Would Internal Corporate Social Responsibility Make a Difference in Professional Service Industry Employees' Turnover Intention? A Two-Stage Approach Using PLS-SEM

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Abstract

Purpose : The main objective of this research paper is to examine the role of Internal Corporate Social Responsibility (CSR) in the professional service industry. Professional service industry was used as the contextual background as it is often hit by the issue of high turnover. This research paper capitalizes on Stakeholder Theory and Social Exchange Theory to investigate and explain the role played by Internal CSR in professional service industry turnover intention.

Design/methodology/approach: Quantitative method by way of questionnaire survey was employed to gauge the respondents' perceptions on the effect of Internal CSR practices. Multi-stage sampling and judgmental sampling are adopted. The data obtained was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).

Findings: Internal CSR practices are found to have a role to play in the professional service industry. Internal CSR practices could make a difference in employees' turnover intention. This positive outcome is explained by the mediating roles of organizational commitment and job satisfaction, along with the direct relationship between Internal CSR practices and turnover intention. Besides, it was observed that the degree of Internal CSR practices is varied among the professional firms. Most of the firms are found to have implemented Internal CSR practices in the aspects of career opportunity, employee well-being, family friendly policy and organizational justice.

Practical implications: The findings provide insights to the professional service firms on the manifestation influence of Internal CSR practices to curb turnover intention issue in the professional service industry.

Originality/ Values: This research paper adds value to current knowledge by highlighting the importance of Internal CSR, which past research had mostly focused on external CSR. The findings also contribute to the body of knowledge on the mediating effects of organizational commitment and job satisfaction instead of its direct relationship which had heavy research in the past. Besides, this research paper explored the underlying research issues by utilizing PLS-SEM that is not common in the field of organizational behavior.

Keywords: Internal CSR, professional services, organizational commitment, job satisfaction, turnover intention

Introduction

Over the last decade, Corporate Social Responsibility (CSR) has gained much attention and popularity in the business world and the academic research. Numerous driving forces in the global environment have changed the business landscape. Business organizations facing increased competition and are compelled to be as innovative as possible in order to create a competitive strategy. According to Rahim, Jalaludin and Tajuddin (2011), among the competitive strategy that enables their business to be differentiated from others is the one that involved in CSR activities. Despite research on CSR has covered across many decades and in various fields, yet only a handful of academic studies have investigated the relationship between CSR and stakeholders, especially the employees. This lead to the development of employee-centered CSR activities (Kim & Scullion, 2013). Employees are an essential part of every organization regardless of size and nature of business. In fact, socially oriented activities have emerged as a priority concern recently. This explains the pervasiveness and importance of CSR activities in this decade. Employees are highly influenced by the CSR initiatives executed in the organization. This research paper aims to look into the impact of internal CSR practices among the employees working in professional services located in Klang Valley, Malaysia and its implications towards employees' job satisfaction and organization commitment towards turnover intention. This research paper wishes to examine the possible influence of Internal CSR among the employees in the professional service industry in terms of employees' turnover intention.

Literature Review

Overview of Corporate Social Responsibility (CSR)

In the past four decades, academics have contested the definition of corporate social responsibility (CSR) as well as the paradigm that form CSR dimensions (e.g. Carroll, 1999; Brown & Dacin, 1997; Clarkson, 1995; 1979; Bowen, 1953). Van Marrewijk (2003) explained that defining CSR is not an easy task as it means something, yet not always the same meaning to everybody. Despite the difficulty in defining CSR, many management disciplines did recognize that CSR fits into their objectives. As a result, various CSR definitions have been adopted respectively by different groups according to each of their specific interests and objectives.

CSR is described as cross-disciplinary in nature (Lockett, Moon, Visser, 2006). According to Brammer, Millington and Rayton (2007), CSR is potential relevance for employee management (Brammer, Millington & Rayton, 2007), organizational behavior and human resource management. However, researchers (e.g., Aguilera, Rupp, Williams & Ganapathi, 2007; Rupp, Gananpathy, Aguilera & Williams, 2006) pointed out that these are the areas which are under-investigated.

