the outside of organisation action such as customers, the local community and society in general. Freeman's Theory is of the viewpoint that firms should not only hold a legitimate concern for that of its shareholders but also that of all stakeholders who can be impacted by the organisation. Freeman R.E (1984) explains further that all stakeholders have a role in the continued survival of the organisation. Discussing this point further, he points that if these stakeholders are not considered by the organisation they may withdraw their support, ultimately contributing to organisational collapse and failure. Handy C. (2003) discusses that the existence of limited liability, bestowed upon organisations by society and that purely amplifying the returns of shareholders is negligent and unjust because there are other bodies e.g. employees and customers who hold considerable significance in the ongoing existence of the firm. Under this perspective, employees hold worth and will be taken into account in firms establishing

business strategy, objectives, behaviour and activities indicating somewhat of a linkage to the development of a healthy psychological contract and behaving ethically in business.

2.6 b) - Friedman's Efficiency Perspective:

In contrast to Freeman's stakeholder perspective is Friedman's efficiency theory. Whereas, Freeman R.E (1984) is of the viewpoint that organisation's have an obligation to consider their impact upon all organisational stakeholders, Friedman. M's (1970) philosophy is more concerned in producing a return for the shareholders of the firm. Following on from philosopher Adam Smith (1723 1790) and prophesising the Chicago school train of thought, Friedman with his "*laissez-faire capitalism*" values, believes that the solitary responsibility for organisations and its management is to enhance profit margins to generate a return for the shareholders of the company. Under this theory, Friedman. M (1970) exclaims that "*the business of business is business*" and thus it can be seen that being socially responsible in business is only important if it helps contribute to producing a financial return and not initiatives which benefit just the social environment in which they exist and function in.

2.6 c) - Strategic Perspective to Corporate Social Responsibility:

Recently, a more strategic contemporary approach to CSR has been considered by Hitt *et al* (2008) in which organisations look to find a balance between the aims & objectives of the organisation and the concerns of their stakeholders. This more modern approach is based upon a series of criteria explained by Porter *et al* (2006) which set out to guide organisations in creating symmetry between organisational and social interests, thus allowing the organisation to become socially responsible. The "*Inside Out*" approach is concerned with the organisation concentrating internally on important matters which are relevant to the operations of the business and possible future success (Porter *et al*, 2006). Grayson *et al* (2004) explains that the looking "*Outside In*" approach in which organisations concentrate on recognising parties & bodies which may be effected by organisational action, through scrutinising the external environment in which they operate. A further development of the "*Outside In*" approach is that organisation's identify social problems which may actually have little economic concern to the organisation. E.g. The Virgin Group tackling poverty and homelessness in the UK (Virgin, 2011). Lantos. G.P (2002) explains that this altruistic and strategic philosophy to CSR ,allows organisations through utilising the "*Inside Out and Outside In*" approaches creates harmony to generate a "*shared value*", as organisations

concurrently contribute in a positive manner to the business itself but also to society in general.

2.7 - Corporate Social Responsibility Today:

Today, literature signifies that there has been a measured realisation of the significance of being socially responsible in business with much material indicating that the Strategic Approach to CSR and Freeman's Stakeholder Perspective are very much the current way of thinking, within business (William *et al*, 2006). Nehme *et al* (2008) demonstrates this steady rise in concern for being ethical in business and conducting CSR initiatives in which a 2005 study illustrating that just that 88% of over 200 business senior executives consulted, recognised CSR to be a key factor in their strategic decision making process and considerable effort and finance is allocated to the implementing CSR initiatives. Nehme *et al* (2008) also indicates that organisations having a significant commitment to CSR, contributes to the development of a healthy reputation and image which can subsequently lead to enhanced economic performance and as the following literature will demonstrate, the existence of a positive psychological contract.

2.8 - Corporate Social Responsibility and the Psychological Contract:

Whilst, only relatively new in academic terms, these two subject terms and their relationship with each other have faced considerable attention from a number of academics and authors such as Klein. D (2007), Nussbaum *et al* (2008) and Lindgreen *et al* (2009) amongst others. Indicating somewhat of a closer link between the two terms and even though both terms are said to be somewhat ideological in theory, Conway *et al* (2005) and Archana *et al* (2010) recognise that it is a significant concern for any organisational human resources department to understand the principles and "*dynamics of the existent psychological contract*" and it is Fenwick *et al* (2008) and Hanson. S (2008) who acknowledges that in modern times, HR has to be at the centre as the driver of CSR initiatives. There exists scholarly publications from across the globe ranging from Asia, to the US and Europe that explains that it is not local indigenous organisations but large MNC's that is more inclined to engage in CSR initiatives (Silberhorn *et al*, 2005, Ahmad *et al* 2010). Interestingly, in a multi country study by Moon *et al* in 2005, he concedes that these MNC's who have a strong commitment to CSR are also more likely to downsize and outsource jobs organisational activities which Bartlett *et al* (2000) explains can be a significant trigger to a weakening or breach of the psychological

contract. In spite of the apparent clash of interest clash in the organisational aims of being socially responsible, resulting in a strengthening of the psychological contract and increasing organisational efficiency (through e.g. downsizing) which can consequently weaken the psychological contract in that organisation, there does exist academic theory and literature which supports the hypothesis that CSR engagement is a considerable factor in the development of a positive psychological contract, (Jones. M.T, 1996).

2. 9 - Worldwide studies of CSR and the Psychological Contract:

Within Europe , Collier *et al* (2007) has found that within organisations that go that step further than solely complying with legislation when it comes to socially responsible behaviour and have what's called "*value adding programmes*" (such as a community support initiative) which support ethical action and takes stakeholder needs into consideration, experience high levels of organisational commitment from their employees. Similarly Moonkyu *et al* (2010) in a study of Asian firms discovered that employees in organisations who have an on-going commitment to a CSR agenda have an enhanced sense of "*employee - firm identification*". In the United States , Riordan *et al* (1997) identified that an organisation's pledge to ethical behaviour and CSR conduct, not only impacts their employee's "*attitudes and behaviour*" to the organisation but also to life in general, regularly employees were found to mirror the ethical intentions of their employee outside of the working environment. Conversely and somewhat in contrast to these worldwide studies, Collier *et al*'s 1997 article also recognises a study in the United Kingdom on CSR in British based firms in which employees have little desire, a "*worrying lack of motivation and commitment*" to participate in CSR related activities and have virtually no positively contributing impact on the psychological contract. A Survey cited in Webley *et al* (2005), by the Institute of Business Ethics on close to 200 UK based organisations, found that a lesser proportion of low level employees participated in CSR activities in contrast to executives/ directors level individuals involved in such CSR initiatives, possibly signifying that is the lack of opportunity to participate in the CSR that may restrict the development of a strong psychological contract.

2.10 - CSR's impact on the Psychological Contract:

Silberhorn *et al* (2005) mentions that responding to stakeholders (like society and employees) needs is the driving force of an organisation's CSR agenda. Although commonly

unconsidered, an organisation's commitment to CSR often rouses its greatest response not in organisation's external environment but actually of the organisation's very own employees (Klein. D 2007). O' Dwyer. B (2003) comments that because of this anticipated greater impact upon one's employees, organisation's are required to be "*proactive*" in the establishing and implementing of CSR initiatives and must ensure to consider potential future needs and concerns of employees when planning CSR action. Dukerich *et al* (1991) identifies that there is an inherent but sensitive association between employee motivation and organisational action and conduct. Recognising this, it is suggested that the conducting of CSR and its associated activities is predicted to lead to high levels of employee motivation, thus indicating the existence of a positive psychological contract. (Royle. T, 2005).

In commenting further on this, it is suggested that organisations that have precedence for CSR and regularly implement CSR activities have a healthier psychological contract with their employees, in comparison with organisations who rarely or simply do not engage in CSR initiatives (Klein. D 2007).

Social auditing which is seen under the umbrella of CSR can be understood as a methodical appraisal of an organisation's impact upon its stakeholders, the community, society etc (Zhang *et al* 2006). It is Lindgreen *et al* (2008) that explains that engaging in social auditing through frequent, open, honest communication cannot only aid with transparency of action but encourage and build trust, which is known as a core component of a healthy psychological contract. Lewicki *et al* (1996) explains that it is this trust which can provide the building blocks for the employer-employee relationship creating a greater harmony of effort and an enhanced level of mutual respect.

Examining the correlation between CSR and the psychological contract, Martinez *et al* (2002) established that organisations that are consistently keen on CSR are more likely to have a healthy psychological contract with their employees, noting that employees will demonstrate enhanced levels of motivation have a greater sense of attachment to the firm and display a greater degree of organisational commitment. Examining the relationship further Martinez *et al* acknowledges that through CSR there is a considerable decrease in the "*conflict of interest between employee's personal and professional roles*" and that employees exhibit two noteworthy responses to their organisation's commitment to being socially responsible.

They are:

- a) Employees are passionate about CSR and have a desire to get involved in any implemented CSR initiatives.
- b) Employees will support and attach value to their organisation's CSR agenda but may not necessarily have a longing to participate themselves.

A 2007 Sirota Survey Intelligence study in the United States in over 70 organisations, including pharmaceutical companies like "Pharma" were approximately 1.7 million employees were surveyed on CSR, supports the suggestion that CSR can have beneficial impact on the existing psychological contract within organisations. The survey found that

- 70% of employees questioned endorsed and supported their organisation's commitment to CSR.
- As a result of their organisation's obligation to CSR, 86% of employees have "*high levels of engagement*" demonstrating significant levels of organisational commitment and affiliation.
- 71% of employees surveyed were found to regard senior level management of the corporate socially responsible firms as "*having high integrity*" indicating a measure of trust has been established.
- Illustrating that employees like other stakeholders are considered when establishing CSR initiatives, 75% of employees surveyed believe that their employer holds concern with their well being and that they are interested in creating a balance between professional and personal life.

2.11 - Indirect indications of CSR's contribution to the Psychological Contract:

Within the literature, there exist not so obvious indications which also signify that implementing CSR can contribute to the existence of a positive psychological contract. Indicating the existence of a healthy psychological contract, Vitaliano, D (2010) explicates that it is possible for organisations who undertake a positive stance on CSR to reduce turnover by potentially up to 30%, in sharp contrast to organisations who do not. Again re-

emphasising evidence of a strong psychological contract, the previously mentioned Klein. D (2007) explains that in comparison to organisations who do not conduct CSR initiatives, organisations who do implement such activities have an “*easier time*” with the retention of employees. Supporting this conclusion and similarly, it is found that organisations that have a continuous commitment to CSR, can enhance employee retention levels as the employment relationship is strengthened through staff members attaching worth to the CSR initiatives and thus feel a closer affiliation to the organisation (Sen *et al* 2008). Turnkey *et al* (2000) acknowledges that employee retention levels are improved through “*psychological contract fulfilment*” as staff members gauge the incentive they receive from the commitments/promises made by the organisation itself and through the organisation’s activities/exploits, signifying that the realisation of CSR policies can bring fruition in a number of ways. In contrast, Sen *et al* (2008) explains that it is common that employees are not engaged enough and not involved in the establishing and implementing of CSR activities and therefore the full benefits (e.g. increased retention of a would-be strong and healthy psychological contract), are not felt.

Raubenheimer. K (2008) cites a study by the Chartered Institute of Personnel and Development (CIPD, 2003) which outlines that more and more employers are adopting CSR initiatives which have an internal focus, on their own employees like flexible working arrangements. Contrasting with the afore-mentioned findings from Guest. D (2004) in which it is mentioned that flexible working arrangements can contribute to a regular breach of the psychological contract, Raubenheimer. L (2008) explains that this employee focused CSR can actually strengthen the psychological contract. Commenting further, he recognises that such initiatives enhance job satisfaction, organisational commitment and trust as there exists a greater work-life balance which can subsequently contribute to improved customer service and ultimately enhanced organisational performance.

2.12 - Theory questioning the relationship of CSR and the Psychological Contract:

Despite much of the literature supporting the supposition that the conducting of CSR contributes to the existence of a strong psychological contract, there is theory that questions the validity of the significance of CSR and how it relates to economical performance but also its contribution to the psychological contract within organisations.

Citing the work of Friedman .M (1970), Litz. A.R(1996) discussing the range of ethical approaches to business, explains that organisations should hold no concern to strengthening the psychological contract through CSR efforts as the sole corporate social responsibility of organisations is to enhance profits and create financial returns for their shareholders. Commenting further, it is explained that any relationship associating the existence of a strong psychological contract to the conducting of CSR activities, is unfounded and purely coincidental (Friedman. M, 1970). In contrast, Wilson. J (1997) is of the belief that it is not only shareholders that are to be taken into consideration when establishing organisational and CSR action but all stakeholders (society, customers, employees etc). Similarly Litz A.R (1996) prophesising the “*resource based view of the firm*” (Wernerfelt. B, 1984) explicates that organisations can and reinforce and enhance their “*strategic advantage*” through having a CSR action plan focused on all stakeholders which in the case of employees can result in a number of benefits including a closer psychological attachment to the firm and ultimately improved job performance. .

It is commented that organisations who may be CSR orientated, lack an economic focus and actually underperform, consequently questioning the supposed soundness of CSR positively impacting the psychological contract e.g. enhancing organisational commitment, trust and employee motivation which is alleged to contribute to an increase organisational performance (Vogel. D, 2005). In discussing organisations that have ethical intentions in business and commit to a CSR agenda, it is said that there will be “*competing demands*” from the array of organisational stakeholders. Thus it is possible that in an organisation attaching greater worth and appeasing one of these demands, it may actually be to the detriment of another stakeholder concern (Aguilera. R *et al* (2007). Demonstrating this, holding preference and favouring an undertaking of organisational action to tackle solely external needs of society in favour of appeasing employee societal concerns may lead to a significant weakening of the psychological contract, a reduction in employee morale, organisational trust and commitment, consequentially contributing to decreased retention, job performance and subsequently a worsening in overall organisational performance. (Aguilera. R *et al*, 2007)

In contrasting with much of the literature available on the relationship between these two terms, Rupp *et al* (2006) explains that ethical behaviour/action and organisations having a fondness for CSR, has little or no influence over the existence of a positive psychological contract between employer and employee in the organisation. Commenting on this, they, like Friedman, explains that precisely how exactly the existence of CSR initiatives educe higher

levels of loyalty, commitment, and trust from employees is particularly vague and unclear. Whilst there may be a simultaneous existence of strong CSR agenda and a positive psychological contract in organisations, the correlation is unsubstantiated and a product of a healthy psychological contract, say enhanced employee motivation can be attributed to a number of factors (Rupp *et al* , 2006) such as pay and promotion opportunities.

2.13 - CSR and the Psychological Contract in the Pharmaceutical industry:

In focusing solely on the industry in which “Pharma” operate, to illustrate the relationship between CSR and the psychological contract in an organisational setting, it is the French Pharmaceutical Companies Association ([LEEM] 2007) who highlights that being corporate socially responsible is of much significance to pharmaceutical companies and none can go without some form of CSR policy. Cited in Sones *et al*'s (2009) article discussing CSR in the pharmaceutical industry, Neilson *et al* (2007) explains that commonly there is less tangible, unquantifiable benefits from having a strong commitment to CSR. Suggesting a mutually beneficial, healthy psychological contract, such benefits can include improved co-ordination of organisational effort and enhanced levels of “*employee satisfaction*” signifying a more conducive and closer bond between employer and employee.

Kotler *et al* (2005) in discussing the rise of CSR, refers to an enhanced transparency of organisational action through “*increased reporting*” and open/regular/honest communication to all and it is this lucidity of action that promotes trust upon which a positive psychological contract is founded, as previously mentioned.

According to Nussbaum *et al* (2008), CSR in the pharmaceutical industry will be a constant and will have a continued importance is the establishing of organisational action. Cited in Nussbaum *et al*'s (2008) article, Welvaert. F (2003), the director of CSR at Johnson & Johnson in Europe, outlines the employees whilst behind patients and healthcare professionals, respectively, in a list of stakeholders to be addressed by their CSR agenda, hold much influence in their establishing of CSR initiatives.

Developing this point in Schoeff Jr. M's (2008) explains that employees are very much taken into consideration when implementing CSR initiatives. In discussing Pfizer , Schoeff Jr. M (2008) recognises that Pfizer employees are offered many opportunities to partake in their CSR programme and acknowledges that employees engaging in CSR activities such as a

community development initiative in an under privileged area enhances organisational affiliation and indicates the existence of a positive psychological contract between the employee and Pfizer. Referring back to Nussbaum *et al* (2008), the existence of a strong psychological contract is implied as the article points out that pharmaceutical firms can enhance their own capability to motivate and drive their employees as in general, employees have a liking to be associated with organisations that enthusiastically and consistently “*do good*”.

2.14 - Conclusion of literature discussion:

Despite considerable proportion of the literature questioning the validity of CSR’s impact on the psychological contract and a Sirota Survey Intelligence (2008) illustrating that 97 out of 200 human resource professionals in 2007 reckon that their own organisation are deficient of a comprehensive “*CSR strategy*” and thus do not get the full potential benefits. Much of the literature is in support of the hypothesis this dissertation is investigating.

To refer again, to the Sirota Survey Intelligence survey (2008), “*employee engagement*” (a notable outcome of a healthy psychological contract) was found to be 2nd behind environmental concerns as the “*next big wave in corporate responsibility*”. Supporting this and to conclude, GlobeScan (2005) cited in the Sirota Study, found that in a worldwide study of close to 500 people fair and equitable treatment of employees was judged to be the “*most important thing a company can do to be seen as socially responsible*” indicating that employment relationship and the development of a healthy psychological contract is seen to be very pertinent in relation to CSR action.

Chapter 3 – Methodology:

It is the aim of this chapter to explain and indicate the researcher's research approach and the range of methods available to gather data/information, before explaining the methodology types to be used within this dissertation. In doing so, justification/rationale for choosing the selected research methodology will be provided in detail in relation to exploring the hypothesis that the implementation of CSR contributes to the existence of a healthy psychological contract in an organisational setting and in the context of the organisation to be studied, "Pharma".

3.1 - Research Hypothesis:

"Pharma"'s implementation of CSR and the conducting of the associated CSR initiatives has made a positive contribution to the existence of a healthy psychological contract between "Pharma" and their employees, thus "Pharma" employees display indications of a healthy psychological contract such as enhanced organisational trust and a greater affiliation to their employer.

3.2 - Research Questions:

- Has the implementation of CSR contributed to the existence of a positive psychological contract in "Pharma"?
- How has the implementation of CSR contributed to the existence of a positive psychological contract in "Pharma"?
- How does employee participation in "Pharma"'s CSR agenda, impact the employee's unwritten relationship with the organisation?
- How does "Pharma" offering employee focused CSR initiatives impact the employee's psychological contract with their employer, "Pharma"?
- Is there a correlation between "Pharma" being socially responsible and an enhanced level of organisational trust, commitment and affiliation displayed by "Pharma" employees?

3.3 - Research Aims and Objectives:

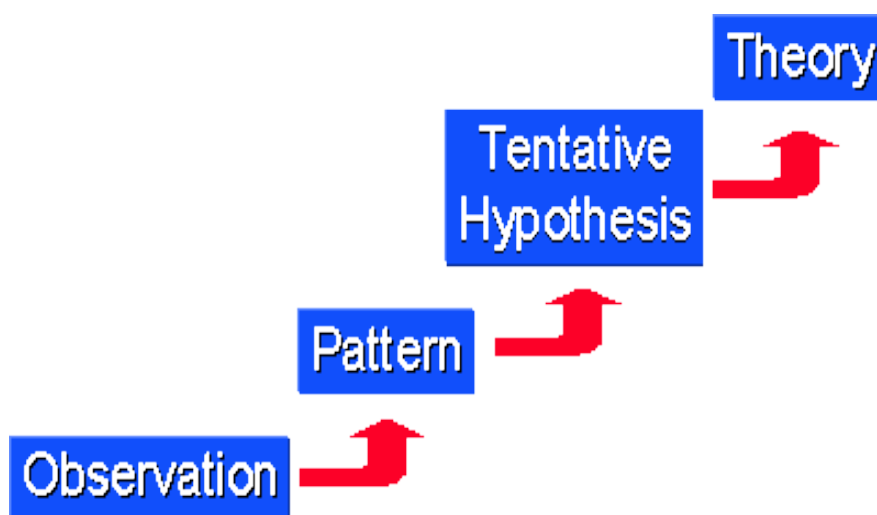
- Emerging from established theory and literature, the central purpose of this dissertation is to explore the hypothesis that the implementing of CSR and its associated initiatives can contribute to the existence of a healthy psychological contract.
- It is an aim to test the above mentioned supposition which is suggested by the academic literature, within a suitable organisation establishment.
- Theory on the subject matter tells us that CSR is a concern for MNCs, particularly those in the pharmaceutical industry and using this logic it is an objective of this dissertation to explore the supported hypothesis in “Pharma”.
- It is an aim of this dissertation to further understanding on CSR and the psychological contract, more specifically, enhancing knowledge on how CSR correlates to the existence of a healthy psychological contract.
- An important objective of this study is to distinguish if the conducting of CSR does actually contribute to the existence of a developed, strong psychological contract and if so, identify how and why this association occurs.
- A subsequent objective is to establish an ample understanding of “Pharma”’s stance on CSR, “Pharma”’s CSR initiatives and why they implement such activities.
- It is of significance that this thesis aims to gain a succinct comprehension of “Pharma” employee’s understanding of CSR, their knowledge of their organisation’s standpoint on acting ethically and what are their beliefs of their firm’s commitment to CSR to support the exploration of the hypothesis.
- Thus, this dissertation will aim to pinpoint employee’s desire to participate in CSR initiatives and how this involvement impacts their unwritten relationship with their employer.

- In order to achieve this and as an intention of this dissertation, it is essential to assemble an ample but comprehensive level of data, gathered through the conducted interviews and survey.
- It is the intent of the researcher to carry out the four interviews and survey in an ethical, proper, conducive for all manners, in which the subsequent findings are exact, representative of employee opinion and are of substance.
- The final aim of this dissertation is to complete it to the very best of the researcher's capabilities and present it in a precise, consistent and comprehensible manner.

3.4 - Research Types & Research Approach chosen:

In research methodology and study, it can be seen that the researcher can take two distinguishable methods of reasoning; these are known as an inductive approach and a deductive approach. This dissertation shall take a deductive approach to research.

