

**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**THE EFFECT OF INTERNAL CORPORATE SOCIAL  
RESPONSIBILITY ON ORGANIZATIONAL  
COMMITMENT IN INBOUND TOUR COMPANIES**

**WAH WAH**

**EMBA II - 68**

**EMBA 16<sup>th</sup> BATCH**

**DECEMBER, 2019**

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**Academic Year (2017-2019)**

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**Yangon University of Economics**

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**“A thesis submitted to the Board of Examiners in partial fulfillment of the  
requirements for the Degree of Master of Business Administration (MBA)”**

**Supervised by**

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**Yangon University of Economics**

**2017 - 2019**

## **ACCEPTANCE**

This is to certify that the thesis entitled “**The Effect of Internal Corporate Social Responsibility on Organizational Commitment in Inbound Tour Companies**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

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**December, 2019**

## **ABSTRACT**

The objectives of the study are to analyze the effect of internal corporate social responsibility on organizational commitment and to examine the effect of organizational commitment on employee performance in twelve inbound tour companies in Yangon. In order to meet the research objectives, both primary and secondary data are collected. This study is thoroughly done by collecting from 122 respondents in twelve companies. The findings indicate that among three practices of internal corporate social responsibility, social policy and human rights have positive impact on all three organizational commitments whereas career development program has influence on continuous and normative commitment, and internal environmental practices have impact on affective and normative commitment. The results show that affective commitment and continuance commitment have positive impact on employee performance. Therefore, inbound tour companies should focus on social policy and human rights which are influencing on organizational commitment of employees, and this organizational commitment leads to good performance of employees.

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# CHAPTER 1

## INTRODUCTION

The productivity and effectiveness of an organization had always been of great concern to all business organizations and managers. Many criteria in organizational structure and system are continuously identified to evaluate the efficiency and effectiveness of management systems in organizations. Nowadays, organizations face the ongoing challenges of intense competition and are continuously striving to survive in highly competitive market developing unique strategies, and to achieve the sustainable competitive advantage. In addition, more consumers than ever are demanding that organizations change the way they do business, become more transparent, and take an active role in addressing social, cultural, and environmental issues. Undeniably, customers place high importance on corporate social responsibility, and actively seek products from businesses that operate ethically.

Therefore, Corporate Social Responsibility (CSR) has become an increasingly important issue in today business context. The integration of CSR in businesses is a great contribution as positive influence on business performance, particularly on brand reputation and profits. Therefore, more and more companies recognize the importance of CSR as it is the one that is able to sustain the business in the long run.

There are many definitions about CSR. Richard and Lord (2000) defined CSR as the ongoing commitment by corporation to behave ethically and contribute to economic development while improving the quality of life and well-being of the member of the organizations, their families, the local community and society at large. CSR is perceived as the contribution of the businesses to sustainable development, which has been outlined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs and is generally understood as focusing on how to achieve the integration of the economic, environmental and social imperatives (Peng, 2014).

CSR has internal (efforts directed toward employees) and external (efforts directed toward external stakeholders) practices. Although CSR has been integrated in businesses to some extent, many researches have conducted the impact of external CSR on overall

organizational successes and performances. However, there is still need to examine the influence of internal CSR on employees who are the assets of an organization.

According to Turker (2009), internal CSR practices refer to CSR practices which are directly related with the physical and psychological working environment of employees. Castka, Balzarova and Bamber (2004) conducted a research on small to medium enterprises (SMEs) in UK using ISO 9001:2000. The study showed that internal CSR encompassed human capital management, health and safety standards, quality of management, adaption to change and innovation, managing environmental impacts, natural resources and managing finances. Many researches revealed that internal CSR practices enhanced the organizational success and performance. But only few researches have shown about the impact of internal CSR practices on organizational commitment. According to Dixit and Bhati (2012), organizational commitment will lead to behavioral results such as lower turnover and higher job performance; where highly committed employee should have a less possibility to quit. Therefore, it is important to analyze the dimensions affected on organizational commitment.

Organizational commitment forms the psychological attachment or emotional commitment formed by an employee in reference to his identification and engagement with the organization (Porter, 1974). According to O'Reilly (1986), organizational commitment as an individual's psychological bond to the organization, including a sense of work engagement, loyalty, and behaviors in the values of the organization.