Employees-Centered Corporate Social Responsibility (CSR)

Drawing on resource-based firms, CSR practices were reported to be able to attract and retain employees (Young & Thyil, 2009). Accordingly, these CSR practices include providing employees with good and safe working conditions, competitive terms and conditions of employment, promoting employees' training and development, creating equal opportunity for skills and talents developing, and encouraging employee involvement in the planning of their career path. Meanwhile, there is rising attention that direct to the internal stakeholders, specifically the employee, from the field of organizational behavior and human resource management (Aguinis & Glavas, 2013). Low (2015) also acknowledged that the focus of CSR is no longer constrained to shareholders, but has expanded to stakeholders. This development brings attention to CSR and employees as well as its linkages among each other.

Numerous terms are emerged from the development of CSR and employees. These terms are secondary stakeholders (Clarkson, 1995; Freeman, 1999); external and internal stakeholders (Verdeyen & Buggenhout, 2004); contracting and public stakeholders (Charkham, 1994); voluntary and involuntary stakeholders (Clarkson, 1994); internal, external, and societal stakeholders (Wherther & Chandler, 2006); primary social, secondary social, primary non-social, and secondary non-social stakeholders (Wheeler & Sillanpaa, 1997). Internal CSR is adopted in present research as it is comparing with more established research on external CSR. Internal CSR practices refer to CSR practices which are directly related to the physical and psychological working environment of employees (Turker, 2009). It is the notion of concern for the health and well-being of employees, their training, and participation in the business, equality of opportunities, work-family relationship (Vives, 2006). The existing evidence inspires the inquiry on the implementation of internal CSR practices in professional services industry as a mean to curb employee turnover in order to achieve organization sustainability and growth.

Employees' Attitudes and Behavior

Many literatures reveal that specific employee attitudes and behavior such as organizational commitment and job satisfaction are of major interest in the field of organizational behavior and human resource management. Despite being a heavily researched area, organizational commitment and job satisfaction are still continuously given attention to. In contemporary management, employees' attitudes are likely to get more complicated than it had been specified in the past. As present research starts its inquiry on the impact of internal CSR on employees, specifically aspects pertaining to the psychology and physiology of employee, such as organizational commitment is a relevant construct to be examined.

Generally, organizational commitment is the psychological attachment individuals feel for the organization (O'Reilly & Chatman, 1986). Studies have also shown that the CSR practices of an organization would have a significant positive influence on its employees' organizational commitment (Brammer, Millington, & Rayton, 2007). Whitener (2001) added on with his conception of the effect of 'high commitment' human resource practices on organizational commitment. Allen and Meyer (1996) once defined organizational commitment as the psychological link between employee and his or her organization that makes it less likely that the employee will voluntarily leave the organization. This relates to affective commitment, which is the employee's emotional commitment on the organization, i.e., employees stay at their job because they want to stay. Employees with strong affective commitment remain because they want to as opposed to those with strong continuance commitment because they need to, and those with

strong normative commitment because they feel they ought to do so. Hence, employees with high level of affective commitment will stay because of strong emotional attachment to the organization. The present research adopts Allen and Meyer (1990)'s model of organizational commitment, employing only one dimension, which is affective commitment. The rational for this adoption is that it matches the research objective, to gain insight of the influence from internal CSR practices in reducing employees' turnover intention in professional services. Affective commitment measures employees' identification with the organization and continuity to stay in the organization which facilitates their intention to stay or leave the organization. Affective commitment is more appropriate in present research as compared to normative commitment and continuance commitment to gauge an employee's level of organizational commitment through internal CSR practices. Indeed, organizational variables, rather than employee characteristics, would be a better predictor of organizational commitment, and it is the 'employee-focused' organizational factors that fulfill the objective of present research which focusing on the professional service industry.

Job satisfaction is another construct of interest in the organizational behavior. Job satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's job. It is the most used research definition of job satisfaction is by Locke (1976), who defined it as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". The implicit understanding of Locke's definition is the importance of both affects, or feeling, and cognition, or thinking. According to Social Exchange Theory, job satisfaction can be inferred through the reciprocity between employee and the organization who he or she attached to. Social Exchange Theory argues that an employee views pleasant working conditions as a "gift" from the organization and responds with a "gift" of increased effort, even if the effort is not directly rewarded by monetary incentive scheme. Job satisfaction promotes organizational citizenship behavior (Organ, 1988), where an employee goes above and beyond the formal requirements of the job and internalizes the organization's objective function as his or her own. This shown that job satisfaction benefits in multiple ways such as increases intrinsic motivation and enhances organizational commitment. Against this discussion, organizational commitment and job satisfaction are used to measure employee's attitude and behavior in present research.