Inductive research, which can be referred to as a “*bottom up, hill climbing*” approach (Trochim. W.M, 2006) can be illustrated as follows:

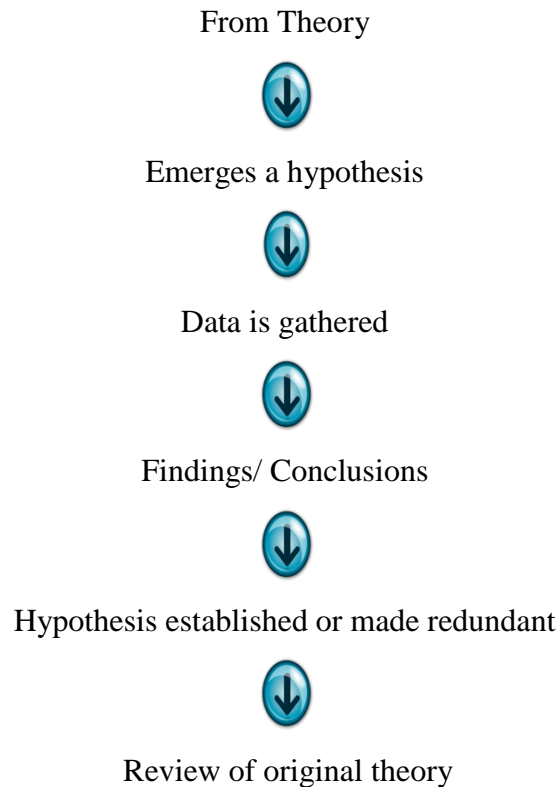


(Trochim. W.M, 2006)

This inductive research approach begins with the scrutinising behaviour and conduct upon which observations shall be made. From these observations, patterns of regularity/norm/expected behaviour and relationships between the observed data and possible

hypothesis will emerge. A tentative supposition/assumption will be gathered then explored, examined and tested upon which theory is produced (Saunders *et al*, 2009).

In some contrast, a deductive approach can be illustrated and explained as follows:



(Bryman *et al*, 2007)

Whereas with an inductive approach, the research style is more one where the research directs theory, Saunders *et al* (2009) explicates a deductive approach to research is where theory dictates the research and there is a exploration to determine the correlation between two variables, which within this dissertation, those variables are corporate social responsibility and a healthy psychological contract. To demonstrate this further, literature and established theory on CSR and its relationship with the psychological contract has produced a hypothesis which suggests that through CSR, the existing psychological contract in an organisation can be positively affected. In exploring this hypothesis, data/ information will be collected in “Pharma” and thus findings and conclusions can be made. These findings may (fully or partially) support the hypothesis or contrastingly be in conflict with the produced hypothesis which may ultimately lead to a reemphasis, amendment or reconsideration of the original theory.

3.5 - Research Strategy:

The researcher shall be utilising a case study research strategy upon which phenomenon (CSR and its relationship with the psychological contract) can be explored using both qualitative and quantitative methods of data collection, within a real-life organisational setting, which will allow for the pertinent testing of this dissertation's hypothesis (Flyvbjerg, B, 2006).

3.6 – Epistemology:

It is apparent that in taking a deductive philosophy to research by exploring the premise that the implementing CSR initiatives can contribute to the existence of a healthy psychological contract, a positivist epistemology stance has been undertaken. Saunders *et al* (2009) outlines positivist epistemology as a more systematic viewpoint in which the researcher takes the stance of the “*natural scientist*” and the gathering of facts and statistics through quantitative research gathering methods is key to producing knowledge upon which theory/law can be applied universally in similar situations. In making use of both qualitative and quantitative methods in a mixed methodological approach, a pragmatic and practical standpoint is being taken to allow for a more thorough investigation of phenomenon.

3.7 - Qualitative and Quantitative research methods:

When discussing what research methods shall be used in exploring the hypothesis within “Pharma”, it is essential to explain both qualitative methods which can range from observations, to interviews, to focus groups and also quantitative methods such as surveys & questionnaires as a means to collect primary data (Cameron *et al*, 2009).

Cameron *et al* (2009) tells us that qualitative data is essentially information collected through the use of interviews and surveys which generates data in “*non numerical*” form, which can be illustrated as a transcribe of record text. Quantitative data can be understood as numerical or arithmetical information collected, through the use of surveys and questionnaires, upon which the data gathered and results are then displayed as statistics or numerical representations on the likes of graphs, histograms and an array of bar/pie charts. Whilst questionnaires and surveys are very much considered quantitative data collection methods, the including of an

additional comments section within such a survey will allow for data of the qualitative kind to be accumulated. (Saunders *et al*, 2009).

3.8 - The benefits and drawbacks of qualitative & quantitative gathering methods:

Rossiter *et al* (2008) recognises that qualitative methods is said to produce a higher quality standard of information in comparison to quantitative methods as the researcher is able to probe deeper and explore key areas and thus the collected information is said be of a more relevant and of a “*more pertinent substance*”. Newman *et al* (1998) explains that qualitative research methods allows the researcher get close and interact with the participant to explore phenomenon that can not necessarily be quantified such as individual experiences, whilst also allowing the participant to express his/ her own viewpoint in their own way. As, the process of utilising qualitative data collection methods is often unstructured by nature and is heavily dependent on the researcher himself to deduce the findings, qualitative data is known to be quite “*subjective*” in that is difficult for the researcher to separate himself from the collection process and inadvertently influence the subject being researched. (Bryman *et al*, 2007). In discussing another drawback of using qualitative methods, again it is Bryman *et al* (2007) that acknowledges that the actual information collection process, transcription and subsequent interpretation of findings is rather time consuming and can require much planning and prior preparation.

Conversely, and although quantitative data is said to be of a lesser quality, the actual act of gathering and understanding the information is significantly less time consuming , the analysis is a simpler process, which allows for a more straightforward and clear cut graphical illustration of findings (Rossiter *et al* , 2008). A much larger sample can be included within the research process when using quantitative methodology and often they allow for quick and easy completion, however it known that they do not allow for following up on areas of interest or deeper investigation (Pervez *et al*, 2005).

Kealey *et al* (1996) comments that in utilising quantitative data gathering methods, one can lessen the risk of preconception and showing bias quantitative methods are naturally more “*objective*” since the researcher is removed from the collection process and is less likely to overly favour participant opinion. Explaining further, Kealey notes that impartiality is a significant advantage to quantitative research as the data gathering procedure is well

structured, conclusions can be drawn without external influences and thus are said to be particularly tangible.

Whilst some authors and researchers have their own preferences on which type of methodology is better, it is generally considered that what research methodology is chosen and more suited is purely dependent on the “*research problem itself and its purpose*” (Jankowicz. A.D, 2005).

3.9 - Primary and secondary data:

It can be said that all information gathered for this dissertation can be classified as either primary or secondary data and whilst there exist an array of disparities between qualitative and quantitative research methods , one thing that they have in common is that they both generate what is known as primary data. McNeill *et al* (2005) explains that secondary data is available information used by the researcher, which contributes to the researcher’s area of interest but is collected elsewhere by other sources. For example , to look at this dissertation, like all, it can be seen that the literature review is put together using only secondary data such as peer-reviewed journals, publications, data found on websites, newspaper articles, books, survey publications amongst a range of others.

Cameron *et al* (2009) discusses the main difference between the two forms of data, is where secondary data is information assembled by others, primary data is information/knowledge that “*you specifically collect or arrange to collect*”, yourself (e.g. through conducting interviews or surveys) and thus is seen to be carrying out one’s own research and investigation. Cited in Anderson *et al* (2011), Nadler. D, 1977 comments that methods of primary data collection can produce data and knowledge of much relevance to one’s research area whilst also providing pertinent “*information about organisational functioning, effectiveness and health*” when conducted in a succinct, precise and appropriate manner.

For the benefit of this report, secondary sources of data were used to gain a comprehension and provide a high level of understanding on the subject area but to also give indication on most applicable methods of primary data collection to be used and will be discussed below in greater detail.

3.10 - Mixed methodological approach:

Prior to explicating more specifically on the primary data collection methods, it is of importance to mention that a mixed methodological approach shall be used, incorporating both qualitative and quantitative methods in order to gather a succinct level of information about CSR and its relationship with the psychological contract in “Pharma”. Adopting such a multivariate approach will allow for the limitations and advantages of each, and when conducted in an appropriate manner can generate data of much significance in the exploration of whether CSR contributes to the existence of a healthy psychological contract in “Pharma”.

3.11 - Rationale for using mixed methods approach:

Within the context of “Pharma”, qualitative methods such as interviews will be utilised to allow the researcher get closer to the subject area with “Pharma” employees. It is hopeful that these interviews will permit the researcher to probe deeper on areas of concern and upon analysis, key themes will emerge which can then be investigated furthermore using quantitative research methods such as a survey. It is the findings of the literary review which will somewhat direct the researcher in conducting interviews. However, it will be both the literature review, which showed that CSR can enhance employee motivation, organisational trust, commitment, loyalty, affiliation, all indications of a healthy psychological contract and the conducted interviews which will guide the structuring and shape of the survey. Much literature indicates that it is of greater benefit to conduct a survey post interviews, in order to gain an extensive understanding of organisational standing on the matter prior to further investigation (Flyvbjerg, B, 2006). Cameron *et al* (2009) stresses the point that were “*the others* (like interviews) *provide depth, surveys provide breadth*”.

In addition to this, Conway *et al* (2005) notes that the most common and popular form of methodology for investigating the psychological contract is the survey, however they also acknowledge that surveys can often be overly exclusive in the omitting of individual experiences, whilst interviews allow “*idiosyncratic experiences and interpretations of the psychological contract, grounded in the language of employees and organizational context*”. It is with this logic that in-depth interviews were used to probe on issues concerning CSR and how it impacted employee’s relationship with “Pharma” whilst also allowing them the opportunity to express how in their experience it has impacted aspects of the psychological contract.

To further the reasoning in choosing a survey as a research method, it can be seen from the literature review that a number of studies from the likes Martinez *et al* (2002) Sirota Survey Intelligence (2007) and Ahmad *et al* (2010) utilised surveys to investigate the impact of CSR on the psychological contract and in doing so, producing tangible results . Whereas interviews allow the researcher contact the interview subject and get closer to interviewees attitudes and beliefs, Sirota (2008) recognises that surveys allow direct access and assessment of “*what participants know, how they feel, why they feel the way they do, and how their knowledge/feelings affect behaviour*” towards their employer” on a much broader level, which results are symptomatic of overall employee wide organisation opinion.

In using two divergent methods , the researcher can be seen to be adopting a form of cross examination in using interviews (qualitative method) to develop themes from the literature and surveys to further test and explore these themes, this is also referred to as “*triangulation*”(Saunders *et al*, 2009) .The specific methods chosen to collect information shall now be discussed.

3.12 - Research methods selected:

3.12 a) - Interviews:

An interview is understood one of the more common qualitative methods in gathering data and it can be comprehended as a one on one conversation or discussion with a specific purpose or intention (McNeill *et al*, 2005). In the field of research and study, interviews are one of the most popular forms of methodology, however to generate rich pertinent data it is required that the interviewer must hold good communication and interpersonal skills. Seidman. I (2006) explains that interviews allow the researcher to gain an understanding of individual’s perspective and opinions in a more intimate setting which may encourage them to open up and share their own experiences and ideas on the matter at hand. Developing further on this, Anderson. D.L (2011) tells us that interviews can also “*yield surprises*” in that through a more personal form of discussion and to the benefit of the researcher’s study, issues may be raised which were not initially considered by the interviewer but are of much relevance to the researcher’s area of interest. Whilst Seidman. I (2006) recognises that conducting and analysing interviews can be a particularly effort demanding and time consuming experience, Fordyce *et al* (1983) sees the interview as a worthwhile and

rewarding research tool as it can generate important information of key topics, in what he refers to as “*hot data*” . Cameron *et al* (2009) sees interviews as a valuable research tool especially when skilled in the act of interviewing as through close interaction and in-depth conversation, the researcher can “*follow up on areas of interest*” and gain knowledge on individual’s beliefs and personal experiences.

Interviews have been scheduled to be held with four individuals of varying level of authority and rank within “Pharma”. The conducted interviews are intended to last in the region of 15 – 20 minutes and all will be of a semi-structured nature, in that the researcher will have planned key areas to cover with the interviewee in relation to their experiences about CSR in “Pharma” and how it has impacted their relationship with the organisation. An interview has been arranged with an individual of executive/management level within “Pharma” and it is hoped that this interview will indicate “Pharma”’s commitment to CSR, a level of understanding of the employer side of the employment relationship and how it is considered that CSR impacted the psychological contract within “Pharma”. A 2nd interview has been scheduled with a mid level employee of “Pharma”. This interview will allow the researcher to gather information about the employee understanding of CSR within “Pharma” and how it is affected his/her relationship with the firm. The remaining two interviews have been planned with two employees from operational level within “Pharma”. These interviews will help generate data in relation to lower level employee’s general comprehension of CSR, their organisation’s commitment to CSR, their own desire to behave ethically and how it all relates to the employment relationship and their affiliation with “Pharma”. Through probing on area’s such as the individual’s affiliation to “Pharma”, their understanding of CSR, the desire to get involved with CSR and their general participation in such related initiatives, it is hoped that relevant data will emerge that will help in the generating of the survey but also to indicate findings.

Transcribing:

All conducted interviews were recorded using a voice recording application on a mobile phone. All 4 interviews were transcribed word for word personally by the researcher which subsequently allowed the researcher to gain a greater level of insight, comprehension and familiarity with the gathered data.

All interview participants were given the opportunity to read over their interview transcript and were given further opportunity to express concerns with regard to any information within the transcript that is not representative of their opinion. It should be noted that no interviewee expressed any concerns in relation to the material of their interview and they all stand by what was said.

3.12 b) - Survey/ Questionnaire:

To carry out the act of triangulation and to add breadth to the study, surveys will be used as a method of quantitative research. The survey, is considered one of the most popular means to collect data, is described by Cameron *et al* (2009) as “any mechanism intended to gather primary data from a population or sample”. Cited in Anderson (2011), a mid 20th century study by Edison. D (1957) recognises that the survey can be used as a means to seek and gain “input from a large number of organisational members”. Whilst Rossiter *et al* (2008) explains that surveys can produce information of a less quality; they also allow the researcher to investigate their subject matter on a wider scale and gather additional information that was not obtained through qualitative methods, due to the time scales involved. The survey will allow to researcher to explore the key themes and opinions that emerged from the interviews and test if these themes are applicable across the board with all “Pharma” employees.

From the literature and thorough analysis of the four interviews, an approximate 20 question survey was assembled, to be issued to range of “Pharma” employees with the goal of comprehending the role CSR and CSR initiatives have in the possible existence of a healthy psychological contract in “Pharma”. Through technological advancements, the generating and administering of questionnaires has become an even more straightforward, simpler process so taking advantage of these technological developments, the survey will be issued online. Much attention was paid to the emerging themes from the literature review and subsequent interviews in the setting of this survey and it is hoped that the survey echoes these areas of pertinence. The “Pharma” survey made use of the well established and much revered “likert scale” (Likert. R 1932). Using the “likert scale”, survey participants were asked a question or given a statement, upon which there is a scale of 5 responses ranging from strongly agree to agree to unsure to disagree and finally strongly disagree and participants were requested to select which response in their opinion was most appropriate to their beliefs regarding the preceding statement. Please see appendix 3 for “Pharma” survey.

With the consent of “Pharma” management, the survey was issued at random to 70 “Pharma” employees of varying levels. The makeup of 70 employees consisted of:

- 15 from marketing,
- 15 from the sales department,
- 12 from their HR department,
- 11 employees from quality control,
- 10 from research & development,
- 7 from logistics.

Of the 70 “Pharma” employees that the survey was issued to, 54 were returned completed representing a significantly sufficient and above average response rate of just over 77%

3.13 - Other methods considered:

3.13 a) - Focus group:

The focus group as a qualitative method was also considered to gather data. A focus group can be understood as a recorded group discussion consisting of “*up to 12 people*”, lasting approximately 15 minutes in length and conversing on one particular subject area (Fordyce *et al* 1983). A focus group was intended to be scheduled with 8 volunteering employees of varying levels within “Pharma” to discuss CSR and how it may have impacted their relationship with their employer. The focus group is considered an excellent method to collect relevant information as it permits individuals to feed off each other’s opinions and frequently valuable, in-depth information is naturally forthcoming through the sharing of often contrasting experiences. McNeill *et al* (2005) explain an individual known as a “*facilitator*”, is in control of the group, and encourages participation from all, whilst also directing questions to the group for discussion. McNeill *et al* (2005) appreciates that this facilitator’s role is one of difficulty and it is essential that he/she remain objective with an unbiased perception of the group’s viewpoint. There are downsides to the focus group, Anderson *et al* (2011) acknowledges the phenomenon that is “*group think*”, recognising that, regularly focus group discussion may be dominated only a few participants, whilst others less self-assured participants stay quiet and simply go with the flow or agree with the general trend of conversation. Focus groups are particularly difficult to administer, moderate and

analysis, also explaining that the time span involved from first initiating the focus group to scrutinising the recording are particularly demanding (Saunders *et al*, 2009).

Unfortunately due to the time restraints involved and “Pharma” management expressing the concerns in regards to the logistics of administering a focus group, the focus group was not used as a method to collect information about CSR’s relationship with the psychological contract within “Pharma”.

3.13 b) - Observation:

Another qualitative method considered was that of the observation. Observation’s can be simply understood as a form of surveillance of individual’s action and it allows the researcher to “*collect data on actual behaviour rather than reports of people’s behaviour*” (Nadler.D, 1977). Initial discussion was held with “Pharma” management to observe CSR initiatives in action and sit in on potential post initiative feedback sessions. However, this method was deemed too intrusive.

3.14 - Ethical considerations:

It is the findings from the interviews and completed surveys that are key in the conclusion, deductions, results and subsequent recommendations put forward in relation to the exploration of the hypothesis that engaging with CSR contributes to the existence of a healthy psychological contract within “Pharma”. As the interviews and survey hold such significance, it is essential that both are conducted in an ethical and appropriate manner. All participants shall remain anonymous in respect of a privacy agreement made with “Pharma”. The findings of said interviews and survey were analysed meticulously, to ensure truthful and accurate reporting of events/experiences/opinions. All interviews were conducted on site in one of “Pharma”’s Dublin premises and prior to interview , all participants consented to be recorded and agreed to allow any interview content to be used in the final drafting of this dissertation. Like, the interviews, the survey were established with the go-ahead of “Pharma” management and in agreement with the privacy agreement. Again survey participants’ identity, other than their job title shall remain unspecified. The survey was completed by “Pharma” staff online through the use of 3 personal computers positioned in separate areas of the building during a 4 hour period on the 17th of July 2011 and the researcher remained on site, to assist in any survey comprehension or completion difficulties.

The survey was given a trial run with a small sample of “Pharma” employees and also non “Pharma” employees, in order to eliminate any inconsistencies, whilst also ensuring easy comprehension and smooth administration of the actual “Pharma” survey. Through the feedback of trialled survey participants, two comprehension issues were amended, one question was initially removed but included once more upon re-wording and another question’s phraseology was altered slightly.

From general discussion with “Pharma” management, the interviewed participants and members of the survey trial run group, it was felt that it is necessary to provide an example of an employee focused CSR initiative offered by “Pharma” in Q17. It was considered that the surveyed employed may not be able to distinguish what employee focused CSR initiatives are on offer and thus it was required to provide an example to gather a fair representation of employee opinion in regards to “Pharma”’s CSR initiatives and how it has impacted their relationship with the organisation.

*Please note that any instruction information seen in the survey is only for the benefit of the reader. Survey respondents were automatically depending on their response to the statement they are responding too.

E.g. If a survey respondent responded with “disagree” to Q10, they are automatically directed to Q12.

Chapter 4 - Findings, Results and Analysis:

From the four conducted interviews and the survey, a range of pertinent information has been gathered, some of the information may not necessarily sustain the suggestion of this thesis but much of it supports the hypothesis that the conducting of CSR can contribute to the existence of a healthy psychological contract in “Pharma”. It is of much significance to now, discuss and analysis the relevant research findings with vigour, using a thematic structure.

4.1 - Understanding of CSR:

It is apparent from the survey results and particularly the interviews, that the term CSR is generally a term of familiarity with employees with “Pharma”, so it can be said the effort of being socially responsible in business is very much acknowledged and customary within “Pharma”. From discussion with a range of “Pharma” individuals, it is seen that most have a good understanding of what CSR actually incorporates. Supervisor, “Interviewee C” demonstrated much knowledge CSR, explaining it as “*acting ethically in business*” whilst “Interviewee D” explained it as “*giving back to the community*” amongst other stakeholders and involving a number of “*volunteer programmes*”, thus indicating a fair amount of knowledge on the subject area. Although initially, “Interviewee B” had no understanding of what CSR entailed, when prompted, it was certain that “Interviewee B” had a basic level of awareness in relation to CSR and the associated initiatives conducted by “Pharma”. It is clear that HR co-ordinator “Interviewee A” had a concise understanding of what CSR entails and what it means to “Pharma” and in her understanding she partly describes it as “*looking after the needs and concerns of that stakeholders*” such as the community, the environment which can be impacted by “Pharma”’s actions. It is notable that “Interviewee A” is heavily involved in “Pharma”’s CSR commitment and thus holds a substantial level of understanding of what CSR represents. “Interviewee A” makes it known that “*all employees*” get some level on initiation to CSR. This is only somewhat supported by the survey as 77.8 % of the 54 survey respondents had an understanding of what CSR is, whilst only 2 employees responded that they have a high level of understanding of CSR. When questioned on it “Interviewee D” made no mention of a specific initiation to CSR. Whilst it cannot be said for certain, that any of the interviewee’s understanding of what CSR is, representative of the survey population’s comprehension on the term, it is definite the CSR is very well known within “Pharma”.