Myanmar just recently opened for "mass tourism" and there will be increase in the number of tourist arrivals. Considering about the impact of these new arrivals on local communities, it raises the importance of developing and maintaining sustainable tourism to the advantage of everybody concerned. As the tourism business grows so do concerns regarding its relationship to society and the environment, both as a force for benefits as well as in terms of its negative impacts (Goodwin, 2011). It is found that the concept of CSR has received some attention within the context of tourism (Bohdanowicz & Zientara, 2009) and that the importance and awareness of CSR for tourism firms is most likely to raise (Kang & Huh, 2010).

Some inbound tour companies in Myanmar are now engaged in CSR program in the framework of being socially responsible tour operators. Those companies are embracing socially and environmentally responsibility under the management of Travelife

System. Travelife Management system is managed by ECEAT projects, a not-for-profit organization based in The Netherlands. It is a certification system, dedicated to achieving sustainable CSR practices within the tourism industry. ISO 14001 and EMAS III standard are the compliance of the Travelife management. The performance requirements include the full set of ISO 26000 and OECD corporate social responsibility guidelines which include labor conditions, human rights, environment, biodiversity and fair business practices. The introduction of sustainable tourism based on CSR approach is a challenge for employee as it is newly engaged to them and the employee perception of internal management practices by tour companies need to be analyzed. Those companies are practicing CSR activities and this paper will examine their internal CSR practices will greatly affect on organizational commitment and further develop employee performance.

### **1.1 Rationale of the Study**

Tourism industry in Myanmar has become one of the major drivers for economic development of the country. According to Ministry of Hotel and Tourism, there were over 1.39 million foreign tourists in 2018, a 2.58 percent increase over the 1.36 million in 2017. Myanmar has greatly interesting aspects in terms of culture, ways of life, eco-tourism, marine life, etc. compared to other SE Asian countries. Despite the current decline due to international media coverage of conflicts in Rakhine state, the country is slowly emerging as tourist destination. Due to the richness in natural resources and strong culture of the country and open-door policy to some Asian countries with free visa and visa on arrival scheme, there will be more shiny days for Myanmar Tourism and more tourist arrivals will be mounting up soon.

When the growth of tourism is taken account into consideration, the role of tour companies is very important to shape the economy of the country and companies need to strive continuously to achieve the sustainable development as well. The sustainable development of a company is closely related to the commitment of its employees. In order to build the organizational commitment of employees, the organizations nowadays focus on human resource management practices, internal corporate social responsibility practices, job characteristics, etc. Undeniably, the greater commitment to the organization can develop when employees perceive that the organization is fair and socially responsible to other parties. Therefore, the positive influence of internal CSR on organizational

commitment leads employee performance which is a fundamental source for sustainable development.

CSR and sustainability have been introduced to Myanmar tour operators with the aid of Travelife since 2014. The 12 frontrunner local tour operators had been recognized under Travelife certification as they implemented positive change within their businesses and supply chains in the context of sustainability and corporate social responsibility. Although CSR had been implemented among these tour operators in Myanmar, there is less emphasis on impact of internal CSR practices on employee commitment. The introduction of CSR and sustainability is a challenge for employees and the perception of internal CSR practices by employees need to be analyzed and how it contributes to organizational commitment. Thus, it is vital to identify the impact of internal CSR on organizational commitment as it will address many insightful implications for the rest of inbound tour operators.

## **1.2 Objectives of the Study**

The main objectives of the study are:

- (1) To examine the effect of internal CSR practices on organizational commitment in twelve inbound tour companies in Yangon.
- (2) To analyze the effect of organizational commitment on employee performance in twelve inbound tour companies in Yangon.

## **1.3 Scope and Method of the Study**

This study focuses on the analysis of organizational commitment and employee performance in Inbound tour companies in Yangon. Both primary and secondary data are applied for achievement of the objectives of the study. The secondary data is collected from previous research paper, internet websites, published journals, relevant textbooks, and international thesis.

The primary data are collected with structured survey questionnaires. Most questions in the questionnaire are 5 points Likert scale questions. There are 12 frontrunners inbound tour operators in Myanmar in the framework of Travelife which have been engaged in the social and environmental responsible activities since 2014. The survey

focuses only on these 12 inbound tour companies which were already recognized by Travelife and located in Yangon. The study area is limited to employees with population size of 182 in selected 12 companies and the sample size is determined at 95% confidence level by using Raosoft Calculator. The data collection period is June, July 2019. It is a quantitative study where the structured questionnaires are given out to the respondents. Linear regression is applied to evaluate the effect of internal CSR practices on organizational commitment and the effect of organizational commitment on employee performance of inbound tour companies in Yangon.