Turnover intention is the cognitive process of thinking of quitting, planning on leaving, and the desire to leave the job. Past research (e.g. Mobley, Griffeth, Hand, & Meglino, 1979; Kiyak, Namazi, & Kahana, 1997; Mor Barak, Nissly, & Levin, 2001) had highlighted that turnover intention is the strongest predictor of voluntary turnover. Turnover intention usually occurs prior to voluntary turnover. Voluntary turnover is usually the most common, most costly and harmful to an organization, and yet most avoidable (Price, 1977). With these, it is natural to bring in the discussion of turnover intention into present research in the investigation of internal CSR practices.

Research Model and Hypotheses
All forms of organizations have always had stakeholders of one kind or another such as investors, shareholders, employees, customers and local community or society that is mutually affected by and have influence on organization. Freeman (1984) defined stakeholder as any person or organization affected by or with the power to influence an organization's decision and actions. Accordingly, Stakeholder Theory (Freeman, 1984) asserted that firms have relationships with many constituent groups (e.g., employees, customers, suppliers, local community organisations), which have an interest in the undertakings and outcomes of a firm (Margolis & Walsh, 2003;

Donaldson & Preston, 1995). These stakeholders both affect and are affected by the actions of the firm and balancing the needs of the multiple stakeholders in the undertakings and outcomes of a firm is crucial. This notion connects the role of CSR by the organization to employees. Employees being the stakeholder are much affected by the undertakings of the organizations, and thereon influence the outcome of organization particularly in terms of performance and sustainability.

Meanwhile, Social Exchange Theory claimed that employee's commitment to the organization are drawn from their perceptions of the employers' commitment to and support of them (Wayne, *et al.*, 1997, Hutchison & Garstka, 1996; Settoon, *et al.*, 1996, Shore & Tetrick, 1991; Shore & Wayne, 1993; Eisenberger, *et al.*, 1990). In view of these theories, employee being the internal stakeholder of a firm is much affected by its action and undertaking of the firm, such as internal CSR practices. Employee's attitudes and behavior is then derived from their perception toward the employer's commitment and support to them. It is the norm of reciprocity (Blau, 1964; Homans, 1961) between the employee and employer through internal CSR practices that focus on the well-being of employees. This creates the trust between the employer and employees that results in high employee commitment and job satisfaction which subsequently lower turnover intention.

In light of the aforementioned discussion, it legitimizes a research agenda on investigating the practice of internal CSR in the professional service industry, particularly on the employees' attitudes and behavior. The present research aims to uncover the role of internal CSR practices, and how does it affect employees' organizational commitment and job satisfaction which influence their turnover intention. The research model is shown in Figure 1.
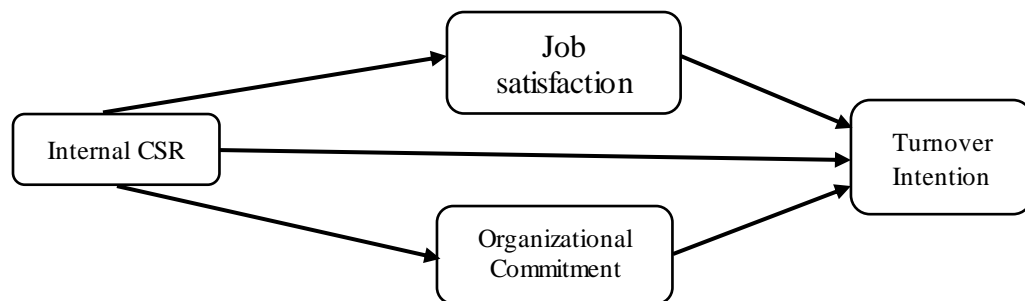

Figure 1 : Research Framework

With reference to the earlier discussion of Internal CSR, it refers to CSR practices that are directly related to the physical and psychological working environment of employees (Turker, 2009). Drawing from Social Exchange Theory, the implementation of Internal CSR practices is an act from organization that care for the employees' well-being. This act is then reciprocated by the employees through their intention to stay. As such, H1 is formulated.

H1 : Internal CSR has a negative effect on turnover intention.