4.2 - Awareness of “Pharma”’s emphasis on CSR:

From the gathered data, it can be seen that employees are very much aware of “Pharma”’s strong viewpoint on being socially responsible in business. All interviewees recognise that “Pharma” do place an emphasis on enhancing employee knowledge on CSR and CSR in “Pharma”. They utilise “*emails, awareness campaigns posters ,intranet, notice boards, word of mouth*” and other such means of media to promote the importance of CSR in “Pharma” which “Interviewee A” and “Interviewee D” explains it as keeping employees “*in the loop*” with regards to “Pharma”’s CSR efforts. All interviewees recognise that “Pharma” have an array of CSR initiatives such as a community education programme, charity sponsorships, health improvement campaigns, natural disaster relief and 3rd world country support amongst a number of others, indicating that employees are very much aware of what “Interviewee B” describes as “Pharma”’s “*strong commitment*” to the CSR cause. This high level awareness demonstrated by “Pharma” employees in regard to CSR in “Pharma” is signified within the survey results as 77.8% of the survey population aware of “Pharma”’s stance on CSR and 75.5% of the surveyed employees believe that “Pharma” have a strong dedication to CSR.

4.3 - Expectation to be socially responsible in business:

From the conducted interviews, it is evident that employees are of the belief that there is an onus on “Pharma” to have a CSR commitment and this is again represented in the survey. 76% of survey respondents feel that “Pharma” have an obligation to be socially responsible and almost one quarter of employees surveyed feel very strongly about this. “Interviewee D” comments that “Pharma” must make an effort to “*do the right thing*” and it is “Interviewee B” who explains that “Pharma” need to “*to give something back*”, to do good but also to benefit the organisation through enhancing “Pharma”’s reputation with the general public and also their employees, in an industry that has been fraught with controversy. There is some indication that it is “Pharma” going above and beyond these employee expectations to be socially responsible, which has yielded a positive impact on the psychological contract within “Pharma”. “Interviewee C” notably says that “Pharma” “*exceed*” their obligation to be socially responsible and are “*very proactive*” when it comes to their CSR commitment. In a similar vein “Interviewee A” explicates, that when it comes to “Pharma”’s CSR efforts it would be “*an understatement to say that we (“Pharma”) just do our bit*”.

4.4 - Employee's desire to get involved:

As mentioned, it is apparent that “Pharma” are particularly active when it comes to enhancing the awareness of CSR efforts in “Pharma” through the use of various forms of media and this seems to have transpired into employee awareness of CSR. 77.8% of the survey population are aware the array of CSR initiatives and activities that “Pharma”. It would initially appear that this level of knowledge of “Pharma”'s CSR efforts has resulted in employee's holding a desire to participate in these CSR initiatives. “Interviewee A” explains that one can find a “Pharma” employee “*heavily involved*” in any of their initiatives. All other interviewees express a desire to participate in “Pharma”'s CSR initiatives such as their youth-highflyers programme. “Interviewee D” says that he'd “*like to get involved*” whilst both “Interviewee B” and “Interviewee C” would “be “*more than happy*” to participate as long as “*working circumstances*” permit such. This general consensus of a yearning to get involved as indicated by the interview is somewhat contrasted by the results of the survey as a slight majority of the survey population, 50%, disagreed that they had any desire to get involved with “Pharma”'s CSR agenda, were as 48.2% responded that they would like to participate. Please see the survey findings below for full illustration and analysis of the results.

4.5 - Opportunity for involvement:

From analysis of the survey, it can be gathered that a majority, 55.6% of the respondents feel that they are regularly presented with opportunities to participate in the array of CSR initiatives that “Pharma” implement, indicating that there is room for improvement with regards to “Pharma” supporting employee participation in their CSR initiatives. Evidence from the conducted interviews very much support and add credence to the point that “Pharma” employees are encouraged and given much opportunity to partake in “Pharma”'s CSR commitment. All of the interviews reiterate the same point that employee involvement in “Pharma”'s CSR action plan is a very common occurrence suggesting that employees are presented with the opportunity to get involved, if desired.

“Interviewee D” points out that “Pharma” use “*involvement campaigns*” through the various form of media explained above, to “*encourage employees to get involved*”. She also notes that in all “Pharma”'s CSR initiatives from a local community education programme to an international disease prevention initiative “*you'll*” find “*Pharma*” employees *heavily involved*” as “Pharma” are “*constantly looking for their own employees*” to participate. The

general impression on opportunity for employee involvement from the interviewees can be summed up in “Interviewee D”. When questioned if “Pharma” provide opportunity for employees to get involved in their CSR agenda, he expressed that:

“They do for sure, it’s just a case of signing up, following certain links, making a phone call. It’s open to everybody, it’s not exclusive by any means, it’s not run by HR for HR and in fact the more volunteers they have, the happier they are”.

Thus, indicating that “Pharma”’s CSR obligation and action is very much inclusive, open for all in which they are quite proactive in offering and encouraging employee participation in the various associated initiatives.

4.6 - Inclusive approach to CSR yielding benefits:

From the research, it can be taken that it is this open, inclusive, communicative approach to CSR has helped generate a positive atmosphere surrounding CSR in “Pharma”, potentially enhancing levels of trust, which the literature shows is an essential component of a healthy psychological contract. From the interviews, it was established that there are designated “*feedback sessions*” (“Interviewee C”) in which participating employees are encouraged to communicate and give reaction to their CSR initiative participation experiences. “*Interviewee B*” and “*Interviewee D*”, both give indication of employees sharing experiences in relation to their CSR involvement. It appears that it is this informal communication between employees and the open, constant communication from “Pharma” which has given a general sense of positivity surrounding CSR in “Pharma”. As indicated previously, the vast majority of the survey respondents are aware of the CSR effort in ‘Pharma’ and it is 41 of the 54 surveyed employees that are aware of their fellow employees partaking in “Pharma”’s CSR initiatives. 87.2% of these 41 employees agreed that their participating co-workers, found their involvement in “Pharma”’s CSR activities to be a positive experience. This sense of positivity surrounding CSR is re-emphasised in the interviews. “Interviewee D” in mentioning on a fellow employee’s CSR participation experience, said that he felt that there is “*good buzz about the whole thing*”.

Commenting on what he’s heard “Interviewee B” explains that participating employees “*get a lot out of it*” and in acknowledging her co-worker’s involvement in healthy living initiative in Eastern Europe, “Interviewee C” believes that there is “*huge feel good factor*” in relation

to doing and surrounding the whole CSR experience. Interestingly “Interviewee C” also recognises that this CSR participation has

“Brought him (the fellow employee) closer to “Pharma” and their ethical philosophy”.

4.7 - Level of Involvement:

The survey results illustrate that there is a comparatively low proportion of employees who actually do participate in contrast to provision of opportunities to get involved in “Pharma”’s CSR agenda and the significant desire on behalf of employees to get involved. Of the 54 survey respondents, a substantial majority 72.2% do not partake or have had no prior involvement in the CSR initiatives conducted by “Pharma”. This again, is somewhat represented in the findings of the interviews. Although all of the employees questioned, expressed a longing to get involved only one had a minimum level of participation which seen to be a fundraiser donation. From the interviews it can be taken that any employee participation is very much situation or circumstance dependent. Of all the “Pharma” individuals interviewed it was individuals of a higher rank such as HR officer “Interview A” who were more heavily involved in “Pharma”’s CSR commitment. Whilst her active, constant involvement to CSR can attributed to her role as to a member of “Pharma”’s CSR co-ordination team, it is relevant to note that no lower level employees were involved in this CSR team. “Interviewee C” specifies that fellow healthy and safety employee was involved “occasionally” with a local health initiative, whilst she explains that it was a “Pharma” executive that had a particularly active role in an international health awareness programme. “Interviewee B” comments that his *“working circumstances don’t really allow”* him to get involved at a deeper level whilst “Interviewee D” explains that *“his interaction”* with what goes on CSR wise, is *“limited”* as he works shift so *“it’s a bit more difficult”* for him to get involved. Expressing a similar notion, it is clarified that “Interviewee C” is simply *“too busy with work and my family to sacrifice to the time to get involved”* and that any future CSR participation is very much circumstance permitting. There does appear to be a general sense that job and positional commitments such as shift work, restrict employees from engaging in “Pharma”’s CSR activities at a deeper level. This may consequently limit the positive impact that CSR through active involvement can have on the psychological contract, which the literature and the below findings suggest.

4.8 - Benefits of involvement:

As suggested, 15 out of the 54 “Pharma” employees surveyed, actually got involved in CSR activities implemented by “Pharma”. 100% of these participated employees responded that the bond between themselves and “Pharma” has been enhanced as a result of their engagement with “Pharma”’s CSR initiatives and through directly witnessing “Pharma” doing good. 20% of the 15 participating employees felt very strongly about this. Much of the information from the interviews indicate a similar outcome that employee involvement is rather beneficial for the unwritten employment relationship and that through partaking in “Pharma” CSR commitment, the bond between themselves and their employer is reinforced and strengthened. “Interviewee A” recognises that *“through employees getting involved in these, employee’s have a closer connection to “Pharma”*. “Interviewee B” indicates CSR involvement is a conducive for all activity as both the employer and employee benefit from it, in a relationship sense, similarly “Interviewee D” explains that employee participation in CSR is

“Very much win, win all round. For the employee, through their sense of achievement and through making a contribution and “Pharma” (the employer) as employees become more fond, of working for them.

“Interviewee C” in conversation about a co-worker partaking in “Pharma”’s CSR engagement, believes and directly quotes that *“the bond between himself (the co-worker) and “Pharma”* has been enhanced through his involvement.

4.9 - Aspects of the psychological contract:

In analysing the collected research, it is apparent that through their CSR effort, elements of the psychological contract between “Pharma” employees and “Pharma” has been positively impacted in a number of ways.

4.9 a) – Trust:

From the conducted research and regardless of actual CSR initiative participation, it is evident that through their CSR dedication, “Pharma” have improved the sense of organisational trust with the firm between employer and employee. “Interviewee A” explains that because of “Pharma”’s commitment and on-going dedication to CSR, employees have “a

heightened sense of trust in Pharma what we do” as an organisation. Interviewee B” in discussing his feelings on “Pharma” being ethically conscious, states that their on-going engagement in CSR “*sure helps to build trust in your employer and consequently what they aim to achieve business*”. Reemphasising this and when questioned on his opinion on Pharma conducting these CSR initiatives, “Interviewee D” exclaims that “*it certainly enhances my faith in “Pharma” , as a business, in doing the right thing*”. Again, in support of much of the literature it can be stressed that “Pharma”’s communicate approach to CSR enhances organisational trust. Utilising their intranet, meetings, seminars, message boards and informal communicate means such as word of mouth, to keep employees up to date on all happening CSR related underpins their transparent nature and reinforces a high level of trust between the employee and employer.

Indicating somewhat of a closer link between the delicate correlation between CSR and enhanced trust levels, it is “Interviewee B” that states that through CSR, a greater sense of “*trust in your employer (is established)and as such what they aim to achieve in business and so like we’d then trust “Pharma” to fulfil the responsibilities they have to us*”. This suggests that in meeting the responsibilities they pledged to, say the local community or society and in being socially responsible in business, employees are more trusting of “Pharma” to fulfil the obligations and responsibilities e.g. opportunity for professional and personal development, promised to them within the employment relationship.

These interview findings are compounded further the results of the survey. When questioned on the possible outcomes of “Pharma” conducting CSR initiatives, 71.7% of the survey population agreed that their sense of trust in “Pharma” has been enhanced, as a direct result of “Pharma”’s strong commitment to CSR.

4.9 b) - Commitment/Association:

Again, through scrutinising the conducted interviews, it can be seen that “Pharma” employees have a heightened sense of organisational commitment and loyalty because of “Pharma”’s pledge to CSR. “Interviewee B” explains that “Pharma” have “*a strong commitment to the cause and it is sort of returned to “Pharma”*”. Discussing this point further, “Interviewee B” goes onto say, that for him that there is a “*definite a heightened sense of commitment to “Pharma” because of the good work they do*”. This resulting, enhanced level of commitment to “Pharma” appears to stem from the simple principle that employees like any other

individual or member of the public like to associate themselves to the act of doing of good. The interviews indicate that because of the good “Pharma” do through their proactive ethical action, their employees are more inclined to have an enhanced level of commitment to them as an employer. Demonstrating this link “Interviewee D” explains that “Pharma” employees like to *“be to be associated with the organisation, or associated with any initiative that contributes positively”*. From the more management and employer side of things, HR coordinator, “Interviewee A” acknowledges that “Pharma” are aware of employee’s like “Interviewee D” yearning *“to be associated with organisations, teams, whoever, that do good so we like to sort of play on this”*. Recognising that employees attach worth to CSR associated initiatives and “Pharma” can utilise their CSR agenda as a form of retention tool and in employees seeing “Pharma” having a positive contribution, employees are *“more likely and more than happy to commit to us (Pharma) in the long term”*.

4.9c) - Strengthening of the employment relationship:

From the collected research, “Pharma”’s staunch commitment to being socially responsible has contributed to a general enhancement and strengthening of the employment relationship between “Pharma” and their employees, suggesting a positive contribution to the psychological contract. “Interviewee A” explains that through “Pharma” actively communicating CSR and the associated initiatives throughout the company to their employees, they as an organisation *“become sort of a more closely knitted group”*. Highlighting the emphasis on “Pharma” acting ethically as an organisation, “Interviewee B” stresses that *“it has been built into the everyday culture of the organisation”*. Going further to express how this ethical behaviour has impacted his association with the organisation, he exclaims that this ethical focus *“definitely strengthens my relationship with “Pharma”*”. As a result of “Pharma”’s commitment to being socially responsible, “Interviewee C” comments on how it has impacted her relationship with “Pharma” in saying that

“There’s an enhanced sense of pride, confidence, satisfaction from an employee’s point of view in working for “Pharma””.

4.10 - “Pharma”’s CSR obligation to their employees:

From the interviews and survey, it can be seen that employees very much recognise that they are not the main reason behind “Pharma” having such a strong CSR agenda. “Interviewee B”

and “Interviewee C”, both acknowledges that “Pharma”’s CSR commitment is more to do with *“their corporate image at a top, top level”* and to improve the *“standing and reputation”* of the organisation. This appears to be the overall consensus of employees in the organisation and it is reflected in the survey findings which show that 96.4% of survey respondents disagree or are unsure if employees are the main reason for “Pharma” CSR efforts. However “Interviewee C” explains that *“employees are definitely an important part of their CSR focus, no doubt”*. “Interviewee D” points out that “Pharma” *“definitely”* have CSR initiatives aimed at their own employees such a *“support programmes, a work life harmony policy, summer camps for their children”* that are *“hugely positive and beneficial”* for the “Pharma” employee. “Interviewee B” whilst not certain if they could be considered CSR initiatives explained that “Pharma” have a *“job share programme”* and *“all sorts of arrangements to facilitate employees and that works very well”*. These findings are compounded by the survey results in which 77.8% of the survey population belief that “Pharma” have a range of employee focused CSR initiatives.

It is apparent that “Pharma” far exceed their minimum CSR obligation to their employees in a time of economic doubt, job loss and need for enhancing organisational efficiency. It can be seen that “Pharma” have an array of employee focused CSR initiatives that contribute to the existence of a positive psychological contract. “Interviewee B” remarks that it is *“very comforting that I can avail of these flexible working arrangements if needs be”*, whilst “Interviewee D” believes that these employee focused CSR initiatives are a *“huge support to the people who needs it”*. “Interviewee C” explains that she has enrolled her child into a summer camp set up by “Pharma” which is reassuring as she does not have to go about finding alternative childcare arrangements, saving her money in the meantime. Commenting on how this has impacted her relationship with “Pharma” she outlines that she now *“trusts them more to look after me as an employee but also my family”*. The survey results echo the sentiments of the interview findings. They illustrate that 83.3% of the 42 employees who are aware of “Pharma” offering CSR initiatives to the sole benefit of their employees, feel that they have enhanced their sense of affiliation to “Pharma”, despite only 31% actually availing of these initiatives. It is very evident that “Pharma” employees attach worth to their employer’s CSR commitment to in taking care of their employee’s well being, consequently strengthening the existing psychological contract in “Pharma”.

HR Co-ordinator, “Interviewee A” explains that “Pharma” are well aware of the knock on positive effects of having such employee focused CSR initiatives and are obviously happy to

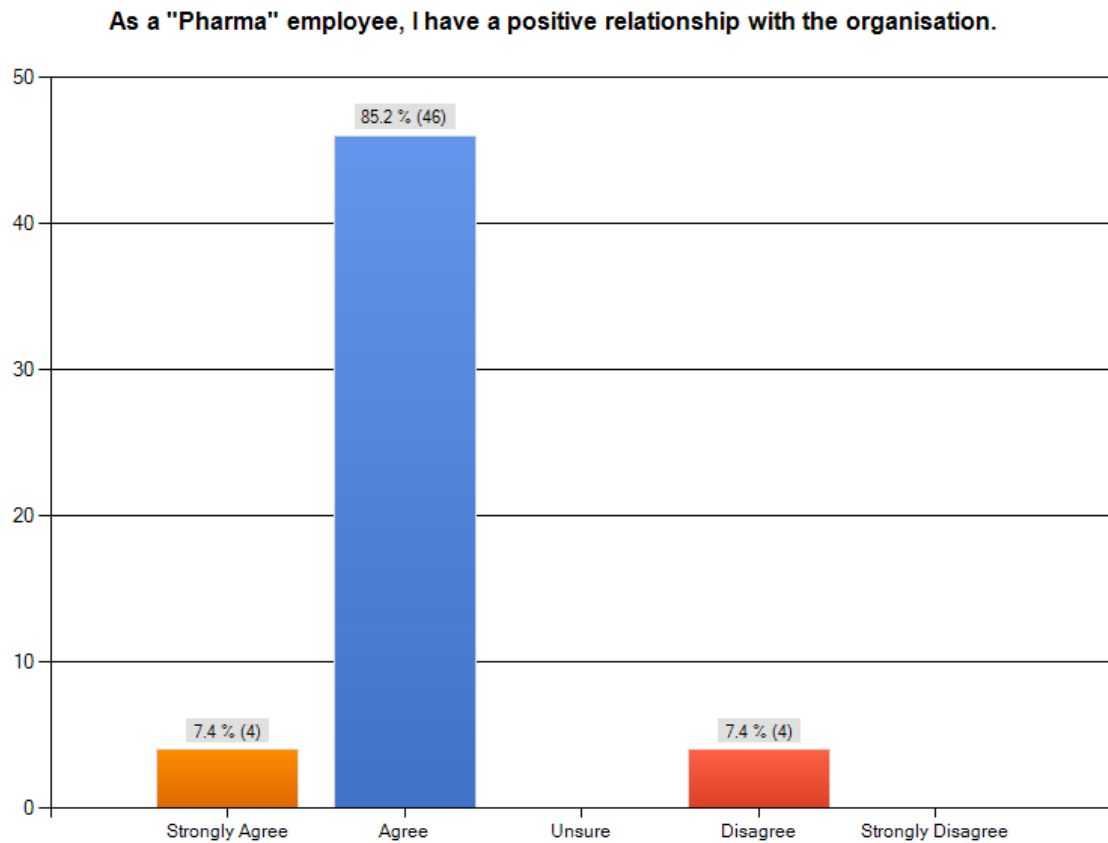
head the benefits. She declares that “Pharma” conduct these initiatives to “*to ensure they feel part of the “Pharma” family, keep them motivated and in return maintain high levels of job performance*” and because employees are cared for and well treated, they have a “*higher sense of commitment and dedication to “Pharma”*”. Similarly to “Interviewee A” recognising that an employee focused CSR programme can motivate employees, it was found that “Pharma”’s general CSR commitment has resulted in enhanced level of motivation for working in “Pharma” for 57.4% of the survey population. The survey findings again indicate CSR’s contribution to the existence of a healthy psychological contract as “Pharma” employees appear more motivated to work hard in “Pharma” as a result of witnessing and understanding the good the organisation does.

4.11 - CSR and psychological contract:

Further findings to add credence to the hypothesis that CSR contributes to the existence of a healthy psychological contract in “Pharma”. Employee satisfaction in relation to “Pharma”’s CSR commitment is high. Of the 54 survey respondents, 72.3% are content with “Pharma” CSR agenda and the associated initiatives, while just fractionally less, 70.4% feel that “Pharma”’s devotion to be socially responsible has had a positive impact on their relationship with the organisation. It is significantly high figures like these, found throughout the survey statistics which indicate that CSR and ethical behaviour is embedded within “Pharma” and it thus it can be taken, to have a role in the positive relationship and healthy psychological contract “Pharma” employees have with their employer, which is exemplified by the fact the 92.6% of the employees surveyed have a positive relationship with their employer, “Pharma”.

4.12 - Survey Results: An exact duplicate of the survey can be found in appendix 5.

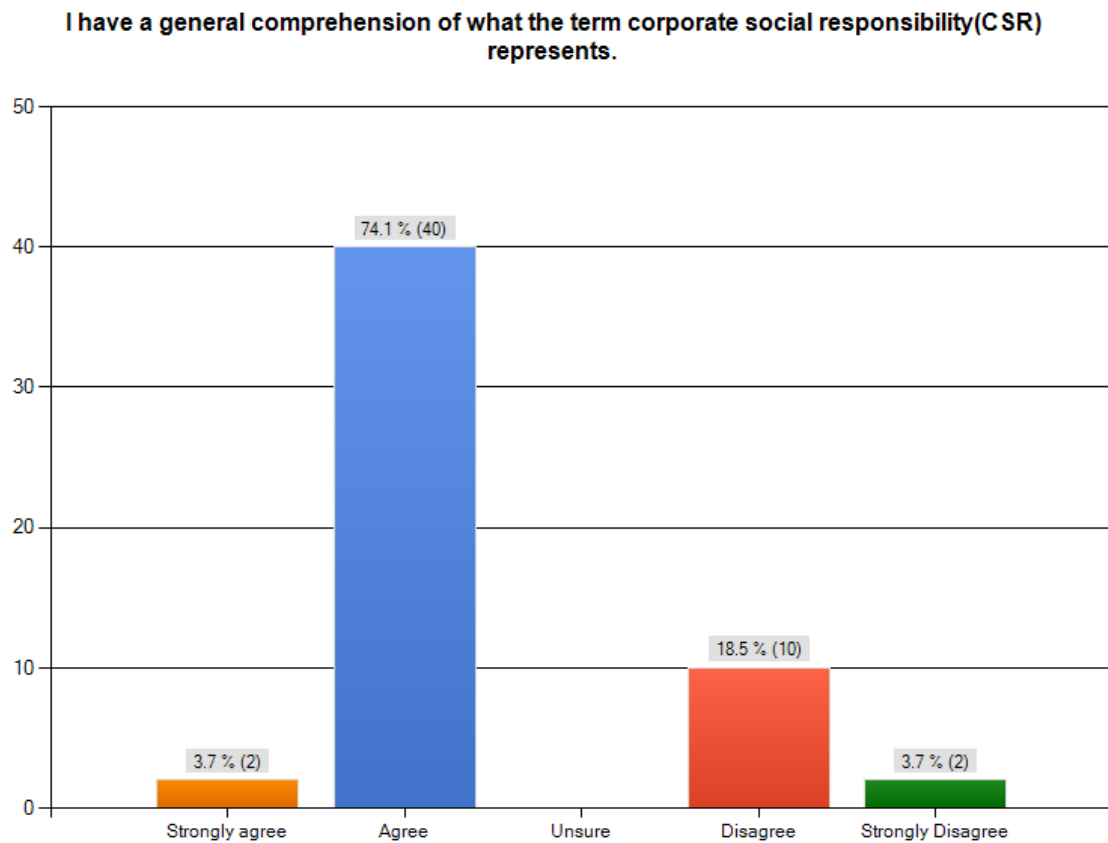
Figure 1: Results of “Pharma” survey, Q 1:



- 7.4% of survey respondents strongly agree that they have a positive relationship with “Pharma”
- 85.2% agree that they have a positive relationship with “Pharma”.
- 0% are unsure.
- 7.4% of employees surveyed disagree that they have a positive relationship with their employer.
- 0% are in strong disagreement.