#### **1.4 Organization of the Study**

This paper is organized into five chapters. Chapter one is introductory which involves rationale of the study, objective of the study, methodology and sources of data, scope and limitation of the study, and organization of the study. The theoretical background on the effect of internal CSR practices on organizational commitment is presented in chapter two. Chapter three presents background of Myanmar tourism industry, research design, demographic profile of the respondents, reliability test, and internal CSR practices of 12 inbound tour companies in Yangon. Chapter four discusses about the analysis on the effect of internal CSR practices on employee performance of 12 inbound tour companies in Yangon. Finally, chapter five involves the conclusion with the findings and discussions, suggestions and recommendations, and needs for further research.



## **CHAPTER 2**

### **THEORETICAL BACKGROUND**

This chapter comprises the theories and concepts that structures the theoretical framework of the study and it can be classified into six parts. The first part includes the definition of organizational commitment and the second part includes the definitions of social exchange and social identity theories which are the background theories and support that organizational commitment can be developed through practicing internal CSR. The third part is about internal CSR practices which are drivers of organizational commitment. The fourth part describes about employee performance. The previous studies are shown in the fifth part and the final part is the conceptual framework of the study.

#### **2.1 Organizational Commitment**

The concept of organizational commitment has been growing in organizational psychology. Early literature had conceptualized organizational commitment as a uni-dimensional construct (Porter & Steers, 1982), while recent literature tends to view it as a multi-dimensional construct (Mayer & Schoorman, 1992). Mowday et al. (1982) had proposed that organizational commitment refers to the employee's affective bond with the organization. Subsequent research examined various multiple bases for employee commitment. Meyer and Allen (1991) outlined organizational commitment as "an emotional attachment that states the employee's psychological bond with the organization and has consequences for the choice to continue or discontinue involvement in the organization".

Among various definitions by many scholars, one of the most comprehensive ones is a tri-dimensional concept, characterized by the affective (Affection to job), continuance (Fear of Loss), and normative dimensions (Feeling of obligation) (Meyer & Allen, 1991).

##### **2.1.1 Affective Commitment**

Affective commitment is conceptualized in terms of identification and involvement with organizational activities. It is referred to as the individual's emotional attachment to

and involvement and identification with the organization (Allen & Meyer, 1990). Affective commitment is taken into account in three main aspects namely: (1) the development of psychological affinity to a firm; (2) association with the organization; and (3) the wish to remain as a member of the organization. When the employees' own values are consistent with the organization's values, then the employees are able to identify with the organization and this will enable the individuals to assimilate the values and goals of the organization.

Meyer and Allen (1997) indicates that Affective Commitment is influenced by several factors such as job challenges facing the individual, role clarity provided by the organization, direct clarity of goals and a degree of manageable barriers in reaching goals, receptiveness by management for feedback, peer cohesion, equity of opportunity and compensation, perceived personal importance, and timely and constructive feedback.

### **2.1.2 Continuance Commitment**

According to Romzek (1990), employees tend to evaluate their investments by looking at what they have contributed towards the organization and what they would gain by remaining in the organization and what they would lose if they leave the firm. When an employee feels that he or she does not possess the necessary skills to compete for a job in any other field, then the employee tends to develop continuance commitment and becomes more committed to the organization because of the limited opportunities and alternatives (Meyer & Allen, 1990). It has been reported that employees tend to develop continuance commitment when they perceive that the cost of leaving the organization is high. The antecedents of continuance commitment are investments and alternative employments. Investment means the loss incurred by the employees in leaving the organization (Meyer & Allen, 1990). Mahal (2012) suggested that the continuance commitment of employee's organizational commitment is often the primary factor in an employee's cost-benefit analysis of remaining with the organization. Individuals may consider the costs of leaving too high solely because they are attached to accumulated investments they could lose, such as pension plans, seniority, or organization-specific skills.