From the organizational psychology point of view, prior to turnover intention, there is chain of cognition processes that take place. If the employees are satisfied with their current job, which is demonstrated through high job satisfaction, the turnover intention is low and vice-versa. Adding

on, if the employees are commited to the organization as a result of the organizations undertakings, their intention to leave would be lower. Therefore, job satisfaction and organizational commitment are modelled as the mediator in current research. H2 and H3 are then developed based on these aurguement.

H2 : Job Satisfaction mediates the relationship between Internal CSR and Turnover Intention.
H3 : Organizational commitment mediates the relationship between Internal CSR and Turnover Intention.

Research Methodology

Partial Least Squares Structural Equation Modeling (PLS-SEM) has emerged as a popular statistical tool in recent years. Its' increased popularity is due to its' capability in permitting the development of parsimonious predictive-based research model (Hair, Ringle & Sarstedt, 2011; Becker, Klein & Wetzels, 2012; Hair, Hult, Ringle & Sarstedt, 2013; Hair, Hult, Ringle & Sarstedt, 2016). PLS-SEM uses variance-based technique and eases assumptions on sample size, number of indicators as well as data normality. Therefore, PLS-SEM makes theory development possible and relevant in different contexts of study (Barroso, Carrión & Roldán, 2010). In addition, PLS-SEM facilitates the use of formative indicators/dimensions in the model. It is a point of concern when the indicators are incorrectly defined and measured. Coltman, Devinney, Midgley, and Venaik (2008) highlighted that utilization of an incorrect measurement model undermines the content validity of the constructs, misrepresents the structural relationships within which these constructs are embedded, and ultimately lowers the usefulness of management theories for business researchers and practitioners. Adding on, in a meta-anlaysis study by Jarvis, MacKenzie, and Podsakoff (2003) reported that the rate of misspecified models is as high as 32% in organization studies. The study reveals that many indicators or dimensions which should have been measured formatively were measured reflectively, therefore, creating doubt on the practical meaningfulness of the results and implications.

In the context of PLS-SEM, the formative construct is assumed to fully capture the content domain of the particular construct under consideration. Current research adopted Turker (2009)'s measures for Internal CSR practices, which consist of six dimensions, namely, Employees' voluntarily activities, Career opportunities, Employee well-being, Family friendly policy, Organizational justice and Future education. Hence, internal CSR in present research is considered as a formative measure. Given the fact that PLS-SEM facilitates the use of formative indicators/dimensions in the model, it is deemed appropriate to assess the model under investigation with PLS-SEM.

Present research endeavor to examine the relationship between Internal CSR and Turnover intention, and the mediation effects of Organizational commitment and Job satisfaction, the quantitative approach being the positivist stance is adopted. Quantitative approach using structured self-administered questionnaire was adopted in this research. The research respondents are the full-time employees who are employed in professionals, scientific and technical activities industry as classified based on Malaysia Standard Industrial Classification (MSIC) 2008.

Questionnaire is used as a survey tool to collect data as per present research objectives. Sekaran (2000) mentioned that quantitative method is a method of measurement where data in terms of frequencies, or mean and standard deviations, becomes essential for descriptive studies. Creswell (2002) added that quantitative method is appropriate to measures attitudes and behavior. Creswell (2002) explained that the advantage of the quantitative method is that it allow measurement of

perceptions, reactions and attitudes of a sample through a set of structured questions. This main advantage enables comparisons and statistical aggregation of data (Sekaran, 2000). Besides, analysis obtained from quantitative method help to increase objectivity in interpreting data, measures of validity and reliability, which could be easily communicable to others (Byrne, 2002). The present research employed multi-stage sampling, whereby the first stage is to locate the highest number of professional firms, and followed by the second stage of selecting the sample. According to the Department of Statistics, Malaysia, the highest numbers of professional firms are located in Klang Valley. Hence, the present research frame is set in Klang Valley and followed by convenience sampling randomly selected the directory of firms in Klang Valley According to Bryman (2012), convenience samples are very common and more prominent in the field of organization studies. It was also mentioned that social research is frequently based on convenience sampling. Convenience sampling method is used in current research because its virtue of accessibility to the professional firms located in Klang Valley. Besides, convenience sampling is suitable in the present research as it provides a springboard for further research and allows possible links to be forged with existing findings in the area of internal CSR practices in Klang Valley.