The survey results clearly indicate that the vast majority of the survey population have a good relationship with their employer.

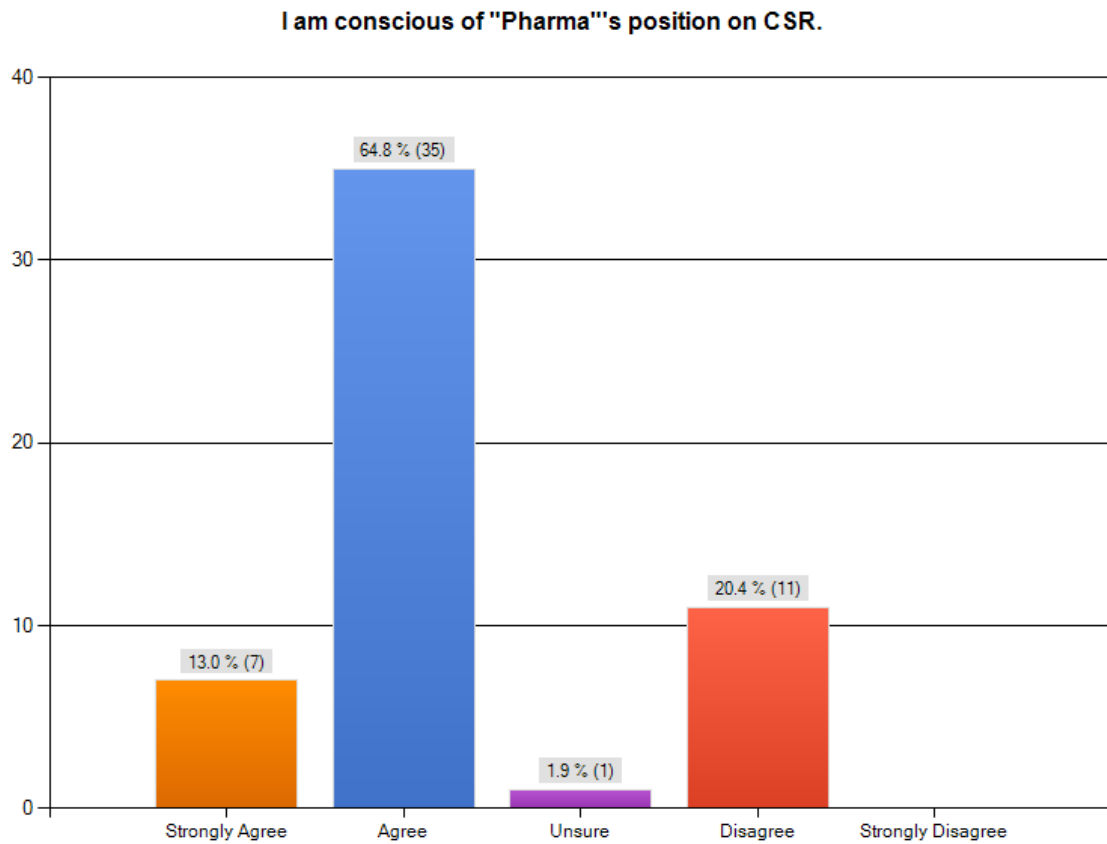
Figure 2: Results of “Pharma” survey, Q2:



- 3.7% are in strong agreement that they have a understanding of the term CSR.
- 74.1% agree that they have a general comprehension of CSR.
- 0% are unsure if they have an understanding.
- 18.5% disagree that that they have an understanding of the term CSR.
- 3.7% are in strong agreement.

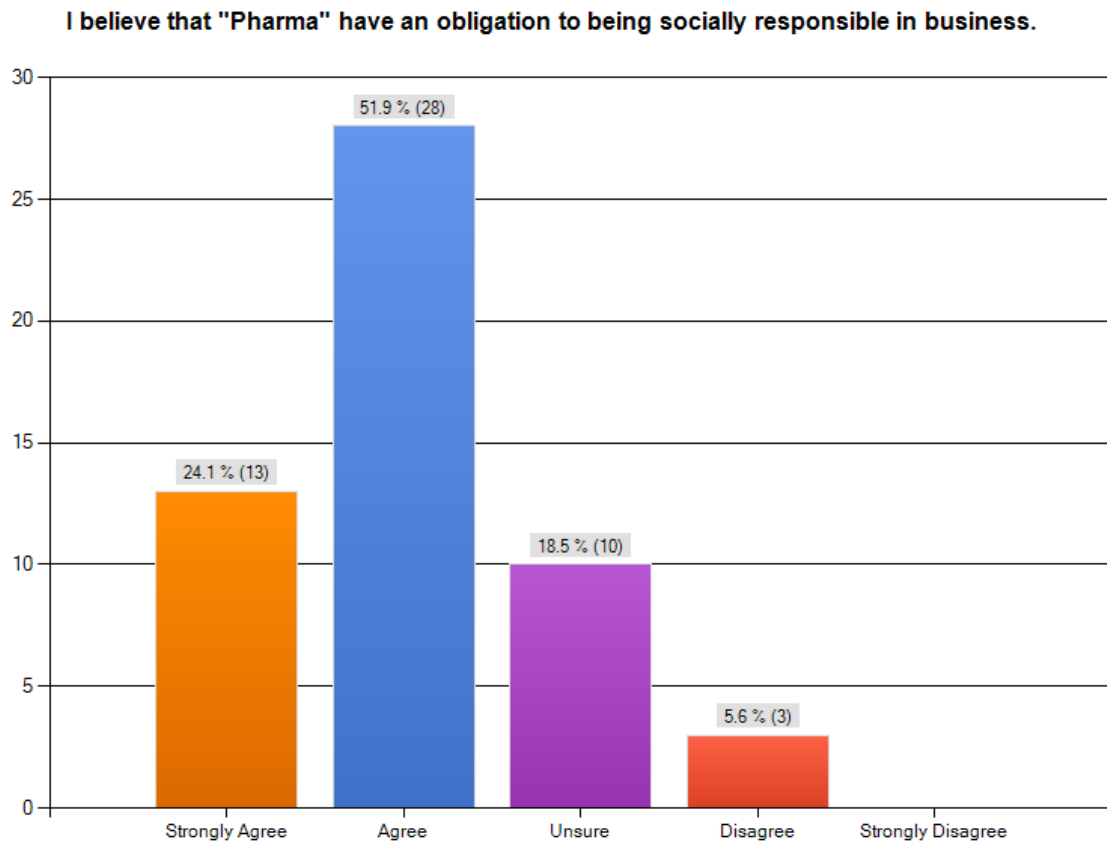
From these results, it can be seen that a significant majority of the surveyed employees are aware and have an understanding of what corporate social responsibility is. Through further investigation, it is relevent to note that the employees who disagreed that they had a general comprehension of CSR were more inclined to respond in a negative manner, when questioned further on CSR in “Pharma” and the possible role it’s had in contributing to the existence of a healthy psychological contract.

Figure 3: Results of “Pharma” survey. Q3:



- 13% of the survey population strongly agree that they are conscious of “Pharma”'s position on CSR.
- 64.8% agree that they are aware of “Pharma”'s stance on CSR.
- 1.9% , 1 employee is unsure of “Pharma”'s position on CSR.
- 20.4% disagree that they are conscious of “Pharma”'s stance on CSR.
- 0% of the survey population are in strong disagreement.

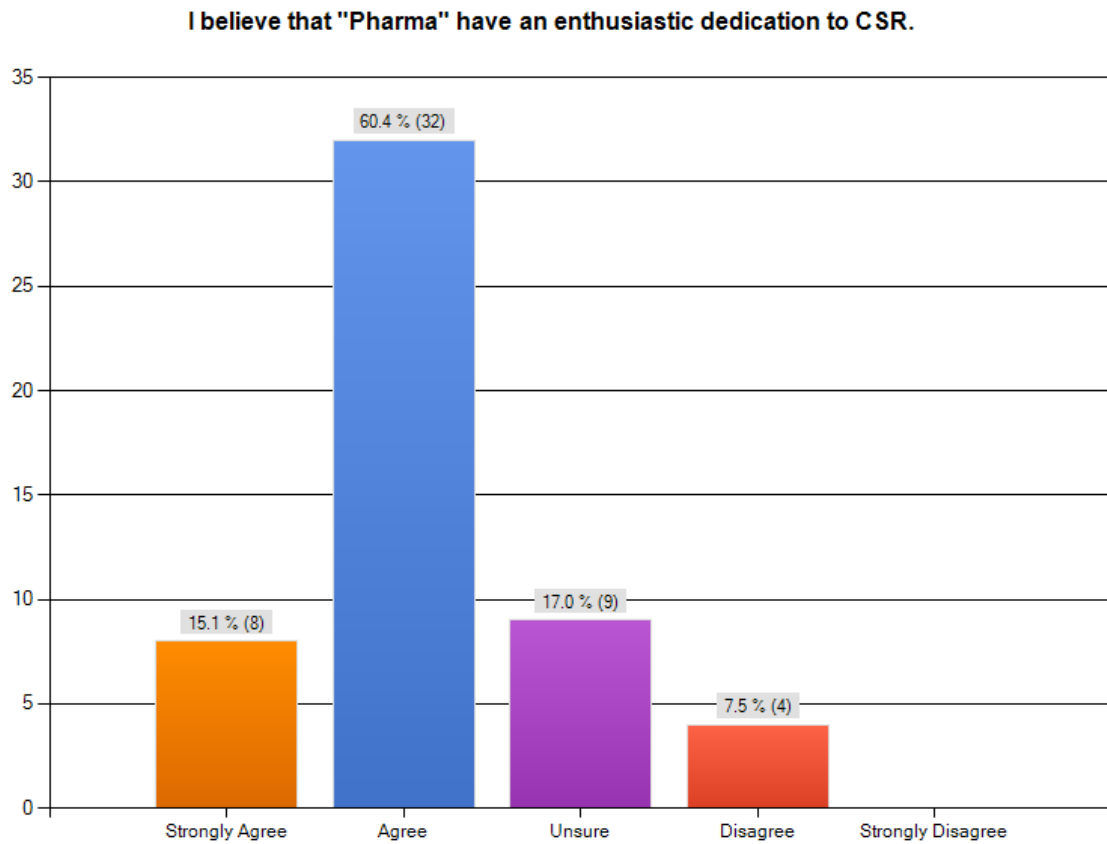
Figure 4: Results of “Pharma” survey. Q4:



- 24.1% of surveyed employees strongly agree that “Pharma” have an obligation to be socially responsible in business.
- 51.9% agree that they believe that “Pharma” have an onus to be socially responsible.
- 18.5% are unsure if “Pharma” have an obligation to be socially responsible.
- 5.6% , 3 employees are in disagreement .
- 0% of the survey population strongly disagree.

Q4 results indicate that a significant majority of the surveyed employees believe that there is an obligation on “Pharma” to be socially responsible in business and thus have a commitment to CSR.

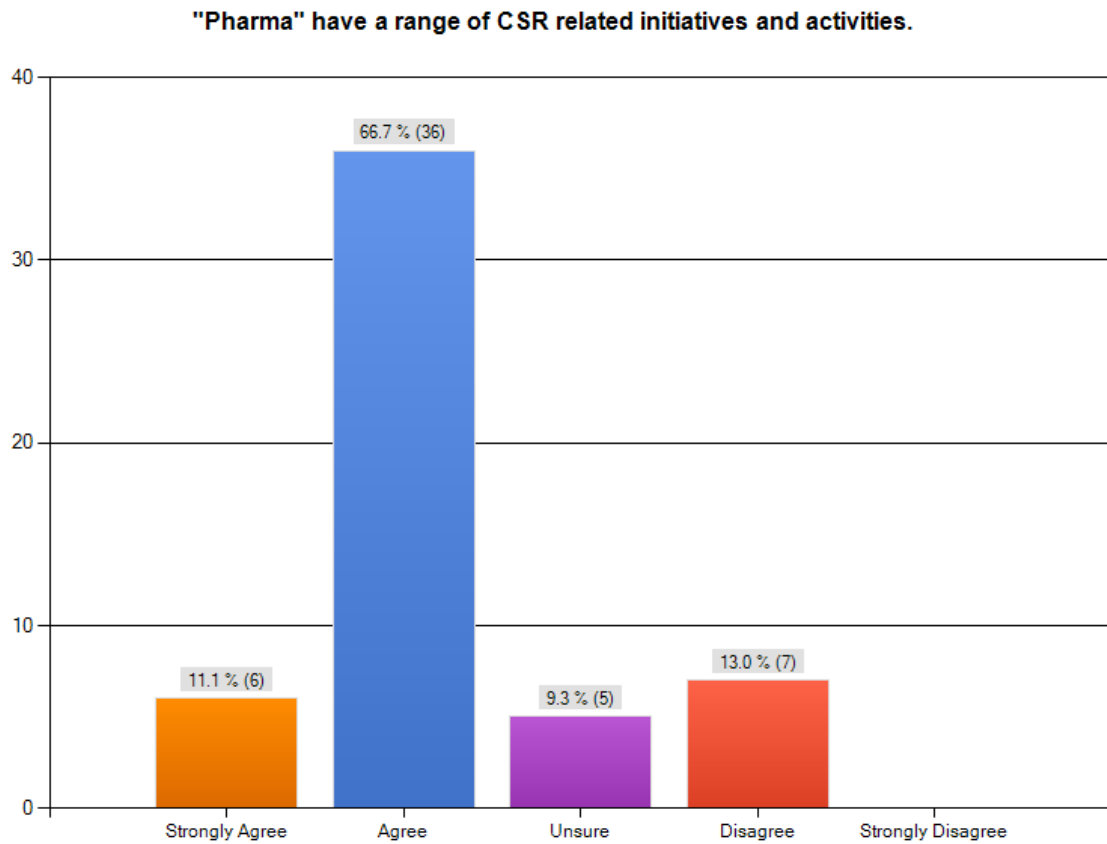
Figure 5: Results of “Pharma” survey, Q5:



- 15.1% of the survey population strongly agree that they believe that “Pharma” have an enthusiastic dedication to CSR.
- 60.4% are in agreement that “Pharma” have an enthusiastic dedication to CSR.
- 17 % are unsure if “Pharma” have an enthusiastic dedication to CSR.
- 7.5% of the surveyed employees disagree that “Pharma” have an enthusiastic dedication to CSR.
- 0 employees are in strong disagreement.

* It is of importance to note that 1 employee failed to respond to “Q5” but on the whole the results of “Q5” can be seen to be fair and accurate.

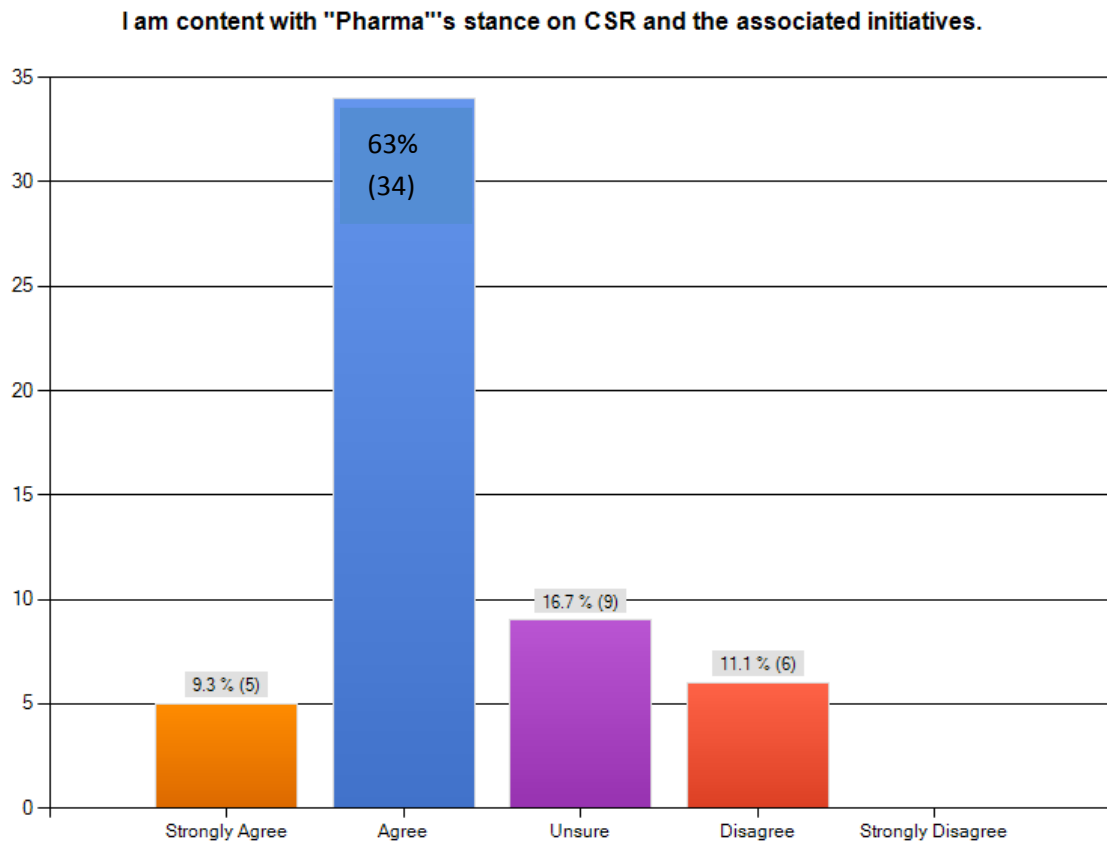
Figure 6: Results of “Pharma” survey, Q6:



- 11.1% are in strong agreement that “Pharma” have an array of CSR initiatives and activities.
- 66.7% responded in agreement.
- 9.3% are unsure if “Pharma” have a range of CSR related initiatives and activities.
- 13% of the survey population disagree that “Pharma” have a variety of CSR activities and initiatives.
- 0% of the surveyed employees are in strong disagreement.

Supporting the findings of the interview, the results of Q6 indicate that “Pharma” have a wide selection of CSR initiatives and activities.

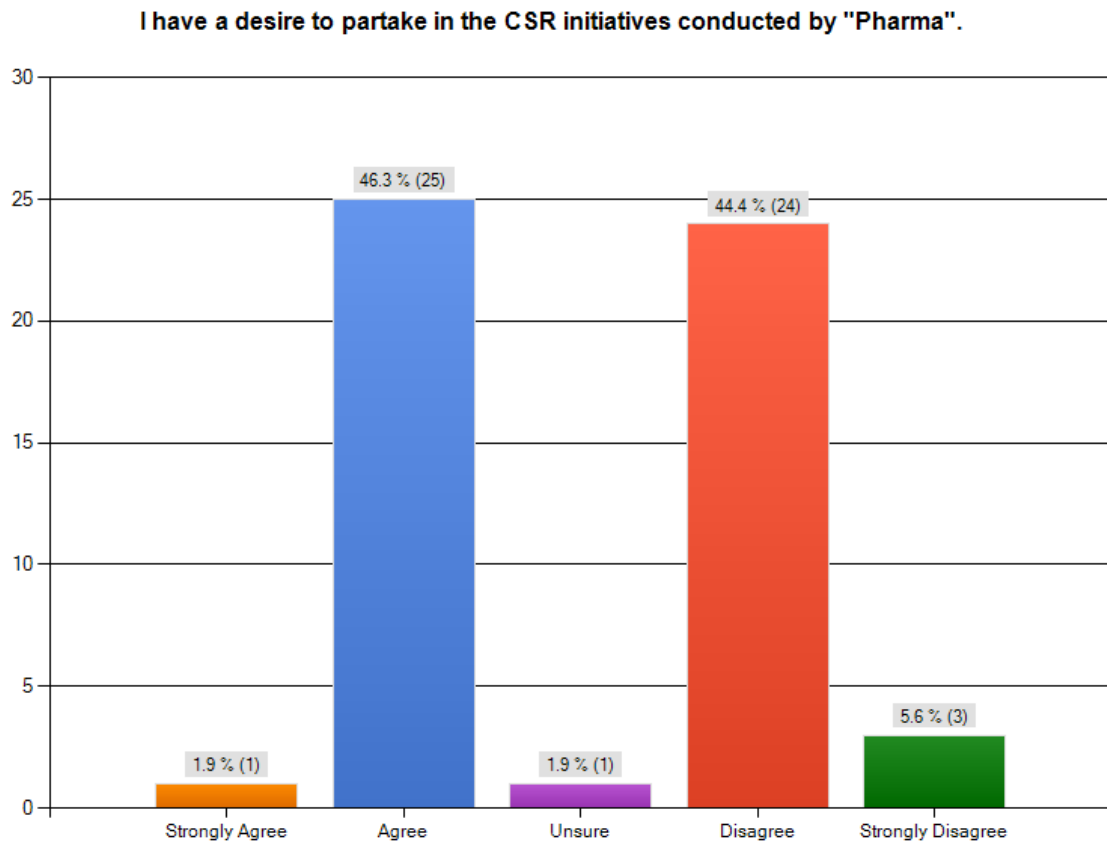
Figure 7: Results of “Pharma” survey, Q7:



- 9.3% of the survey population strongly agree that they are happy with “Pharma” stance on CSR and the associated initiatives.
- 63%, 34 out of the 54 surveyed employees agree that they are content with “Pharma”’s stance on CSR and the related initiatives.
- 16.7% are unsure if they are content with “Pharma”’s position on CSR.
- 11.1% disagree that they are content with “Pharma”’s stance on CSR on the associated initiatives.