### **2.1.3 Normative Commitment**

Normative commitment is a feeling of obligation toward the organization. According to Randal and Cote (1991), employees feel that when an organization has

invested a lot of time and money in training and developing them, they have a moral obligation to continue to provide their services to the company. For example, when an organization has paid for the employees' education while they were continuing their studies to improve their qualifications, they feel obligated to reimburse the organization by continuing to provide their services. The strength of normative commitment is determined by the rules an individual accepts and the reciprocal relationship between the organization and its employee). The concept of reciprocity suggests that a person receiving a benefit is under a strong normative obligation or rule to repay the benefit in some way. This implies that individuals remain committed to an organization from a perceived obligation to repay the organization for investing in them, for example, through training and development.

## **2.2 Social Exchange and Social Identity Theories**

The psychological relationship between the organization and the individual is an important factor in organizational behavior. Two perspectives on the psychological relationship between the organization and the individual have been receiving attentions which are social exchange perspective and social identity perspective. Moreover, many studies suggested that organizational commitment is an outcome of social identity and social exchange between organization and employee, and on the basis of social exchange and social identity perspectives, the perceptions of CSR will have a positive impact on the organizational commitment and the relationship will form the employee performance.

### **2.2.1 Social Identity Theory**

The social identity theory proposes that employees tend to classify themselves into several social categories (Tajfel & Turner, 1986). Employees see themselves as belonging to a certain group or identifying with the group. The greater distinctiveness or special nature of activities of the group, the greater is the identification (Ashforth & Mael, 1989). Based on this review, this study proposes that when employees perceive the organization to be socially responsible, they tend to identify themselves more with the organization.

According to Ashforth and Mael (1989), the individual's views are influenced by their memberships of social organizations, including the organizations for which the individuals work. Individuals attempt to enhance their positive self-concept by comparing their own as well as their group's characteristics with other groups and individuals.

Favorable comparisons lead to an enhanced self-concept. Therefore, social identity theory revealed that people are happiest when they engage themselves with organizations with positive reputations, as this association will enhance their self-concept. If an organization makes attempt to participate in CSR activities, its employees can be proud of being members of such an organization. The employees can feel that their organization cares about their well-beings; even when it is not a profitable decision for the organization, at least in the short run.

With the increasing attention of people to the CSR problems, people working for such an organization can feel an increasing commitment to it. It has been advised that employees perceived an organization's values, social responsiveness, and ethics, and it shaped their perceptions of attractiveness toward organizations (Greening & Turban, 2000). Brammer, Millington & Rayton (2007) investigated the relationship between commitment and employee perceptions of CSR within a model which draws on social identity theory on organizational commitment. The result shows the significant implications for the implementation of CSR strategies within companies and the positive relationship between each aspect of employee perception of CSR and organizational commitment.

### **2.2.2 Social Exchange Theory**

Social exchange theory has been conceptualized as a global exchange relationship between employees and the organization. From Social exchange theory perspective, when employee feel that the organization is committed to them (e.g., committed to human rights, improving health and safety conditions in workplace, offering training and support their education), they tend to develop a sense of duty toward the organization, and are willing to reciprocate with more cooperative and supportive actions, and with greater level of commitment (Eisenberger et al., 2001).

Unlike economic exchange, social exchange relationships do not relate to contractually structured obligations. Social exchange between organization and employee may be initiated through supportive organizational practices and fair treatment of the employees (Aryee et al., 2002). Existing literature suggests that a good relationship between the organization and its' employees is typically initiated by positive action of the organization or its' agents (Eisenberger & Armeli, 2001). Thus, positive actions of the

organization make obligations for employees to reciprocate (Eisenberger et al., 1986). On the same lines, literature suggests that unprompted affirmative organizational action leads to positive employee work-related attitudes and behaviors like commitment, satisfaction and organizational citizenship behavior (Aryee et al., 2002). Several studies have developed commitment to the focal exchange partner as outcome of a social exchange relationship (Redman & Snape, 2005). Thus, the criterion variable, organizational commitment is grounded in the social exchange theory.

### **2.3 Internal Corporate Social Responsibility**

Corporate Social Responsibility (CSR) for tourism enterprises is regarded as a guidance for businesses whereby businesses integrate social and environmental issues in their own business mission, plans and operations as well as in their interaction with their stakeholders.

CSR today is seen as a multi-stakeholder approach where stakeholders are not only receivers but also partners for implementing CSR strategies. In tourism companies, the importance of CSR has become a major part. Environmental protection, fair labor conditions and promoting the welfare of local communities are key concerns in the operation of international tourism corporations.