The operationalization of the constructs were drawn on measures commonly used in past research as shown in Table 1. As present research attempts to gauge employees' perception and their attitudes on the influence of Internal CSR practices, a six-point Likert scale is employed. Torgerson (1958) explained that when measuring attitude, a respondent responds to an item in a way that reveals the strength or valence of the item in relation to his or her position in regard to the latent attribute that is being measured, hence an even option is in favour to an uneven option. The six-point Likert scale chosen for present research are 1 for "Strongly disagree", 2 for "Moderately disagree", 3 for "Slightly disagree", 4 for "Slightly agree", 5 for "Moderately agree" and 6 for "Strongly agree".

Table 1: Items for Constructs Adopted

Constructs	Source
Internal Corporate Social Responsibility (CSR)	Turker (2009a, 2009b)
Employees' voluntarily activities	
1. Our company encourages its employees to participate to the voluntarily activities.	
Career opportunities	
2. Our company policies encourage the employees to develop their skills and careers.	
Employee's well-being	
3. The management of our company primarily concerns with employees' needs and wants.	
Family friendly policy	
4. Our company implements flexible policies to provide a good work and life balance for its employees.	
Organisational justice	
5. The managerial decisions related with the employees are usually fair.	
Future education	
6. Our company supports employees who want to acquire additional education.	
Global Measure (Developed for Formative measured construct)	
Overall, Internal CSR practices is observed in our company.	
Job satisfaction	Brayfield-Rothe (1951)
1. I fell fairly well satisfied with my present job.	

Constructs	Source
2. Most days I am enthusiastic about my work.	
3. Each day of work seems like it will never end. (reverse scored)	
4. I find real enjoyment in my work.	
5. I consider my job rather unpleasant. (reverse scored)	
Organizational Commitment	Meyer and Allen (1997)
1. I will be very happy to spend the rest of my career with this organization.	
2. I enjoy discussing my organization with people outside of it.	
3. I really feel as if this organization's problems are my won.	
4. I think that I could easily become as attached to another organization as I am to this one. (R)	
5. I do not feel like part of the family at my organization. (R)	
6. I do not feel like 'emotionally attached' to this organization. (R)	
7. This organization has a great deal of personal meaning for me.	
8. I do not feel a strong sense of belongings to my organization. (R)	
Turnover Intention	Mobley, Griffeth, Hand, and
1. I often think of quitting my present job.	Meglino (1979)
2. I may leave this organization and work for another organization in the next year.	
3. I plan to stay in this company to develop my career for a long time.	
4. I may not have a good future if I stay with this organization.	

Data collected was analyzed by using PLS-SEM. PLS-SEM is adopted for present research for three main reasons. Firstly, PLS-SEM is capable of handling both reflective and formative measures simultaneously (Chin, 1998). Using the definition of internal CSR by Turker (2009), internal CSR is modeled as formative measures as it consists of six dimensions specifically Employees' voluntarily activities, Career opportunities, Employee well-being, Family friendly policy, Organizational justice and Future education. Secondly, PLS uses variance-based technique and relaxes the restriction on distributional characteristics and sample size, the number of indicators and data normality. PLS-SEM builds on a set of nonparametric evaluation criteria and uses procedures such as bootstrapping and blindfolding. Lastly, PLS-SEM is presented as a better means for an exploratory approach (Chin, 2000) as in the context of internal CSR in the present research which is under investigated.

Smart PLS version 3.2.4 by employing two-stage approach as proposed by Anderson and Gerbing (1988) was used in present research. Stage 1 involves evaluating the measurement model, with the analysis varying depending upon whether the model includes reflective measures and/ or formative measures. The measurement evaluation for reflective measures involves internal consistency reliability, convergent validity, and discriminant validity. While formative measures evaluation entails convergent validity, collinearity issues; and significance and relevance of formative indicators. If the measurement model evaluation showed satisfactory results, researcher will proceed to Stage 2. Stage 2 covers structural theory that includes determining whether the structural relationships are significant and meaningful, and hypotheses testing (Hair, Hult, et al., 2014).

Data Analysis

A total of 400 questionnaires were sent out to the listed professional firms in Klang Valley as per directory. A total of 181 responses were received at the end of the data collection process, which

constitutes to 45.3% response rate. The respondents' profiles are analyzed according to the gender, age, ethnicity, education level and managerial role as shown in Table 2.