As the results show, the majority of surveyed employees are happy with “Pharma”’s standpoint on corporate socially responsibility.

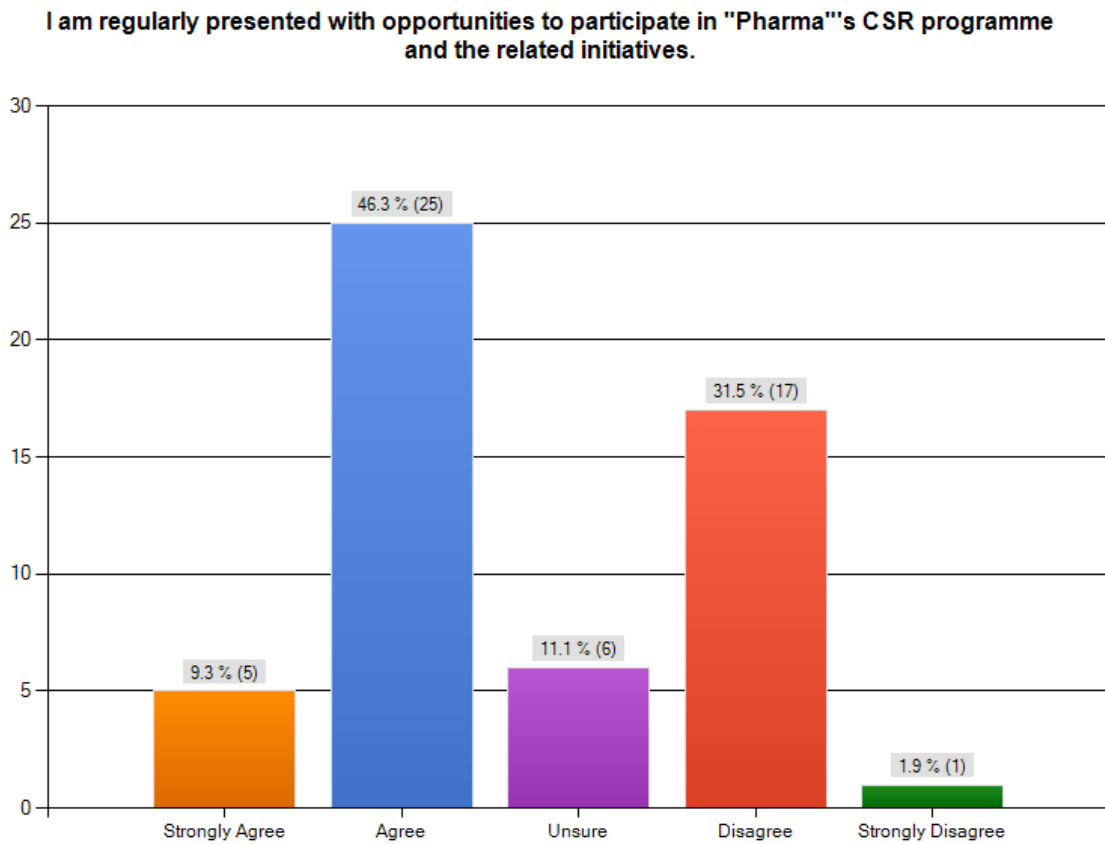
Figure 8: Results of “Pharma” survey, Q8:



- 1.9%, 1 employee strongly agrees that they have a desire to participate in “Pharma”’s CSR initiatives.
- 46.3% of the survey population agree that they have a desire to partake in the CSR initiatives conducted by “Pharma”.
- 1.9% are unsure of their desire to get involved in “Pharma”’s CSR agenda.
- 44.4% responded in disagreement and that they have no desire to partake in “Pharma”’s CSR initiatives.
- 5.6% strongly disagree that they have a desire to get involved in “Pharma”’s CSR efforts.

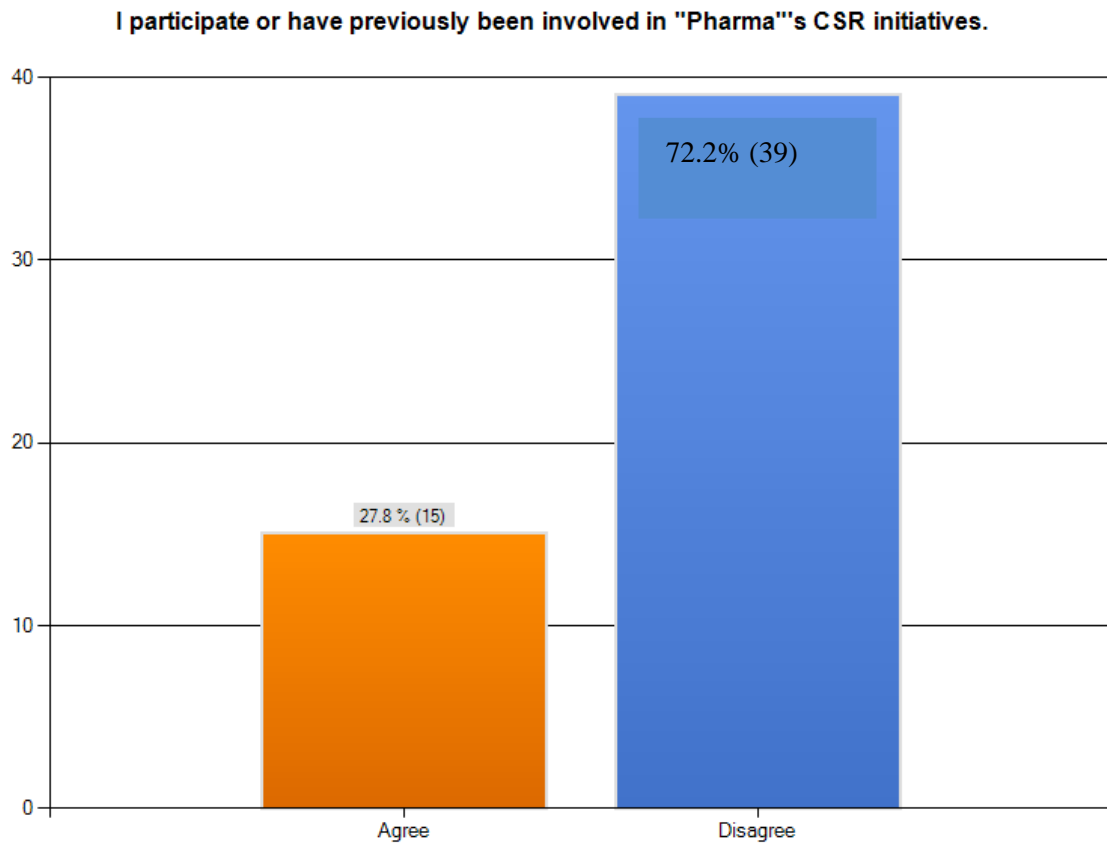
These results clearly indicate the there is a very much, mixed response when it comes to employee’s desires to partake in “Pharma”’s CSR commitment.

Figure 9: Results of “Pharma” survey, Q9:



- 9.3% strongly agree that they are regularly presented with opportunities to participate in “Pharma”'s CSR programme.
- 46.3% responded in agreement.
- 11.1% are unsure if they are regularly offered opportunities to get involved in “Pharma”'s CSR initiatives.
- 31.5% of the survey population responded in disagreement.
- 1.9%, 1 employee strongly disagrees that they are regularly presented with opportunities to partake in “Pharma”'s CSR programme and the associated initiatives.

Figure 10: Results of “Pharma” survey, Q10:

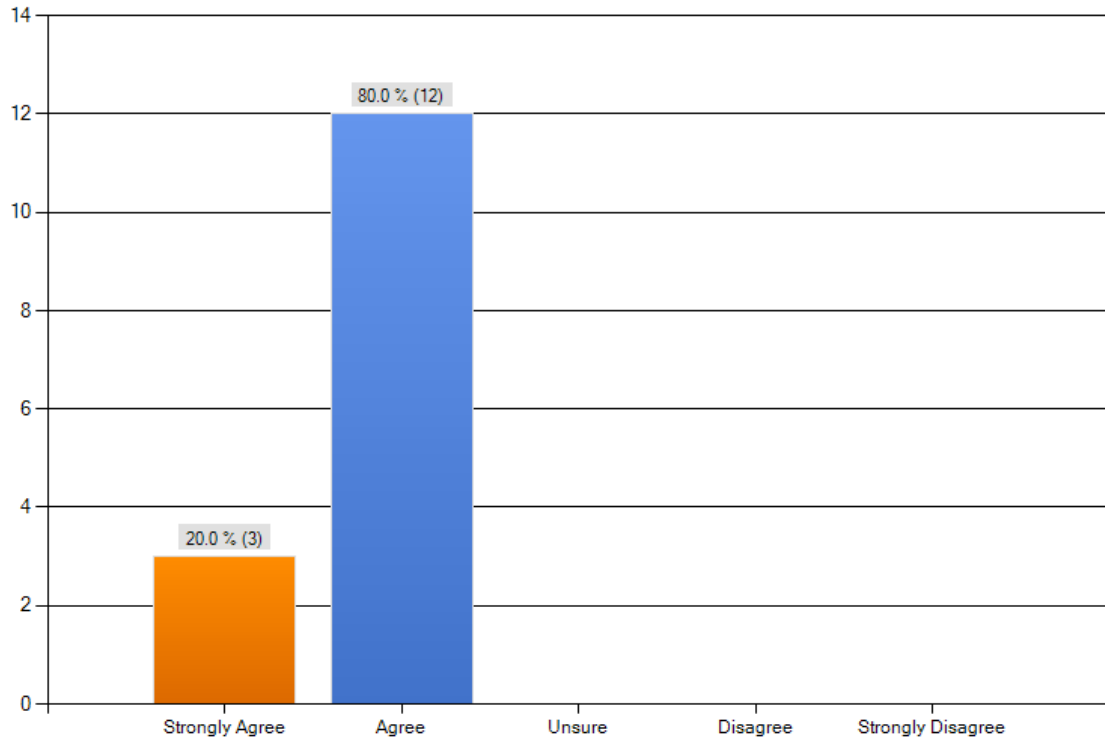


- 27.8% of the survey population which equates to 15 employees agree that they have participated in “Pharma”'s CSR initiatives.
- 72.2%, 39 out of the 54 survey respondents disagree that they participate or have ever been involved in “Pharma”'s CSR initiatives.

The results of Q10 clearly illustrate that the vast majority of the survey employees have not participated in any of “Pharma”'s CSR initiatives.

Figure 11: Results of “Pharma” survey, Q11:

If you responded with "disagree" to the preceding statement, "Q10", please now refer to "Q12". If you in agreement to "Q10" please respond to the following, In partaking in "Pharma"'s CSR agenda and their CSR initiatives, the bond between myself and "Pharma" has been enhanced.

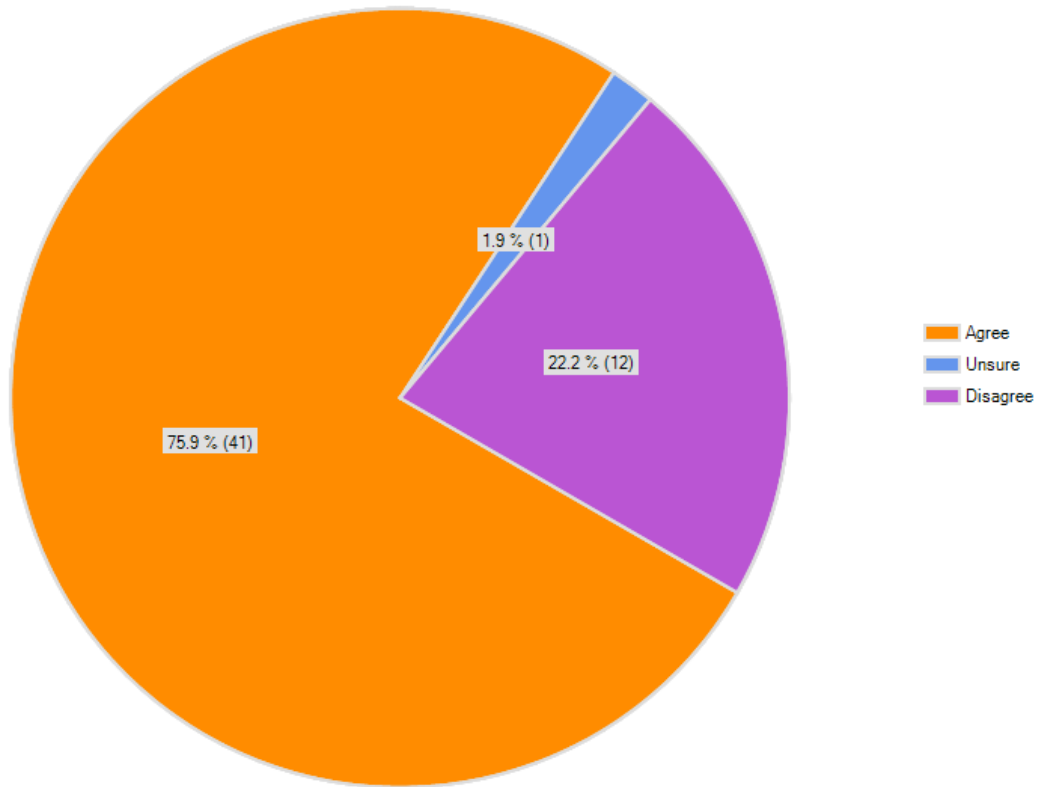


- Of the 15 survey respondents who have participated in “Pharma” CSR initiatives, 20% of them strongly agree that in partaking in “Pharma”'s CSR agenda, the bond between them (the employee) and “Pharma” (the employer) has been enhanced.
- 80% of the 15 employees who have partaken in “Pharma”'s CSR agenda agree that the bond between themselves and “Pharma” has been enhanced as a result of their involvement.

It is clear that the employees who have been involved in “Pharma”'s CSR efforts, now have a greater sense of association to “Pharma”.

Figure 12: Results of “Pharma” survey, Q12:

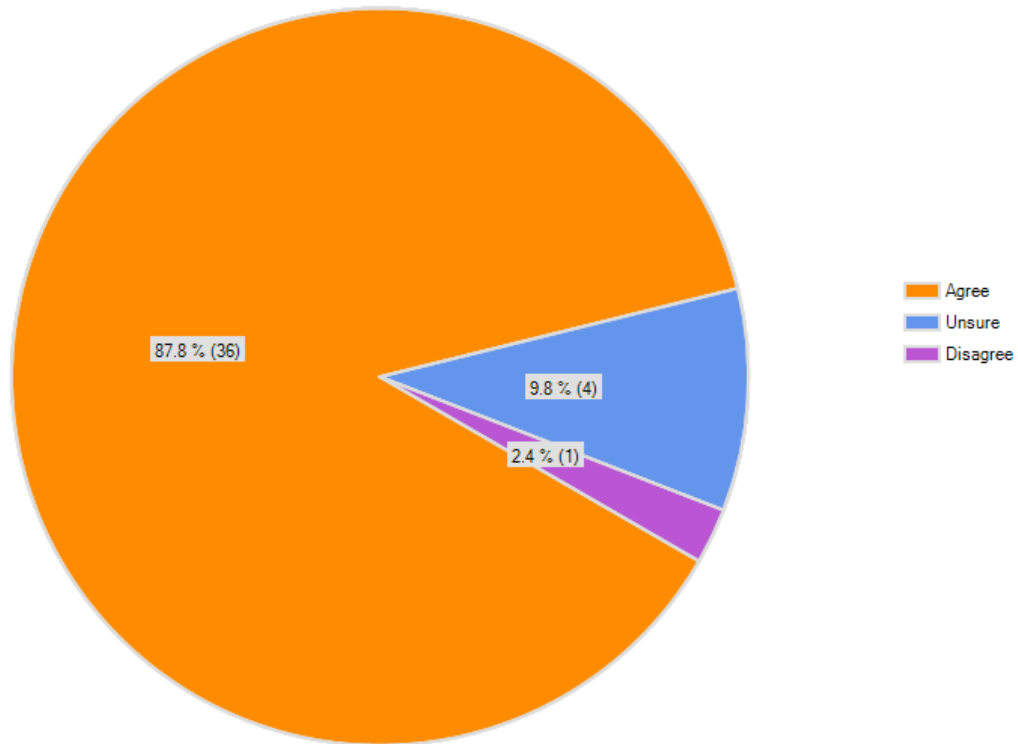
I am aware of co-workers participating in "Pharma"'s CSR initiatives.



- 75.9% of the 54 survey respondents are aware of fellow employees participating in “Pharma”'s CSR initiatives.
- 1 employee is unsure if he/she is aware of co-workers participating in “Pharma”'s CSR initiatives.
- 22.2% of the survey population disagree that they have any knowledge of co-workers participating in “Pharma”'s CSR efforts.

Figure 13: Results of “Pharma” survey, Q13:

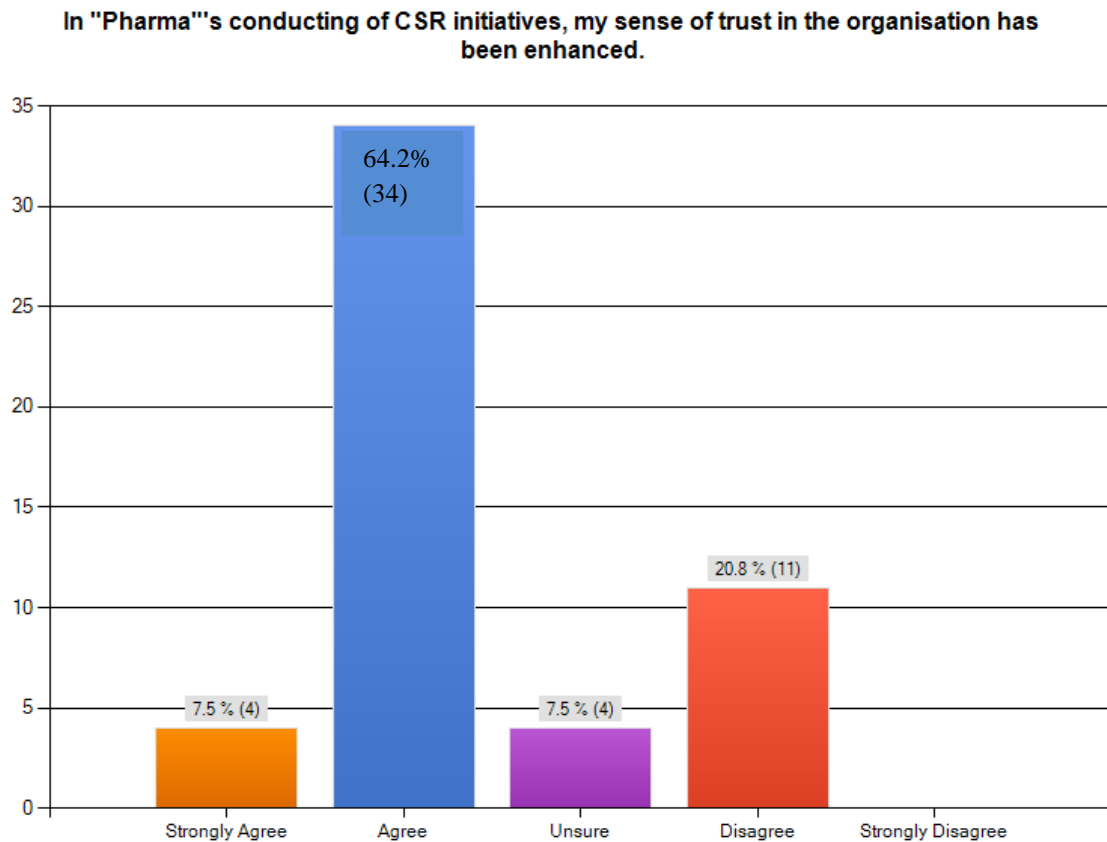
If unsure or in disagreement with the preceding statement “Q12” please now refer to “Q14”, if agreement with “Q12” please now refer to the following, These participating co-workers found that engaging in “Pharma”’s CSR initiatives to be a positive experience.



- 87.8% of the 41 employees who are aware of their co-workers engaging in “Pharma”’s CSR initiatives agree that their co-worker’s participation was a positive experience.
- 9.8% are unsure if their co-worker’s CSR participation was a positive experience.
- 1 employee disagreed that their co-worker’s involvement in “Pharma”’s CSR initiatives was a positive experience.

The results of Q13 reinforce the findings of interviews in that “Pharma” employees on the majority find their involvement in “Pharma” CSR agenda to be a positive experience and beneficial for all.