In the context of internal CSR, socially responsible practices primarily involve the members of organizations and relate to concerns such as training human capital, health and safety, and managing adaptable change, while environmentally responsible practices relate solely to the management of natural resources used in the production. Dow Jones Sustainability World Indexes Guide (DJSIs) was created on wider range with an emphasis on sustainability in economic, social, and environmental capacities. With regard to internal CSR, DJSIs focus on corporate governance, risk and crisis management, codes of conduct/compliance/corruption and bribery, human capital development, and also talent attraction in addition to retention.

Vives (2006) defines internal corporate social responsibility as socially and environmentally responsible behavior. The main issue of CSR involves the health and safety of workers, their training and participation in the business, equality of opportunities, work-family relationship, and some corporate governance practices (CSR in suppliers, internal control of corruption practices).

Longo, Mura and Bonoli (2005) carried out a research on SMEs from different fields which were operating in the region of Emilia Romagna in Italy. They also found that the employee expectation toward CSR activities are inclusive of health and safety at work, development of workers' skills, well-being and satisfaction of worker and quality of work, and social equity.

Vuontisjärvi (2006) conducted a research to address the employee-focused policies and internal CSR practices by analyzing the annual reports of 205 largest companies in Finland. It was found that the most common employee-focused policies and internal CSR practices are training and staff development, pay and benefits, participation and staff involvement, values and principles, employee health and well-being, measurement of policies, employment policy, security in employment, equal opportunities (diversity) and work-life balance.

Rondinelli and Berry (2000) studied the environmental reports of different multinationals (MNCs) where they divided the CSR activities into external and internal practices. The internal practices took into account improved regulatory conformity to reduce the corporation's negative environmental impacts of hazardous adoption of pollution prevention and clean manufacturing practices that prevent pollution before it occurs; redesign of products and process to achieve more advantageous environmental impacts for customers and community's materials reduction; recycling and re-use; and resource preservation.

Previous researches have adopted different dimensions related to internal CSR. Turker (2009) incorporated seven aspects into internal CSR: ethic awareness, working conditions, minorities/diversity, organizational structure and management style, industrial relations, education and training, and physical environment. Al-bdour, Ellisha and Soh (2010) focused only five dimensions of internal CSR, specifically health and safety, human rights, training and education, work life balance and workplace diversity.

As in other business sectors, the concept of corporate social responsibility has become a central component of companies' strategies for tourism. Travelife management system, projected by ECEAT-projects (European Centre for Ecological and Agricultural Tourism) and is internationally recognized sustainability certification programme, helps its members improve their social, environmental and economic impacts. The performance requirements include the full set of ISO 26000 (the international standard for social

responsibility), ISO 14001 (international standard for environmental management in companies) and OECD Corporate Social Responsibility guidelines which include labor conditions, human rights, environment, biodiversity and fair business practices. In terms of internal management practices, three dimensions have been adopted (i) Social Policy and Human rights, (ii) Career Development Program and (iii) Internal Environmental practices.

### **2.3.1 Social Policy and Human Rights**

Human rights are unlike the rights that citizens possess due to birth or naturalization in any particular country: human rights are universal and internationally guaranteed; they focus on the inherent dignity and worth of all human beings, and they can neither be given nor taken away; also—and critically—they impose obligations on states (and other large actors, like corporations) to respect, protect, and fulfill them.

Human rights are relevant to the economic, social and environmental aspects of business activity. Some of human rights identified in the spectrum of CSR are health and safety, gender justice, sustainable development, work-life balance, workplace diversity, etc. Labor rights requiring firms to pay reasonable wages impact on the aspect of economic. Human rights such as the right to non-discrimination are relate to the social concerns. And the environmental aspects of business activity have possibly the effect on human rights, for instance the right to hygiene and safe drinking water. Therefore, whereas the most important responsibility for the implementation of international human rights standards lies with national governments, there is a growing acceptance that firms also have a vital role to play. Corporations impact on human rights in significant ways. These impacts have been aware over recent decades as the economic would possibly and political influence of firms has grown, and as firms have become more participated in delivering services previously provided by governments. Businesses have aware that part of being a good corporate citizen includes respecting the human rights of those who involve with the business in some way. They are also responding to the fact that employees, consumers and investors expect corporations to act in a socially responsible manner. In contrary, they expect to attract talent workers practicing social policy and human rights as part of internal CSR.