Table 2: Respondent's Profile

Profile	Description	No. of respondent	Percent
Gender	Male	79	43.6
	Female	102	56.4
Age	<30	110	60.8
	30-39	41	22.7
	40-49	17	9.4
	50-59	12	6.6
	59 above	1	0.5
Ethnicity	Malays	43	24.0
	Chinese	105	58.0
	Indian	28	15.0
	Others	5	3.0
Education level	SPM	16	8.8
	Diploma	42	23.2
	Degree	102	56.4
	Postgraduate	15	8.3
	Others	6	3.3
Position	Managerial Level	97	53.6
	Non-Managerial Level	84	46.4

Majority of the respondents are Chinese, female and less than 30 years old. Most of the respondents are degree holders. Respondents that participated in the survey are mostly holding a managerial position whereby they are involve in the decision making of the organization.

Results

Measurement Model: Reflective Measures

Table 3 depicts the assessment of reflective measurement models in which the indicators are caused by the underlying construction. Organizational commitment, Job satisfaction, and Turnover intention are modeled as reflective measures in present research. As illustrated, the loadings of all constructs are above the recommended threshold of 0.7 by Hair, Hult, et al. (2014). Loadings below 0.7 are deleted in through the scale refinement process. The constructs' loadings are ranging between 0.703 to 0.950. In terms of the constructs composite reliability (CR), the results reveal that all fall under the range of satisfactory as pointed out by Nunnally and Bernstein (1994). The highest composite reliability was obtained at 0.953 for Job satisfaction followed by Organizational commitment at 0.912 and Turnover intention at 0.906. AVE is the common measure to establish convergent validity at the construct level. An AVE value of 0.50 or above indicates that, on average, the construct explains more than 50% of the variance of its indicators. The results showed that all the AVE of constructs are above 0.50 with AVE values ranging from 0.675 to 0.870. The Cronbach Alpha values for all constructs are also above the acceptable value of 0.7.

Table 3: Internal Consistency and Convergent Validity

Construct	Items	Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Job Satisfaction	JSq1	0.950	0.925	0.953	0.870
	JSq2	0.919			
	JSq4	0.929			
Organizational commitment	OCq1	0.851	0.879	0.912	0.675
	OCq2	0.843			
	OCq3	0.832			
	OCq4	0.703			
	OCq7	0.869			
Turnover Intention	TIq1	0.926	0.846	0.906	0.762
	TIq2	0.884			
	TIq4	0.804			

Table 4 shows the assessment of discriminant validity. Most recently, discriminant analysis is assessed using Henseler's heterotrait-monotrait (HTMT) (2015) criterion which is regarded as more stringent assessment as compared to Fornell and Larcker (1981) criterion. The HTMT result suggests that all constructs are distinctively different at HTMT0.90 threshold (Henseler, et al, 2015).

Table 4: HTMT Criterion

Constructs	Internal CSR	JS	OC_
Internal CSR	Formative Measure		
JS	0.684		
OC	0.647	0.879	
TI	0.295	0.468	0.364

Criteria: Discriminant validity is established at HTMT0.90

Measurement Model: Formative Measures

Formative measures are difference from reflective measures. Formative indicators fully capture the content domain of the construct under consideration. Therefore, interchangeable of indicators are not expected in formative measures as they are not correlated. Formative measurement model follows different assessment procedure as compared to reflective measurement model. The evaluation of formative measure involves the examination of convergent validity, collinearity and statistical significance and the relevance of the indicator weights (Hair, Hult, et al., 2014). Internal CSR practices is modeled as a formative measure as the construct is caused by the assigned indicators.

In assessing convergent validity for formative measure, a global item that summarizes the essence of the construct, which the formative indicators purport to measure (Sarstedt, *et. al*, 2014) is adopted in the present research. As illustrated in Figure 2, in the analysis, the path yield a coefficient of 0.973, which is above the threshold of 0.80.Thus, providing the support that the formative construct's convergent validity is achieved.
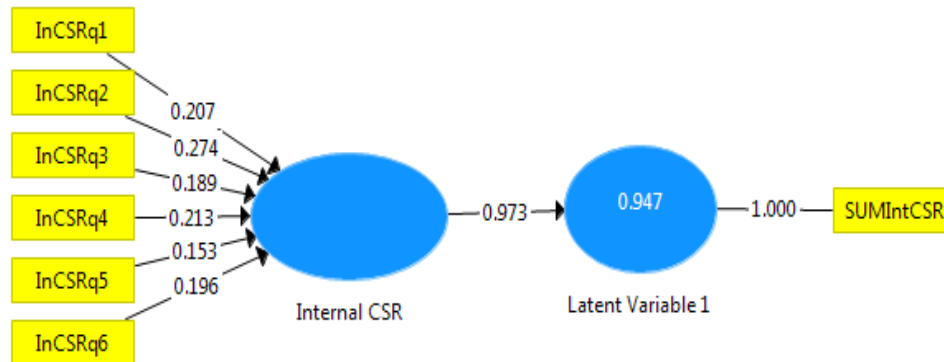
Figure 2: Convergent Validity of Internal CSR