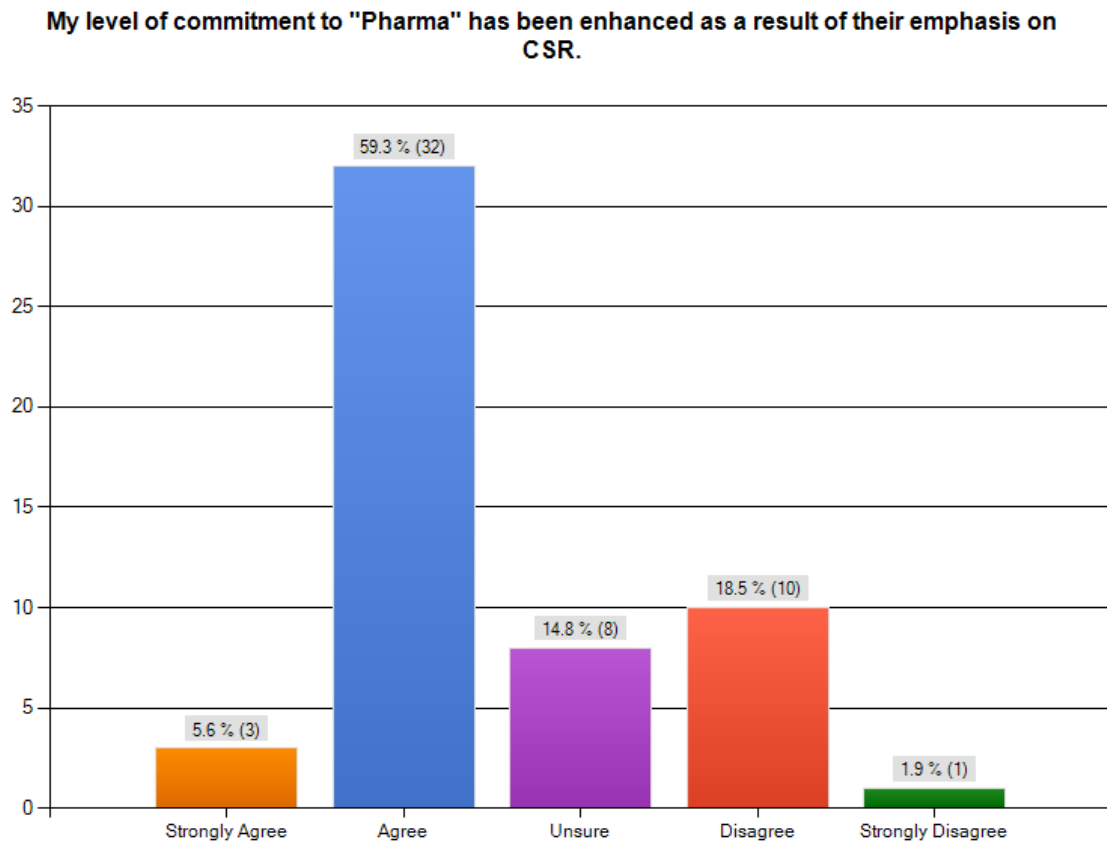
Figure 14: Results of “Pharma” survey, Q14:



- 7.5% strongly agree that because of “Pharma”’s conducting of CSR initiatives, their sense of trust in “Pharma” has been enhanced.
- 64.2% of the survey respondents agree that their trust in “Pharma” has been enhanced as a result of their conducting of CSR initiatives.
- 7.5% are unsure if their trust in their employer has been enhanced.
- 20.8% of the survey population disagreed that their trust in “Pharma” has been enhanced as a result of “Pharma”’s conducting of CSR initiatives.
- 0% strongly disagreed.

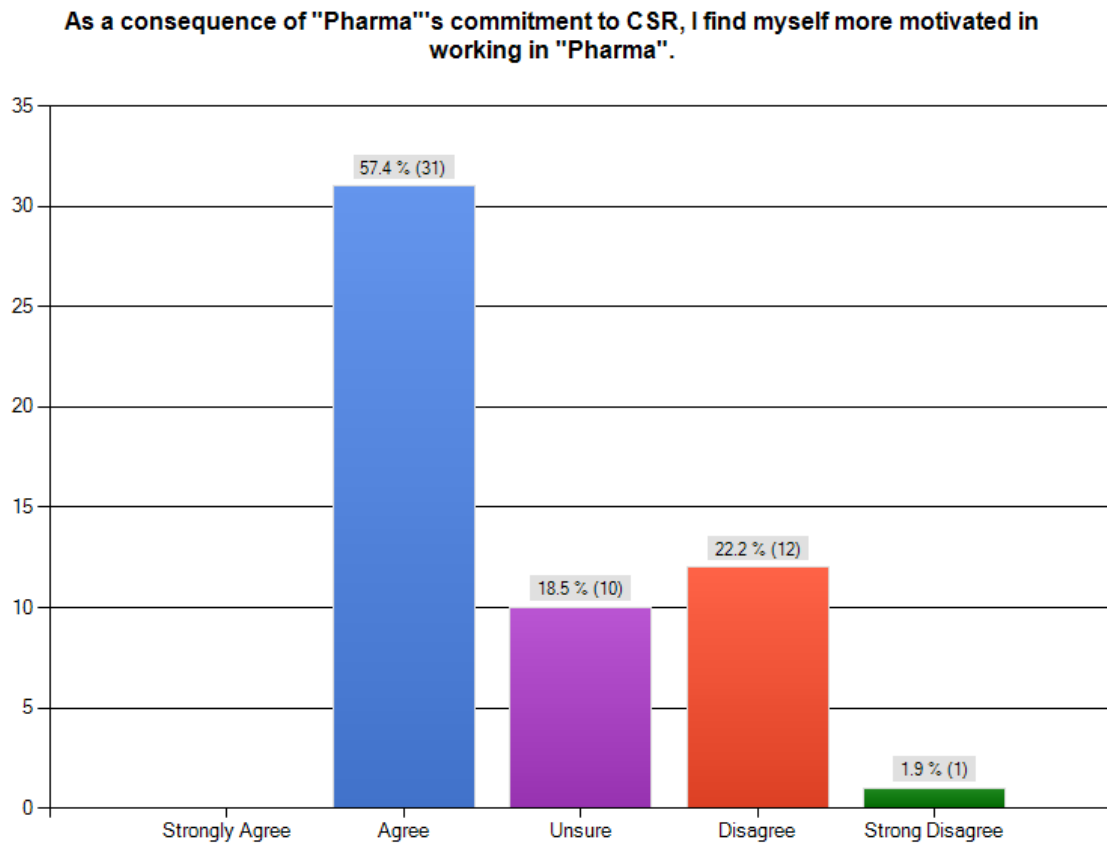
*It should be noted that 1 employee failed to respond to Q14. However it should be taken that “Pharma”’s conducting of CSR initiatives has certainly contributed to enhanced trust levels in them as an employer.

Figure 15: Results of “Pharma” survey, Q15:



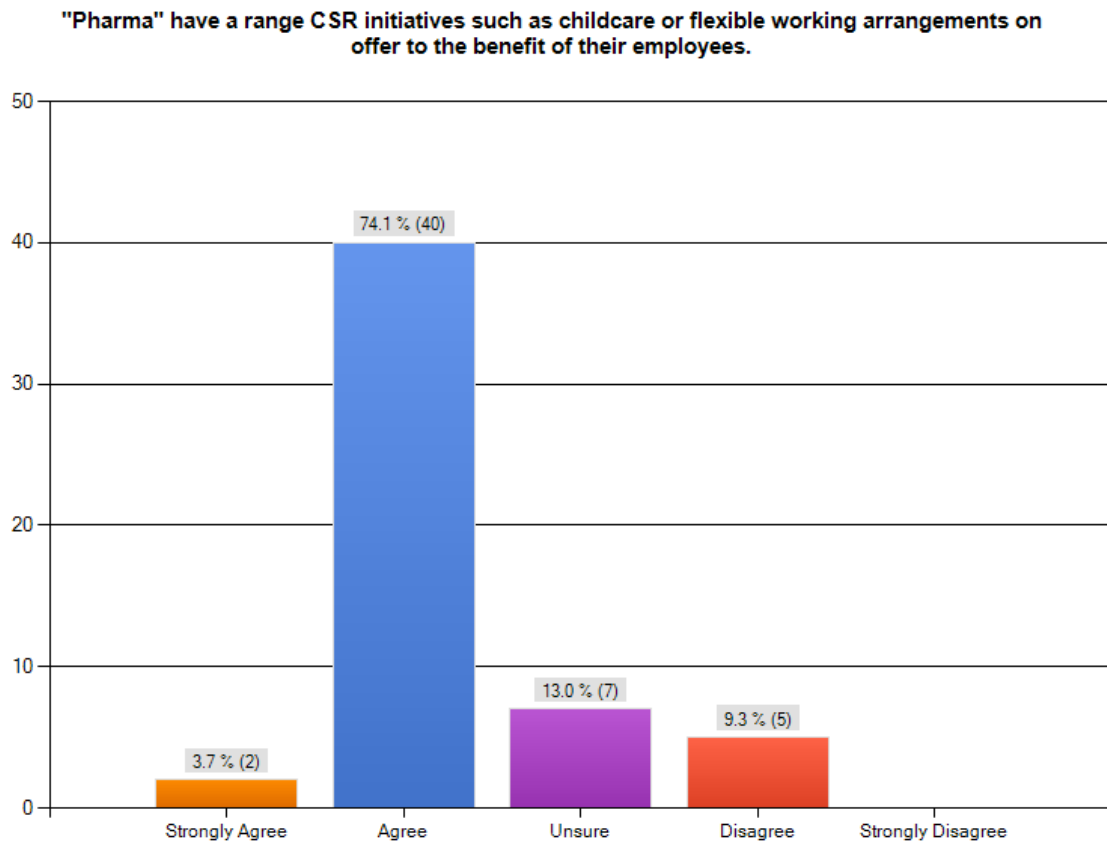
- 5.6% of the survey population strongly agree that their level of commitment to “Pharma” has been enhanced as a result of “Pharma”’s emphasis on CSR.
- 59.3% agree that their commitment to “Pharma” has been enhanced as a result of “Pharma”’s dedication to CSR.
- 14.8% are unsure if their commitment in their employer has been enhanced.
- 18.5% disagreed that their commitment to “Pharma” has been enhanced as a result of “Pharma”’s emphasis on CSR.
- 1.9%, 1 employee strongly disagreed.

Figure 16: Results of “Pharma” survey, Q16:



- 0 employees strongly agree that they find themselves more motivated.
- 57.4% of the surveyed employees find themselves more motivated in working in “Pharma” as a consequence of “Pharma”’s commitment to CSR.
- 18.5% are unsure if they are more motivated in working in “Pharma”.
- 22.2% of the survey population disagree that they find themselves more motivated in working “Pharma” as a consequence of “Pharma”’s commitment to CSR.
- 1.9%, 1 employee strongly disagrees.

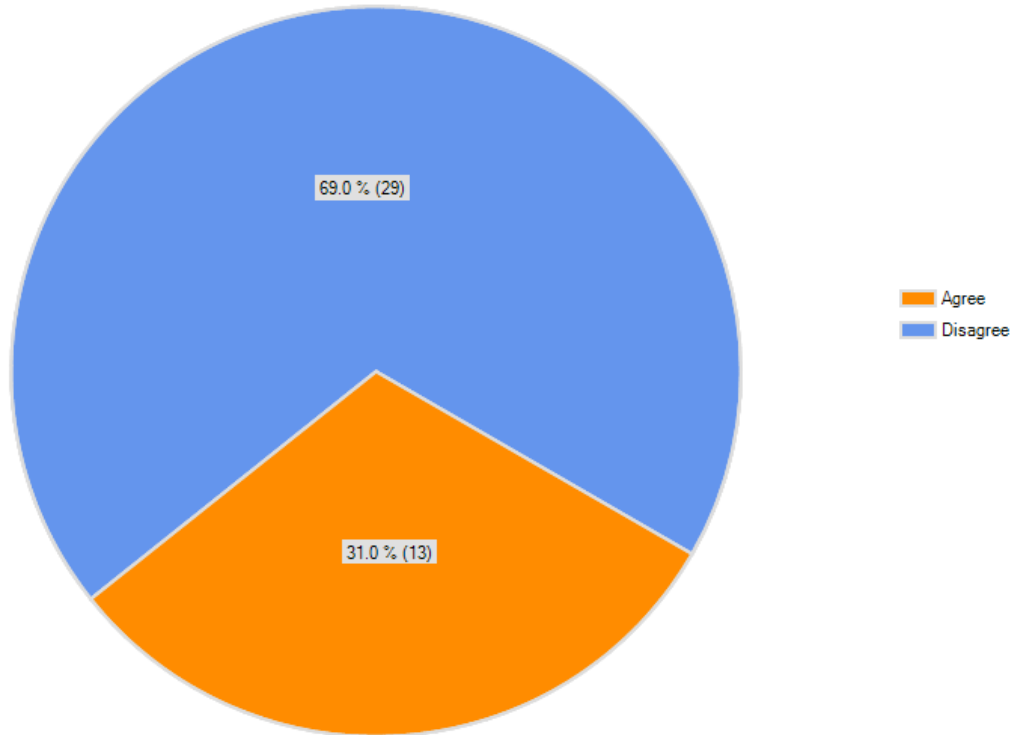
Figure 17: Results of “Pharma” survey, Q17:



- 3.7% strongly agree that “Pharma” have range of CSR initiatives to the benefit of their employees.
- 74.1% agree that “Pharma” have a number of employee focused CSR initiatives on offer to their own employees.
- 13% are unsure if “Pharma” have a range of employee focused CSR initiatives.
- 9.3%. 5 employees responded in disagreement.
- 0% strongly disagreed.

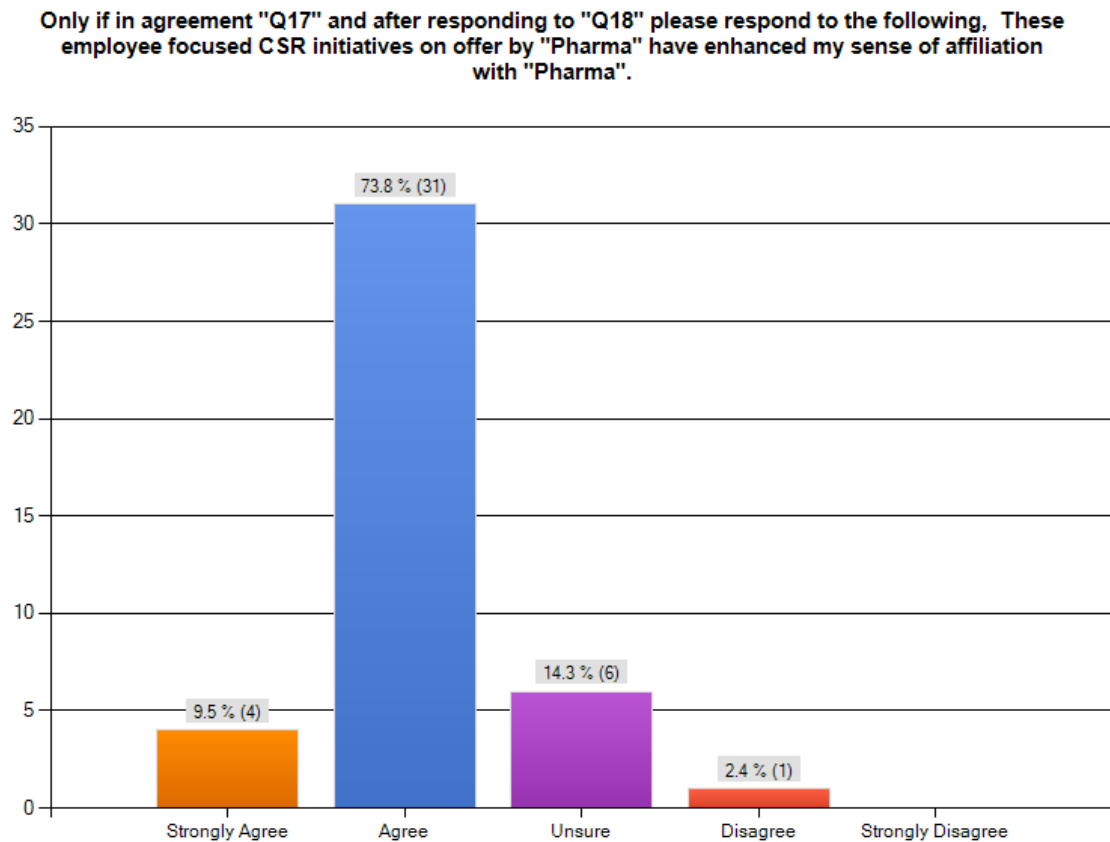
Figure 18: Results of “Pharma” survey, Q18:

If unsure or in disagreement with the preceding statement ,“Q17”, please now refer to “Q20” , if in agreement please respond to the following , I have availed of these employee focused CSR initiatives on offer from “Pharma”.



- Of the 42 employees who responded that they aware of “Pharma” having employee focused CSR initiatives to the benefit of the employee, 31% agreed that they have actually availed of them.
- Whilst the majority, 69%, 29 of the 42 responded in disagreement when asked if they have availed of the employee focused CSR initiatives on offer from “Pharma.

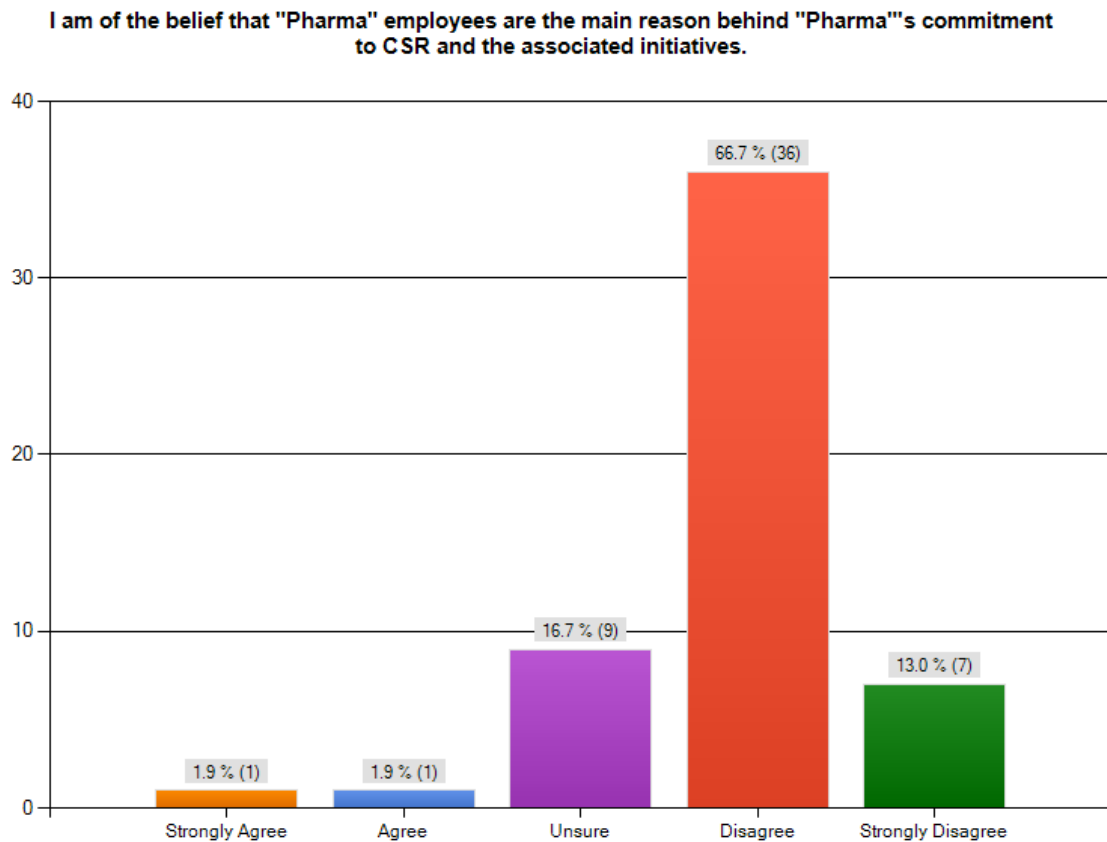
Figure 19: Results of “Pharma” survey, Q19:



Of the 42 employees who responded in agreement that “Pharma” have a range of CSR initiatives to the benefit of their employees

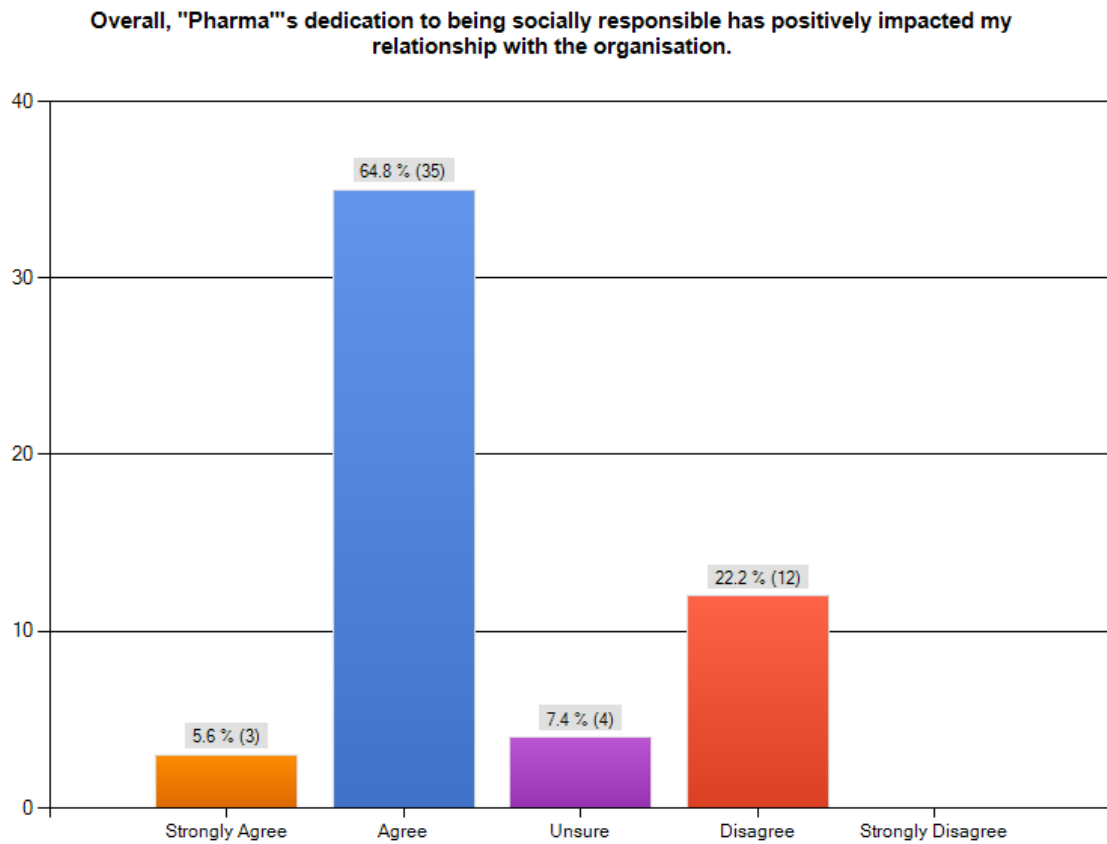
- 9.5% of them strongly agree that the employee focused CSR initiatives have enhanced their sense of affiliation with “Pharma”.
- 73.8% agree that their sense of affiliation has been enhanced.
- 14.3% are unsure if their sense of affiliation has been enhanced as a result of the range of employee focused CSR initiatives “Pharma” offer.
- 2.4%, 1 employee disagrees that his/her sense of affiliation has been enhanced.
- 0 employees responded in strong disagreement.