The next step after establishing formative construct's convergent validity is to conduct the collinearity assessment of indicators. Collinearity is assessed by computing the tolerance which represents the amount of variance of one formative indicator that is not explained by the other indicators in the same block. Variance inflation factor (VIF) is the reciprocal of the tolerance and it is a related measure of collinearity. In the context of PLS-SEM, Hair, Ringle, Sarstedt (2011) recommended a VIF value of 5 and higher shown the potential presence of collinearity problem. Table 5 shown that all the VIF of the indicators are below the threshold of 5.0, suggesting that these indicators are distinct and there is no collinearity issue presence.

After checking on collinearity issue in formative measure, the last step to assess formative measurement model is assessing the significance and relevance of the formative indicators. This procedure is carried out by undergoing the bootstrapping procedure. Table 5 summarizes the results for the formative measure of Internal CSR by showing the original outer weight estimates, t values, p values and the confidence interval derived from the percentile method. The results reveal that all the formative measure indicators are significant with t value above 1.64 and a p-value less than 0.05.

Table 5: Formative Measure, Variance Inflation Factor (VIF) and Outer Weight Significance Testing Results

Formative construct	Formative indicators	VIF	Outer Weight	t value	p-value	95% BCA Confidence Interval	Significance (p < 0.05)?
Internal CSR	Employees' voluntarily activities	4.590	0.166	23.317	0.000	[0.223, 0.264]	Yes
	Career opportunities	3.012	0.208	25.383	0.000	[0.191, 0.223]	Yes
	Employee's well-being	2.168	0.240	21.592	0.000	[0.204, 0.245]	Yes
	Family friendly policy	2.253	0.225	19.105	0.000	[0.180, 0.218]	Yes
	Organizational justice	2.823	0.200	19.082	0.000	[0.172, 0.212]	Yes

Formative construct	Formative indicators	VIF	Outer Weight	t value	p-value	95% BCA Confidence Interval	Significance (p < 0.05)?
	Support of Future education	1.689	0.190	13.58	0.000	[0.144, 0.186]	Yes

Structural Model

Prior to assessing the structural model, it is important to ensure that there is no collinearity issue in the inner model of the research. Table 6 presents the outcome of collinearity test of the model. The VIF values below 5.0 for each of the constructs show that collinearity is not a concern (Diamantopoulous & Siguaw, 2006).

Table 6: Collinearity Assessment

Indicators	VIF
Internal CSR	1.000
JS	2.747
OC	2.747

The structural model indicates the causal relationships among the constructs in the model (Sang, et al. 2010), which includes the estimates of the path coefficients and the R^2 value, which determine the predictive power of the model. Compiling with the R^2 and path coefficients (loadings/ weights and significance) indicate how well the data support the hypothesized model (Chin 1998; Sang et al. 2010). Table 7 illustrates the result of path co-efficient assessment using the bootstrapping procedure for the hypothesized relationship. The relationship is found to be significant with *t* value above 1.64 and *p*-value less than 0.05. Therefore, Hypothesis 1 is supported, whereby Internal CSR has a negative effect on Turnover intention with β = -0.267.

Table 7: Path coefficient Assessment

Relationship	Standard Beta	Standard error	*t* value	*p* value	Decision
Internal CSR ->Turnover intention	-0.267	-0.268	4.596	0.000	Supported

Table 8 reports the indirect effects obtained after the bootstrapping procedure for Organizational commitment and Job satisfaction. The bootstrapping analysis shows that the indirect effect of Organizational commitment, β = 0.626 was significant at *t* value of 8.152 with p < 0.05. Preacher and Hayes (2008) indicated that the indirect effect of 0.626, 95% Boot CI: [LL= 0.474, UL = 0.738] which does not straddle a zero in between indicating that Organizational commitment mediates the relationship between Internal CSR and Turnover intention. Hence, Hypothesis 2 is supported.

Meanwhile, the bootstrapping analysis shows that the indirect effect of Job satisfaction, β = 0.587 was significant at *t* value of 9.325 with p < 0.05. Preacher and Hayes (2008) indicated that the indirect effect of 0.587, 95% Boot CI: [LL= 0.624, UL = 0.629] which does not include zero in between indicating that Organizational commitment mediates the relationship between Internal CSR and Turnover intention. Thus, Hypothesis 3 is supported.

Table 8: Indirect effect of Organizational Commitment and Job satisfaction

Relationship	Standard Beta	Standard error	t value	p-value	CIBC 2.5%	CIBC 97.5%
Organizational commitment mediates the relationship between Internal CSR and Turnover intention	0.626	0.586	8.152	0.000	0.474	0.738
Job satisfaction mediates the relationship between Internal CSR and Turnover intention	0.587	0.624	9.325	0.000	0.624	0.692

The mediation results conclude that the indirect effect and the direct effect are both significant and point in opposite directions, i.e. the presence of competitive mediation in present research model. Organizational commitment and Job satisfaction are both enhanced by Internal CSR practices, in which reduces employees' Turnover intention.

Table 9 presents the assessment of co-efficient of determination (R^2), the effect size (f^2) together with the predictive relevance (Q^2) of the exogenous variables on the endogenous variable in this research. The value for co-efficient determination for Organizational commitment is 0.345. This suggests that Internal CSR explains 34.5% of variances in Organizational commitment. Meanwhile, the co-efficient determination for Job satisfaction is 0.391. This suggests that Internal CSR explains 39.1% of variances in Job satisfaction. Similarly, the R^2 for the endogenous variable, namely Turnover intention is 0.184, suggesting that 18.4% of the variances in Turnover intention are explained by all the exogenous variables, i.e., Internal CSR, Organizational commitment and Job satisfaction. Overall, the Q^2 values of all variables larger than 0, suggesting that Internal CSR possesses predictive capacity over Organizational commitment and Job satisfaction. Likewise, Q^2 value of 0.184 for Turnover intention indicates that Organizational commitment and Job satisfaction possess predictive capacity over Turnover intention. The results also reveal that Organizational commitment and Job satisfaction have large effect size on Turnover intention, as its' respective f^2 is above 0.35.

Table 9: Determination of Co-efficient (R^2), Effect size (f^2) and Predicative Relevance (Q^2)

Variable	Determination of Co-efficient R^2	Predicative Relevance Q^2	Effect size f^2	Effect size
Organizational Commitment	0.345	0.227	0.526	Large
Job satisfaction	0.391	0.335	0.643	Large
Turnover intention	0.184	0.127		

Conclusion and Implication

The results reveal Internal CSR practice has a role to play in reducing employees' turnover intention in the professional service industry. Employees' turnover intention is reduced through the manifestation effects of Internal CSR practices through enhanced Organizational commitment and Job satisfaction. As highlighted by Freeman (1984) Stakeholder Theory, managers shall fulfil the interest of a variety of constituents, among others are the employees, who can substantially influence the organization outcomes. In this context, it is the organization undertakings in internal human resource management practice, Internal CSR that counts. The result is also consistent with the Social Exchange Theory (Blau, 1964), and Gouldner (1960), whereby it explains the reciprocity of the relationship between the organization and its employees. The reciprocity of the

relationship elucidates the positive effects of Internal CSR practices with Organizational commitment and Job satisfaction among employees. Employees value beneficial treatment through internal CSR practices, while employers seek loyalty and dedication in their work performance (Coyle-Shapiro & Shore, 2007). The notion of reciprocity expands to enhance employees' organizational commitment and job satisfaction, and in turn, reduces their turnover intention.

The present research may have contributed to the CSR knowledge by highlighting Internal CSR practices in professional service industry could enhanced both employees' organizational commitment and job satisfaction. Nevertheless, the present research has several limitations. The main limitations of the present research are related to its design and self-selected sample of employees. The respondents of the present research are selected from the professional services industry only. Therefore, future research may wish to expand to other industry and conduct multi-sources data collection to verify information obtained. In-depth interviews with employees would be helpful, especially because internal CSR practices vary according to sector and state. Future research may re-examine the conceptual model used in this research with a larger sample size so that the outcome can be generalized to a larger population.

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