Figure 20: Results of “Pharma” survey, Q20:



- 1.9%, 1 employee strongly agrees that “Pharma” employees are the main reason behind “Pharma”'s commitment to CSR.
- 1.9% agrees.
- 16.7% are unsure if “Pharma” employees are the main reason behind “Pharma”'s commitment to CSR.
- 66.7% of survey respondents disagree that “Pharma” employees are the main reason behind “Pharma”'s commitment to CSR.
- 13% strongly disagree that “Pharma” employees are the main reason behind “Pharma”'s commitment to CSR.

Figure 21: Results of “Pharma” survey, Q21:



- 5.6% strongly agree that “Pharma”'s dedication to being socially responsible has positively impacted their relationship with the organisation.
- 64.8%, 35 of the 54 survey respondents agree that “Pharma”'s dedication to be being socially responsible has positively impacted their relationship with “Pharma”.
- 7.4% of employees are unsure.
- 22.2% of the survey population disagree that “Pharma”'s dedication to being socially responsible has positively impacted their relationship with their employer.
- 0% of the survey population responded in strong disagreement.

Chapter 5 – Conclusions:

Prior to making some recommendations that “Pharma” may take into consideration in respect to issues that have been identified, it is of much significance to indicate the main conclusions of this research dissertation.

On the whole, there is overwhelming degree of information which fully supports the hypothesis explored in this dissertation, corroborating that the implementation of CSR and the associated initiatives can contribute to the existence of a healthy psychological contract in “Pharma”.

5.1 – Understanding:

It can be ascertained that corporate social responsibility is a term of familiarity within “Pharma”. From the conducted research , it can be said the vast majority of “Pharma” employees have at least some understanding of CSR , “Pharma”’s commitment to CSR and the range of CSR related activities that “Pharma” implement but not all employees hold this level of comprehension. It is this sufficient level of knowledge that employees have with regard to CSR that has transcribed to a general positive outlook on and an appreciation of CSR within “Pharma”. “Pharma” employees not only comprehend , acknowledge “Pharma”’s CSR efforts but they also attribute worth to any of the associated initiatives which has contributed to a general feel good factor with regards to CSR in “Pharma” and a healthy psychological contract.

5.2 - Longing to participate:

It can be concluded that from the research and in-depth analysis of “Pharma” and its employees, significant support can be found for Martinez *et al*’s (2002) study and their two deductions with regards to employee’s yearning to participate . Just like Martinez *et al*’s (2002) study suggest, CSR has contributed to the existence of a healthy psychological contract in “Pharma” and as such “Pharma” employees are more committed to “Pharma” whilst also having a greater sense of affiliation to the organisation. Represented in the interviews but particularly the survey findings and as suggested in the Martinez study ,some “Pharma” employees have a desire to participate in any CSR initiative whilst others do not, yet all will attach value to “Pharma”’s CSR commitment.

In regards to CSR participation, there is some support for Collier *et al*'s (1997) findings that some employees lack the enthusiasm to get involved, yet his conclusion that that CSR has practically no positive impact on the psychological contract is refuted by the findings of this 'Pharma' study. It is deduced that employee's gave mixed response when it comes to their desire to participate in "Pharma"'s CSR agenda.

5.3 – Involvement:

This has transpired in a relatively low proportion of "Pharma" employees actually getting involved. However there are to be occupational restrictions such a shift works which appears to have diminished these desires to participate and also the actual level of participation. From the conducted research, particularly the interviews it can be speculated that "Pharma" employees would have a greater yearning to participate in CSR efforts if there were less involvement restrictions and a greater opportunity to actually do so. There is some support for a study cited in Webley *et al* (2005), which indicates that a greater proportion of individuals on a executive or higher rank level are more involved in CSR efforts than lower level employees. Evidence does also tell us that "Pharma" individuals of a higher rank have a greater comprehension of CSR and take on a more active role in the more news worthy CSR activities that "Pharma" conduct.

5.4 – Participation:

CSR participation has most certainly contributed to an enhancement of the bond and association "Pharma" employees have with their employer, suggesting a positive contribution is made to the existence of the psychological contract. As suggested by Schoeff Jr. M (2008) employee's involvement in "Pharma"'s CSR efforts has lead to a strengthening of the psychological contract. This is be seen as the employees have a greater sense of attachment, connection to their employer, feel more motivated in working for "Pharma" whilst also having an enhanced level of trust in their employer. Witnessing their employer actively do good has resulted in the CSR participating employees having a greater and sense of loyalty and faith in "Pharma" , thus strengthening the employment relationship.

5.5 – CSR’s overall contribution to the psychological contract:

Whilst it has been established that development of the employment relationship and the furthering of a healthy psychological contract is not the main motivation for “Pharma”’s commitment, it is clear that the psychological contract within ‘Pharma’ has benefited in a number of ways.

Regardless of participation, it can be concluded that “Pharma”’s active CSR involvement is viewed very favourably “Pharma” employees and has contributed positively to the existence of a healthy psychological contract within “Pharma” as it has been established that “Pharma” employees just like everyone else like be associated with organisations who willingly do good on a regular, long term basis. It has been determined that in “Pharma”’s CSR commitment has contributed to their employees having an enhanced level of trust and confidence in them as an organisation/employer. Through understanding and having an awareness of “Pharma”’s CSR efforts , employees trust “Pharma” to not only meet their obligations to the external environment (e.g. society in general) but also have a greater trust “Pharma” in fulfil the obligations and responsibilities obliged to them in the employment relationship. This enhanced level of organisational trust, representing a healthy psychological contract is compounded by “Pharma”’s open communicate approach to CSR. Their active, regular reporting of CSR activities through message boards, the sharing of experiences, emails and other means has that has improved the transparency of organisational action and has aided the further development of organisational trust, supporting the conclusions of Kotler *et al* (2005) and Lindgreen *et al* (2008).

As alluded to above, “Pharma” employees like to associate themselves with “Pharma” as an upshot of “Pharma”’s ethical efforts to enhance the local community, to prevent and eradicate disease in 3rd world countries, to looking after their own to even caring for the environment. This has resulted in employees having an enhanced level of commitment to their employer as the interviews tell us and the survey clearly display. As “Pharma” employees are more committed to working for “Pharma and are more loyal to their employer as a result of “Pharma”’s CSR efforts, it can be concluded that CSR has had an indirect positive contribution to potentially reducing employee turnover and enhancing employee retention levels.

5.6 - Employee-focused CSR initiatives:

Whilst one can conclude that “Pharma” employees recognise that they as a collective group are not the primary concern for “Pharma”’s CSR efforts, they do acknowledge that there are an array of employee focused CSR initiatives which are to the benefit of the employee. Despite a relatively low proportion of “Pharma” employees actually availing of these employee focused initiatives, it can be deduced that employees value these initiatives and they have contributed to the existence of the psychological contract. Supporting the findings of Raubenheimer. K (2008), CSR initiatives such as work-life balance programmes, child care arrangements, reassures “Pharma” employees and strengthens the existing psychological contract as employees feel at ease. Contrasting with the findings of Guest. D (2004) which states that flexible working arrangement can weaken the psychological contract; it is actually flexible working arrangement such a job share programme which comforts “Pharma” employees and has contributed directly to enhanced levels of organisation affiliation, employee engagement, and job contentment and ultimately a healthy psychological contract.

5.7- Type of psychological contract:

In making conclusions with regard to the type of psychological contract in existence within ‘Pharma’, it can be tentatively stated that there is a relational psychological contract in existence between “Pharma” employees and “Pharma” itself. Further comprehensive studies will need to commence focusing solely on the unwritten relationship between employee and employer and less so on CSR’s complex impact on it, to determine the specificities of current psychological contract within ‘Pharma’. It can be deduced that in a time increased demand for organisational efficiency and economic doubt, it is difficult for “Pharma” to offer long term secure employment. However, it can be concluded that “Pharma” through their CSR engagement are proactive in the provision of support and backing to their employees. Through their involvement in “Pharma”’s CSR activities, employees are presented with the opportunity to mature both personally and professionally. Employees enhance their humanistic capabilities and employment related skills such as public speaking through CSR initiatives such as youth high-flyers programme. Employees feel relatively secure and assured in their employment whilst their well being is also cared for in return for consistent high levels of job performance in which there is a mutual degree of trust and commitment between employer and employee.

Refuting the overall conclusions made by Aguilera. R *et al* (2007) which questions the legitimacy of CSR's impact on the psychological contract and re-emphasising the suggestion put forward by Klein. D (2007) and Sirota Survey Intelligence (2008), this dissertation categorically supports the hypothesis that the implementation of CSR and its associated initiatives can contribute to the existence of the psychological contract.

As a result of "Pharma" employees holding a basic understanding of CSR are knowledgeable about CSR in "Pharma" and kept in the loop with regards to CSR, "Pharma" has contributed to and headed the benefits of an existing healthy psychological contract. Of the employees who had no grasp on what CSR entails, it was they who generally responded in a negative manner with regard CSR's impact on their relationship with "Pharma", subsequently it can be deduced that non comprehension of CSR equates to non appreciation of CSR in "Pharma". On the whole, the culmination of data/information on CSR in "Pharma" very much indicates that an organisational having such CSR efforts can harvest a number of benefits and play a role in the development of a healthy psychological contract. As a result of their CSR commitment, "Pharma" have experienced enhanced organisational trust, commitment & loyalty, a closer affiliation/association with their employees, improved employer-employee identification, and greater employee engagement strongly indicating a positive contribution to the psychological contract in existence in "Pharma"

Despite the overall positivity surrounding these conclusions on CSR's impact on the psychological contract in "Pharma", concerns have emerged. Sen *et al*'s (2008) findings that employees are often not wholly engaged and involved with the conducting of CSR and thus the benefits of such regular employee CSR engagement and participation are not experience to the fullest, do hold credibility. Concerns and issues like these that can be tackled will now be addressed and referred to in the forthcoming recommendations section of this dissertation, Chapter 6.

Chapter 6 - Recommendations:

Through study, research and in-depth analysis of “Pharma” a number of concerns have emerged which can be addressed which should allow for the further developed of the psychological contract within “Pharma”. In light of the current economic difficulties in Ireland at present, it may prove difficult for “Pharma” to allocate adequate financial resources to appease the identified issues so it of much significance that any recommendations made will be done so on a cost effective basis.

6.1 - CSR education/initiation:

Whilst it is apparent that many “Pharma” employees receive some level of education in relation to CSR and being socially responsible in business, it is very evident that not all employees consulted in the research process , be it through interview or survey, had an understanding of corporate socially responsibility. 12 employees out of a possible 54 survey respondents had no understanding of what the term CSR represents and it is clear that “Interviewee B”, initially had no awareness of CSR. It is proposed that all organisational members of “Pharma” receive an initiation to ethical business practice and receive training/an education on exactly what CSR is and what it means to “Pharma” as an ethical behaving organisation. It can advised that upon joining the organisation, recruits are to given a sufficient level of training on the basic concept of CSR and CSR in ‘Pharma’

This CSR training should be an endorsed and essential component of employee initiation in “Pharma”, will be delivered in house by “Pharma”’s HR department and will include:

- The provision of a basic comprehension of what CSR entails.
- Information on “Pharma”’s stance on CSR its growing relevance in the pharmaceutical industry.
- Information on the legal requirements in regards to ethical business practice (e.g. recycling/wastage regulations.)
- An education on the range of CSR initiatives and activities “Pharma” conduct
- Information on why “Pharma” engage with CSR and further details on reasoning behind each CSR initiatives, both in the internal and external environment.
- Clear illustrations of the benefits to “Pharma” as an organisation and the employee itself can gain from such a CSR commitment.
- All the necessarily information needed on getting involved in such CSR initiatives.

- Current employees feedback and opinion on “Pharma”’s CSR commitment and the benefits of getting involved.
- A comprehensive listing of all the CSR initiatives that have been established for the benefit of employees.
- Information on how one can avail of these employee focused CSR initiatives and any possible availing criteria that needs to be met.
- A CSR handbook issued to all, incorporating all of the information outlined above which can be referred to in the future.

In addition to initial CSR training upon joining the company, it is proposed that “Pharma” issue this CSR handbook organisation wide and that their HR department, over a suitable period of time. “Pharma” should issue a form of CSR questionnaire/survey to all on site employees to gauge the level of employee understanding on the subject matter. Any employees found to be lacking the necessary knowledge and level of understanding on CSR should receive a level of training on all things CSR related. This can be repeated when felt necessarily and prior to the introduction of some new CSR initiatives or possibly post establishment of new governmental regulations which may impact CSR in “Pharma”. This CSR education/initiation will ensure that all “Pharma” hold a level of understanding when it comes to CSR as it was found that if knowledgeable of CSR, one would generally view it favourably and ultimately having a positive impact on their relationship with “Pharma” as an employer.

6.2 – Involvement:

Although there is a significant proportion of employees who have participated or are participating in “Pharma”’s ethical agenda, it is plausible employee participation levels can be enhanced in “Pharma”. Involving employees in “Pharma”’s CSR initiatives will allow the full fruition of any possible benefits such a healthier psychological contract that can be gained from “Pharma”’s commitment to CSR. It can be taken from the interviews and surveys that all participating employees found CSR involvement to a positive experience, ultimately strengthening the bond between themselves and “Pharma”. It is fair to comment that active employee participation in “Pharma”’s CSR commitment can contribute even further to the developing of a healthy psychological contract. With respect the natural occupational restrictions, it is suggested that “Pharma” employees are proactively encouraged to participate in any CSR initiative. If possible, participation restrictions should be alleviated

to allow any desiring employee fulfils their longing to get involved. Perhaps it is the burden and working circumstances such as shift work that has somewhat suppressed employee's desires to participate. Thus it is recommended that it be made well known to all employees that if they hold an urge to get involved in any CSR initiative, suitable arrangements for participation shall be made when and where appropriate.

On top of this, it is suggested that "Pharma" regularly consult lower level everyday employees on CSR activities and get suggestions on how to go about improving employee participation in their CSR initiatives. It is proposed "Pharma" can incorporate lower level employees into their CSR co-ordination team, this will allow for employees to provide information representative of employee opinion, whilst also enhancing the sense of accessibility and that CSR engagement is available to all within the organisation.

Furthermore, it is put forward that "Pharma" formulate some form of incentive/acknowledgment for employee participation in their CSR initiatives. A formal act of recognition such as framed certificate praising employees for partaking ,including feedback from an individual who their efforts has helped and how overall their contribution helped, say, appease the spreading of disease in Africa.

6.3 - Communication:

To enhance this level of employee participation in CSR initiatives conducted by "Pharma" it is of utmost importance that "Pharma" further their communication when it comes to all things CSR. It is suggested that "Pharma" continue to use their website, email, intranet, CSR feedback sessions, message boards, posters etc to maintain an open, consistent flow of information in regards to all things CSR. It is essential that "Pharma" uphold their open, communicative approach to CSR as it encourages trust which is seen as a building block to a healthy psychological contract.

Any good that "Pharma" do or contribute to doing in relation to their CSR agenda should be heavily and regularly communicated to their own employees as this plays on individuals' longing to 1) associate themselves with something good and 2) be a part of something good, which will further encourage employee participation and the development of the psychological contract.

Any recognition that “Pharma” receive for their CSR involvement again should be extensively communicated throughout the organisation to further employee’s desire to attach themselves to any CSR efforts. All benefits associated with “Pharma”’s CSR commitment, be it external such as an enhanced reputation with customers or internal, e.g. an improved working relationship with employees shall be heavily communicated through the available means. It is of importance that “Pharma” regularly communicate the available, and the availability of all, employee focused CSR initiatives to ensure that “Pharma” employees feel considered and part of “Pharma”’s CSR action plan and ethical agenda.

To do this, it is recommended that “Pharma”, establish a CSR newsletter, made of fully recyclable material issued quarterly to all “Pharma” employees. It will contain all and up to date information of “Pharma”’s continuing CSR efforts. This CSR news letter will ensure that the all employees are more than kept in the loop with all things CSR. It will allow for the continual emphasising of all things positive associated with “Pharma”, whilst serving as a medium to renew and revitalise employee’s opinions on CSR which can act in the further development of the psychological contract.

6.4 - Ethical behaviour:

A final recommendation is that there must be a continuous review, evaluation and reporting of all general organisational activity, particularly financial, in an effort to maintain and improve “Pharma”’s ethical standing with not only their employees but the general public. It is suggested that proactive effort is made to scrutinise all organisational action to guarantee it to be aligned with values and principles of corporate social responsibility so thus not to jeopardise or undermine any possible resulting benefits such as a developed healthy psychological contract.

It can be said that in a time of economic doubt and general lack of trust in employers, “Pharma” through incorporating these recommendations and continuing active CSR commitment, can further and enhance their healthy psychological contract with the employees, whilst employer-employee relationships in other organisations are floundering.

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Chapter 8 – Appendices:

Appendix 1:

“Pharma”

Interview 1

Date: 16th July

Location: “Pharma” site

Interview commenced: 10:14 Interview finish: 10:29

Myself: Hi, how’s it going, Seán here. Do you mind if I ask you some questions on my proposed thesis? It’s on CSR within “Pharma” and its potential impact on the psychological contract.

Interviewee A: Yeah, no problem.

Myself: Ok, cheers, so to get things rolling could briefly introduce yourself and explain your role within the organisation?

Interviewee A: Sure yeah, well I’ve been with “Pharma” for about 4 years now working in their HR department. I would be involved in just general HR admin, training and development, recruitment, team development and I also work as part of a team made of up myself and 3 other HR officers to co-ordinate CSR in “Pharma”

Myself: Oh ok, Could I take it that you would have a good understanding of what CSR is then?

Interviewee A: Pretty much yeah.

Myself: If you don’t mind, could you explain it?

Interviewee A: Sure, Well what I see CSR as is pretty much being ethical in business and taking the needs and concerns of say the environment, the community, society into consideration when being in business. I suppose you could see it as looking after the parties that you can impact and giving back to society.

Myself: Cheers for that, would you say “Pharma” are very much CSR conscious?

Interviewee A: Very much so, we have a consistent on-going commitment to CSR in which a substantial budget and effort is allocated not just to projects in Ireland but in all over the world. We've local community programmes like community education; we support many different charities in Ireland for the likes of cancer and diabetes. We work with age action Ireland and charity groups. Internationally, we're part of a global health improvement group, we are very proactive in helping out in the aftermath of natural disasters or in situations of great need we have disease prevention, drug provision for the needy, poverty alleviation initiatives. To reducing wastage, encouraging recycling, caring for the environment so it be would an understatement to say that we just do our bit.

Myself: Cheers, and would “Pharma” place considerable effort into raising awareness of their CSR commitment?

Interviewee A: Well I think so anyway. Upon joining the organisation, all employees get some degree of initiation on CSR, educating the employees on our strong stance on CSR so they're all clued in. We're a member of the Business in the Community, they're the body that aids and guides CSR in Ireland and we put our name out there when it comes to letting people know what we do. We have a number of reports published every year on the various initiatives we have. We use email, posters, word of mouth, seminars, meetings, intranet to make our own employees but the general public too of what we do.

Myself: You mention there, educating your own on your CSR stance, why do you this?

Interviewee A: Well obviously it's good to keep everybody in the loop with what's happening in “Pharma” and what we do but we've in our experience we've found that in communicating ethical behaviour and CSR to our employees, we become sort of a more closely knitted group.

Myself: How so?

Interviewee A: It's a matter of fact that people, employees, whoever like to be associated with organisations, teams, whoever, that do good so we like to sort of play on this. We've found that our own employees think very highly of all the CSR related stuff we do and they feel a closer connection to the organisation and would be very happy to say they work for “Pharma”. Through communicating and the constant reporting of our CSR focus and through

employees getting involved in these, employees have a closer connection to “Pharma”; have a heightened sense of trust in “Pharma” what we do. Like they see us doing the right thing, looking after the community so are more likely and more than happy to commit to us in the long term.

Myself: Thanks, so would you say “Pharma” employees are given ample opportunity to participate in these CSR initiatives?

Interviewee A: Yeah I think that’s a fair thing to say. “Pharma” are always looking to getting our own employees involved. As I’ve said we use email, posters all around our premises, involvement campaigns reports, our intranet, announcements encouraging employees to get involved in our CSR commitment. I’m sure that if you look at all our initiatives you’ll find a “Pharma” employee heavily involved. If you look at our current community education scheme called the youth-highflyers programme we’ve had a huge involvement from employees in both going to local schools to discuss the pharmaceutical industry and in bringing school children on site to raise awareness of the sciences and hopefully encourage them to stay in education and possibly follow a career in say medicine if it interests them. And even on a national and international level, there have been employees from not just our site but all over Ireland that have got involved global environmental campaigns and in disease prevention programmes in the likes of 3rd world countries in Africa.

Myself: Ok, I get you, thanks. What has been the response of any of these employees that have participated in these CSR initiatives?

Interviewee A: From the feedback sessions that are held, they all love it and would definitely consider doing it again. Just through talking to the employees that got involved with that youth – high flyers programme I mentioned earlier, they’ve now more an understanding of what the organisation is trying to achieve , feel that they’re doing their part and through getting involved it’s enhanced their relationship with the company.

Myself: Thanks, so I see you’ve mentioned a number of CSR initiatives focusing on external stakeholders like society, but have “Pharma” a CSR commitment to their own employees?

Interviewee A: Oh yeah, I really should have mentioned that. Like in our aim to be socially responsible it is important to consider our very own employees and to make their life as easy as possible. They can avail of childcare arrangements, flexible working, we have a men’s and

women's health a welfare programme but they also include members of the general public, with the aim of improving one's health. There's many team building days, full health insurance on offer, all provided to ensure they feel part of the "Pharma" family, keep them motivated and in return maintain high levels of job performance.

Myself: Cheers, how would you say these CSR initiatives aimed at employees, impacts their relationship with "Pharma"?

Interviewee A: Well again, in my experience I would say they definitely enhance the relationship between the employee and employer. Employee's feel looked after, they believe in what we're doing as an organisation and thus have a higher sense of commitment and dedication to "Pharma" and what we do.

Myself: Ok, so in concluding what would you say is the main reasoning in "Pharma" having such a stance on CSR?

Interviewee A: Well, I mean, hmm, we're at a point in the business in the world today were it just have to be done. Obviously there has been a tightening of government legislation with regards to wastage, recycling etc and with often bad light on the pharmaceutical industry it can only enhance our reputation. But I wouldn't say that's the only reason we do it, like it's good to give back, doing good by doing well. Me personally, I firmly believe in what we do on the CSR front. It not only helps our reputation, but customers like what we do, we've received great feedback from government authorities which will help with funding in the future. Our employees value our CSR commitment, certainly enhancing the relationship, bond between "Pharma" and them; well it certainly has with me. That can only be a good thing, right? Overall, whilst it takes significant effort, planning and commitment, "Pharma" definitely reap the rewards.

Myself: Ok Thanks very much for that; I appreciate you giving me your time.

Interviewee A: No probs hope the thesis goes well.

Myself: Thanks again.

Interviewee A: Cheers, bye.

Myself; Bye

Appendix 2:

“Pharma”

Interview 2

Date: 16th July

Location: “Pharma” site

Commenced: 10:34 Finish: 10:48

Myself: Alright, how’s it going? I’m Seán and as part of my masters in HRM I’m doing a dissertation on corporate social responsibility and its impact on the psychological contract within “Pharma”, do you mind if I ask you some questions?

Interviewee B: Sure, no worries!

Myself: Thanks, a lot. So just to start could you introduce yourself and explain your role within “Pharma”?

Interviewee B: Yeah, well I’m “Interviewee B”, I’m a maintenance engineer whose role is to work as part of a team to maintain equipment that is been driven by a tight production schedule. We have preventive maintenance programmes that we support but we are also on call to prioritise and we act on situations as they arise. I am a fitter but I work with electricians as well and we assist each other so basically we do what is needed to get the job done.

Myself: Thanks and how would describe working for “Pharma”?

Interviewee B: Personally, I think “Pharma” is a good employer. Obviously it has a big worldwide reputation and it offers great pay and conditions. You know, we have great facilities, they’re very safety conscious, work conditions are good and they treat their employees really well.

Myself: Ok, before touching back on the point where you say that “Pharma” treat their employees well, in your line of work or in working within “Pharma”, have you ever come across the term corporate social responsibility or CSR?

Interviewee B: Erm, No I don't think so anyway. What does it mean?

Myself: Well, CSR would be concerned with organisations like “Pharma” that look to balance and create symmetry between their business dealings and say the responsibilities and needs of all the stakeholders that may be impacted by their actions. It sees firms being ethical in business, going further than the aim of just generating profit and taking accountability for their actions. Stakeholders can be anyone impacted by the organisation, including you the employee, to the customer, to society in general, to the environment etc.

Interviewee B: Oh ok, thanks, yeah, I get you. That does ring a bell now alright.

Myself: So after explaining what CSR is, would you be familiar with “Pharma” offering any initiatives to benefit, say the local community or any other stakeholder?

Interviewee B: Yeah, I've heard of stuff like that. I've heard other people talk about them from either being involved with them themselves or just chatting generally about “Pharma” doing work in the community.

Myself: Cheers, So have you yourself ever been involved or participated in any of these initiatives? May it being local community education programme or disease prevention campaign for a 3rd world country?

Interviewee B: Well yeah I suppose, there's often days in work, in the canteen, where in fact the dinner would be provided free by “Pharma” and in return we make a donation to some charity at the time and they're always well supported and well received. But outside of just making the odd donation for the dinner, I can't say I've been involved in anything else.

Myself: Ok and would you have any desire to get involved in these further and take on a bit more of an active role?

Interviewee B: Well yeah, I'd be more than happy to get involved but as I've said I haven't done it as of yet. I think at some stage I'd like to because from just hearing from the people that got involved, they all loved it and it definitely seems like you get a lot out of it. My

working circumstances don't really allow me to do it at the min but like what I take from it, is that there seems to be a strong commitment to the cause and it is sort of returned to "Pharma".

Myself: Oh ok, can you explain a little more what you mean by that?

Interviewee B: Well like, "Pharma" and the employees that get involved seem very committed to these programmes like the community education one. And, the employees that get involved seem to get a lot out of it and have a greater sense of commitment to "Pharma" in return.

Myself: thanks, and would you feel similar even though you haven't participated as of yet?

Interviewee B: Ah yeah, there's definitely a greater sense of commitment to "Pharma" because of the good work they do. Like it's great to be associated with "Pharma" because of the things they do.

Myself: Cheers. Would you say "Pharma" and many other organisations need to act ethically in business today and have a focus on being corporate socially responsible?

Interviewee B: Yeah I think they have to. They have to be squeaky clean for loads of different reasons. I mean eh, the nature of the business requires a lot of auditing and especially with poor history of the industry, there can't be anything untoward. They need to be open, transparent and give something back to earn a good rep.

Myself: Just on that and with "Pharma" having such a stance of being ethical in business, what do you think are the main reasons for their ethical commitment?

Interviewee B: I think it's do with their corporate image at a top level. You know, "Pharma" being a multi-national has business in all continents and they have a reputation to up hold and this is part of how they do it.

Myself: Ok cheers, so just touching back on where you mentioned that "Pharma" treat their employees very well, can you explain a little more on this and would you consider "Pharma" to have on CSR initiatives that would be focused on you the employee?

Interviewee B: Well again like I'm 100% on the term CSR so wouldn't be sure if you would class what "Pharma" offer to their employees but in terms of what on offer for ourselves, I

know we have a job share programme, where two employees agree to share one role, maybe due to their own circumstances or at a particular time in their life, they might need more time at home. I know there's flexibility in work arrangements, whereby if you work shift during nights, you can go onto days for a period of time to improve your own circumstances. A person can be covered for; there are all sorts of arrangements to facilitate employees and that works very well.

Myself: Cheers, thanks. So have you availed of any of these?

Interviewee B: Hmm No, can't say I have but I do feel it to be very comforting that I can avail of these flexible working arrangements if needs be.

Myself: Just to conclude now, how would you sum up how you feel about "Pharma" having a focus on ethics and being socially responsible in business?

Interviewee B: I think it's good, I think they need to do it. It's like it has been built into the everyday culture of the firm. It sure helps to build trust in your employer and as such what they aim to achieve in business and so like we'd then trust "Pharma" to fulfil the responsibilities they have to us. It definitely strengthens my relationship with "Pharma". We are all aware of the regulations surrounding the pharmaceutical industry and it's fair to say the "Pharma" go far beyond just good manufacturing practice.

Myself: Thanks a lot for that, that's all for now.

Interviewee B: That alright, yeah? I hope it's some help to you.

Myself: Yeah, of course, thanks a lot. Bye

Interviewee B: Good stuff, Bye.

Appendix 3:

“Pharma”

Interview 3

Date: 17th July

Location: “Pharma” site

Commenced: 10.07 Finish: 10:22

Myself: Hi, how’s it going, my name is Seán; I’m a masters student in the National College of Ireland. Do you mind if I ask you some questions on the impact of corporate social responsibility on the psychological contract in “Pharma”?

Interviewee C: Work away.

Myself: Thanks a lot. Just to start could you introduce yourself and explain your position in “Pharma”?

Interviewee C: Sure, I’m “Interviewee C”, I’ve worked with “Pharma” for over 6 years now and now I suppose you could say I’m a healthy, safety and standards supervisor.

Myself: Ok and what would that position entail?

Interviewee C: My line of work has always been with quality control which is specifically focused on maintaining rigorous standards that must be met in regards with anything we produce. Health and safety is also key in my role and me personally would spend a significant amount of time liaising with other departments.

Myself: Thanks for that. In your 6 years in working for “Pharma”, have you come familiar with the term CSR? Corporate Social Responsibility?

Interviewee C: Ah yeah, I know “Pharma” have a particularly strong stance on CSR and have done for ages now. We’re a participating Member of some group that governs CSR in Ireland, the name of it escapes me at the moment, sorry.

Myself: The BITC?

Interviewee C: Yeah that's the one; we are very ethics conscious in business.

Myself: So would it be fair to say that you have a good understanding of what CSR incorporates?

Interviewee C: Eh yeah sure, I suppose it would incorporate organisations acting ethically in business and sort of self regulating their behaviour to support anyone who can be effected by their actions.

Myself: Ok cheers, could you tell me a little bit more about CSR in "Pharma"?

Interviewee C: Well, especially in the likes of the pharmaceutical industry you have to be very ethics conscious and I think it's fair to say that we are very proactive to CSR and actually exceed an obligation we have to CSR. We've all sorts of activities and initiatives ranging from a local to an international level to help out.

Myself: Cheers. What sort of initiatives are you referring to?

Interviewee C: There's a local community education arrangement called the "youth-high flyers programme" which is about educating local school kids on the happenings of "Pharma" We do charity support for 3rd world countries, the homeless, the needy, disease prevention on a national and international level and there's even initiatives for the employees themselves.

Myself: Oh yeah?

Interviewee C: Yeah, there is a fair range of initiatives we can avail of. I know of childcare facilities, team bonding sessions, flexible working, All that sort of stuff. Like at the moment, I have my child enrolled in a summer camp set up by "Pharma" so whilst she is out of school, my husband and I can work without having to go the expensive of getting a babysitter. It's €80 per week which works out much cheaper than getting a babysitter.

Myself: Thanks for that. How would you say this initiative has impacted your relationship with "Pharma"?

Interviewee C: Aw no doubt it has strengthened it. I definitely would trust them more to look after me as an employee but also my family. Probably without this programme, my bond with "Pharma" wouldn't be so strong. They really do care for their employees.

Myself: Oh Ok, cheers. So would you say employees would be the focus of “Pharma”’s CSR agenda?

Interviewee C: Well I mean, well no. Like overall I think it would to enhance the standing and reputation of the company. But in my opinion employees are definitely an important part of their CSR focus, no doubt.

Myself: Just in relation to the general CSR initiatives “Pharma” implement, have you ever got involved in them yourself?

Interviewee C: No can’t say I have. Like, I like the idea of it all like the idea of it all but I’m just too busy with work and my family to sacrifice to the time to get involved, you know?

Myself: Yeah, so would you say you have some desire to get involved?

Interviewee C: Yeah definitely but only if the circumstances permit.

Myself: Ok and would be aware of any of your co-workers that have participated in any of these CSR initiatives?

Interviewee C: Actually yeah, I know, recently, an executive in the company was involved in some health awareness programme for some part of Eastern Europe. Think it was to do with cancer and tobacco related illnesses. He, I think went on one trip Eastern Europe to see the effects for himself and he helped put together health awareness campaign and raising the awareness of the ill effects of smoking. One on my friends is involved occasionally in some community well being programme which was about promoting healthy living in disadvantaged areas. I know there are feedback sessions after every initiative experiences, employees are then encouraged to share what they thought of the whole experience. All in all, he was delighted he took part, felt he was doing good and overall there was a huge fell good factor and in a sense I’d say it brought him closer to “Pharma” and their ethical philosophy, strengthening the bond between himself and “Pharma.”

Myself: Thanks, and what position does your friend hold in “Pharma”?

Interviewee C: Oh he’s in health and safety too.

Myself: Thanks. Just in general what it your opinion on “Pharma”’s commitment to CSR and how would impact your relationship with the organisation?

Interviewee C: Aw it's all very positive and to be honest I see no down sides. It's good for the employees, but also the organisation itself, the community, customers and anyone else who the CSR activities impact. I think there's an enhanced sense of pride, confidence, satisfaction from an employee's point of view in working for "Pharma". Because of this CSR commitment, I would feel a closer association with the company and would be proud to say I work for "Pharma".

Myself: Thanks, and would say other employees feel the same?

Interviewee C: Eh yeah I think so like. It wouldn't really be something that would come up very often in conversation but anytime it does, it's all very positive.

Myself: Right Ok, Thanks a lot. That's everything.

Interviewee C: Lovely stuff, I'm going to head.

Myself: No problem, thanks for your time.

Interviewee C: Not a bother, bye.

Myself: See you.

Appendix 4:

“Pharma”

Interview 4

Date: 17th July

Location: “Pharma” site

Commenced: 10:31 Finish: 10:49

Myself: Hi My name is Seán Young; I’m a masters student from the National College of Ireland studying Human Resource Management. Is it ok if I ask you some questions about my dissertation topic which corporate social responsibility’s relationship with the existence of a healthy psychological contract in “Pharma”?

Interviewee D: Yeah that’s grand, work away!

Myself: Cheers, so briefly could you introduce yourself, explain your position within “Pharma” and how would you describe working for “Pharma”, please?

Interviewee D: Em, I’m “Interviewee D”, I’m a developmental technician and I work shift. I work very much hands on the product, I work with a cell culture in drug production and it requires 24 hour, 7 days a week attention. I’m involved with all aspects of production, preparing cell vessels, transferring vessels, filtering, sterilisation of vessels, sample taking and cleaning of vessels when a product moves on.

Myself: Ok and what in your opinion are “Pharma” like an employer? How would you, an employee describe your relationship with “Pharma” as an employer?

Interviewee D: “Pharma” are obviously a big multi-national and working conditions are quite good. They will definitely be along with say...market standard of pay and conditions. It’s fair to say we’ve a very modern facility and our staff facilities such as our canteen are really good.

Myself: Cheers, in general, in your line of work have you ever come across the term corporate socially responsibility or CSR as its usually known?

Interviewee D: Well yeah, I'm aware of CSR, I've heard it being branded about lots.

Myself: Cheers, so would you have a basic understanding of what CSR is?

Interviewee D: .Yeah, it's about the company giving something back to their local community and probably enhancing their reputation and removing sort of some of the mystery that would have associated with pharmaceutical companies in the past, being a good neighbour, supporting the community and even such things as charity sponsorship and financial support 3rd world countries and even other local development initiatives. I know there are a number of local initiatives run in the community that are run by "Pharma" on a regular basis. There are always events, where they may be tied in to staff through notice boards in the canteen. There's donations made by staff and the company would match them. There's volunteer programmes, were people would go out in the local community and schools and discuss their careers and introduce science, Medicine and working in the pharmaceutical industry to local kids. There are also different initiatives through sports; there was a sponsored cycle for Chernobyl, which "Pharma" have been involved with for a long time.

Myself: Cheers for that, I see you mentioned community development initiatives, sponsorships, charity support and stuff like that. So would you be aware on "Pharma"'s position on CSR?

Interviewee D: Yeah, yeah they have a policy and I think HR is responsible for that. They've articles regularly put into circulation on the CSR events themselves, there is a lot of publicity around them and they certainly hype them up and promote them as much as possible through newsletters, our internal internet and the public domain as well, it's very well communicated throughout the organisation.

Myself: Thanks, would you say "Pharma" have an onus to act ethically in business?

Interviewee D: Yeah, I think with the nature of the business we're in, we have to do the right thing. Eh, "Pharma" are definitely conscious of the fact that that need to be seen to being doing the right thing, that they're contributing to the community, that they're part of what goes on, that they employee locally, that they get involved in any way to help the community.

They have a lot of appeals for sponsorships for local clubs, sports teams, hold events to help the community and that type of thing.

Myself: Cheers, say upon joining “Pharma” or in working for “Pharma”, would you say “Pharma” are proactive in educating their employees on CSR and “Pharma”’s stance on CSR?

Interviewee D : Em, they may not actually mention corporate socially responsibility, they wouldn't necessarily give it that title but you would be told about the different activities they are involved in and I've said, they are very much into newsletters, communication, notice boards, internet, emails. There is a huge way, you know, the way they communicate things, they generally keep us in the loop.

Myself: So, would you say, in your opinion, “Pharma” provide ample opportunity to get involved in their CSR agenda?

Interviewee D: I think they do for sure, it's just a case of signing up, following certain links, making a phone call. It's open to everybody, it's not exclusive by any means, it's not run by HR for HR and in fact the more volunteers they have, the happier they are.

Myself: Would you say, you yourself are given opportunity to get involved?

Interviewee D: Em, I'd say so. You volunteer and you can promote “Pharma” say locally, in schools or you can participate in fundraisers, stuff like that. These would be all outside of general working hours. Or actually it could be a bit of both, you could be entertaining people on site, local school kids or children of employees have a look around the labs, to don a bit of gear to enter clean rooms and that type of thing.

Myself: So have you, yourself ever got involved in any of “Pharma”’s CSR initiatives?

Interviewee D: Me, personally no. I haven't been involved in any as of yet. I work shift, it's a bit more difficult. I work more weekends and a lot of nights so my interaction would be limited with what goes on during the week. I wouldn't rule it out fully but as of yet, I haven't been involved.

Myself: and would like to get involved yourself at some point in the future?

Interviewee D: Yeah I would definitely consider it, I'd have no problem getting involved, in fact I'd like to get involved. Like with me working shift and nights, there's a lot of staff working shift so I think "Pharma" have to just pick dates and go with them.

Myself: Thank you, would you be aware of any of your fellow employees getting involved in "Pharma"'s CSR initiatives?

Interviewee D: Yeah, I know of co-employees that have been involved with local schools to introduce Science and Medicine to school children, I know of people who were part of fundraisers, 3rd world sponsorships and other such activities. From what I gather all employee involved are encouraged to spread the word of what is done.

Myself: Cheers, so in your experience through talking with these employees, what do they make of the CSR initiative and how do they feel about participating?

Interviewee D: Very positive, they all give good feedback. There is a good buzz about the whole thing and definitely there is an upbeat, positive feeling about the whole thing.

Myself: Would you say it impacts their relationship with "Pharma" and if so, how?

Interviewee D: Sure, like it's very much win, win all round. For the employee through their sense of achievement and through making a contribution and "Pharma" as employees become more fond of working of them.

Myself: In your own view, what do you think of "Pharma" conducting these CSR initiatives?

Interviewee D: Ah I think it can only be good. I think it's important to give something back and you know, they are a big multi-national, a profitable company so it is important to be doing these things. It's good to be associated with the organisation, good to be associated with any initiative that contributes positively. It certainly enhances my faith in "Pharma", as a business, in doing the right thing. It's all good.

Myself: As you've explained, "Pharma" have a number of CSR related initiatives such as community development, would you say "Pharma" have an onus to have CSR activities aimed at their own employees?

Interviewee D: Yeah definitely, I know they do. There are support programmes; they have a policy around work life harmony. In the summer when the kids are out of school they also

have summer camps which are subsidised by “Pharma” and people can obviously put their children in these supervised camps. I think it costs about €80 per child per week and if you’ve more children you can get a reduced rate so it’s very competitively and it’s huge support to the people who can avail of it and who needs it. Obviously it would take the burden of the employee in terms of child minders, childcare and that type of arrangements that would have to be made for the summer months so I see it as a hugely positive and beneficial thing to do.

Myself: thanks for that and have you yourself availed of any of these employee orientated CSR initiatives?

Interviewee D: No, not at the moment.

Myself: Ok, so just in general and to conclude, any final thoughts on “Pharma”’s CSR commitment?

Interviewee D: Well there’s always a positive slant on it, there’s always bells and whistles associated with it. Christmas time, there’s visits from local choirs with the attention of supporting an old folks group. There is a shoebox collection for Romanian orphans and I think its win, win all round. I’m aware there are also initiatives on a more global level, such as 3rd world support, aids prevention in Africa and other programmes like that. Overall I feel, it would enhance my relationship with “Pharma” as there is a general feel good factor involved and it’s good to associated with an organisation like “Pharma” who give back.

Myself: Ok, cheers “Interviewee D”, thanks for your time, that’s all for now.

Interviewee D: No problem, any time.

Myself: Thanks very much, bye.

Interviewee D: Bye.

Appendix 5 – Survey:

1: As a “Pharma” employee, I have a positive relationship with the organisation.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

2: I have a general comprehension of what corporate socially responsibility (CSR) represents.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

3. I am conscious of “Pharma”’s position on CSR.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

4. I believe that “Pharma” have an obligation to being socially responsible in business.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

5. I believe that “Pharma” have an enthusiastic dedication to CSR.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

6. “Pharma” have a range of CSR related initiatives and activities.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

7. I am content with “Pharma”’s stance on CSR and the associated initiatives.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

8. I have a desire to partake in the CSR initiatives conducted by “Pharma”.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

9. I am regularly presented with opportunities to participate in “Pharma”’s CSR programme and the related initiatives.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

10. I participate or have previously been involved in “Pharma”’s CSR initiatives.

- Agree
- Disagree

If you respond with “disagree” to the preceding statement, “Q10”, please now refer to “Q12”. If you are in agreement to “Q10, please respond to the following,

11. In partaking in “Pharma”’s CSR agenda and their CSR initiatives, the bond between myself and “Pharma” has been enhanced.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

12. I am aware of co-workers participating in “Pharma”’s CSR initiatives.

- Agree
- Unsure
- Disagree

If unsure or in disagreement with the preceding statement, “Q12”, please now refer to “Q14”, if in agreement with “Q12”, please now refer to the following,

13. These participating co-workers found that engaging in “Pharma”’s CSR initiatives to be a positive experience.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

14. In “Pharma”’s conducting of CSR initiatives, my sense of trust in the organisation has been enhanced.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

15. My level of commitment to “Pharma” has been enhanced as a result of their emphasis on CSR.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

16. As a consequence of “Pharma”’s commitment to CSR, I find myself more motivated in working in “Pharma”.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

17. “Pharma” have a range of CSR initiatives such as childcare or flexible working arrangements on offer to the benefit of their employees.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

If unsure of in disagreement with the preceding statement, “Q17”, please now refer to “Q20”; if in agreement please respond to the following,

18. I have availed of these employee focused CSR initiatives on offer from “Pharma”.

- Agree
- Disagree

Only if in agreement with “Q17” and after responding to “Q18”, please respond to the following,

19. These employee focused CSR initiatives on offer by “Pharma” have enhanced my sense of affiliation with “Pharma”.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

20. I am of the belief that “Pharma” employees are the main reason behind their commitment to CSR and the associated initiatives.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree

21. Overall, “Pharma”’s dedication to being socially responsible has positively impacted my relationship with the organisation.

- Strongly Agree
- Agree
- Unsure
- Disagree
- Strongly Disagree