### **2.3.2 Career Development Program**

Businesses have always considered career growth of employees as internal business activities and focused on development of their own “resources”. Employees are greatest asset and competitive advantage of businesses. In order to manage the firms on a sustainable profitable growth, and increasing value for our stakeholders, opportunities for development and career growth for members of the organizations need to be expanded. In fact, the development of CSR, it is not merely being labeled as part of corporate strategy; it is also being discussed in talent crisis (Woolf, 2007). Many organizations are confronted with employee talent shortfall (Orrell, 2009). This talent shortfall is attributed to many factors from the simple fact that there are insufficient of talented employees. CSR could act as a strategy to attract and retain talented employees by instilling career development program.

### **2.3.3 Internal Environmental Practices**

In recent years, the environmental issue has emerged as one of the critical societal priorities (Howard-Grenville et al., 2014) and as a new development strategy of organizations (Amui, Jabbour & Kannan, 2017). Almost all organizations frame themselves as being environmentally sustainable to some content (Gunningham, Kagan & Thornton, 2003). Although not measuring environmental context exclusively, Greening and Turban (2000) found social performance of businesses attracts workers and increases the chances of hiring those workers.

In the environmental field, these environmental investments are referred to as "win-win" of resources or reducing polluting emissions and waste can reduce environmental impact. Its opportunities - good for business and good for the environment. In general, reducing the consumption can also be good for the business by reducing energy and waste disposal bills and lowering input and depollution costs. Individual corporations have found that less use will result in higher profitability and competitiveness.

## **2.4 Employee Performance**

Employee performance is one of the key indicators for team and company performance, and consequently, it contributes to the productivity and competitive ability of



companies. Employees have an important role in the organization, their performance forms an important force for the organization and that maintains the survival and well-being of the organization (Jones, 2010). Moreover, globalization of the economy is increasing in interdependence of national economies. Thus, competitions between firms are intense and it is essential for companies to improve their competitive ability. Individual work performance (IWP) is the key contributors to strengthen company's position in global competition.

The framework of IWP was proposed in a multi-disciplinary, systematic literature review (Koopmans et al., 2011), in which IWP consisted of four broad and generic dimensions. The first dimension, task performance, refers to the proficiency of employees who can fulfill their duties. The second dimension, contextual performance, refers to employee behaviors that support the social, psychological and organizational environment in which the central jobs are performed. The third dimension, adaptive performance, associate with an employee's proficiency in adapting to changes in work roles or environment. The fourth dimension which is counterproductive behavior refers to behavior that is harmful to the well-being of the organization.

#### **2.4.1 Task Performance**

Task performance is an important dimension of individual work performance. According to Cropanzano and Wright (2001), task performance is defined as the proficiency (i.e. competency) with which one performs central job tasks. Borman and Motowidlo (1993) identified task performance that are formally recognized as part of the duty and that contribute to the organization's technical core. Borman and Brush (1993) used the term technical activities to illustrate behaviors that demonstrate technical proficiency. For the purposes of the present study, task performance includes behaviors that contribute to the provision of a service if employees accomplish their duties and responsibilities.

#### **2.4.2 Contextual Performance**

Contextual performance is specified as individual behaviors that support the sustainable development of the firms in which the technical core must function (Robson et al., 2012). Borman and Motowidlo (1993) defined that contextual performance is

discretionary, not necessarily role-prescribed, contribute to social and psychological environment. All concepts, however, refer to behaviors that go beyond the formally prescribed work goals, such as showing initiative, taking on extra tasks, or coaching newcomers on the job.

### **2.4.3 Adaptive Performance**

Adaptive Performance is a new scale to measure individual work performance. According to Pulakos et al., (2000), employees demonstrate adaptive performance by adjusting their behaviors to the requirements of work situations and new events. Adaptive performance can be measured the extent to which an individual adapts to changes in a work system or work roles. It is measured in different dimensions such as handling emergencies or crisis situations, dealing with uncertain and unpredictable work situations, demonstrating interpersonal adaptability, demonstrating cultural adaptability, learning work tasks, technologies, etc.

### **2.4.4 Counterproductive Work Behavior**

In contrast to the previous dimensions the counterproductive work behavior dimension contains the opposite negative behaviors and may harm the well-being of the organization such as absenteeism, being late for work, engaging in off-task behavior, workplace bullying, theft and substance abuse. These types of behavior not only impact the quality of work produced by the employee engaging in counterproductive work behaviors but also can negatively affect the productivity of other employees in the company and create undesirable risks for the employer.

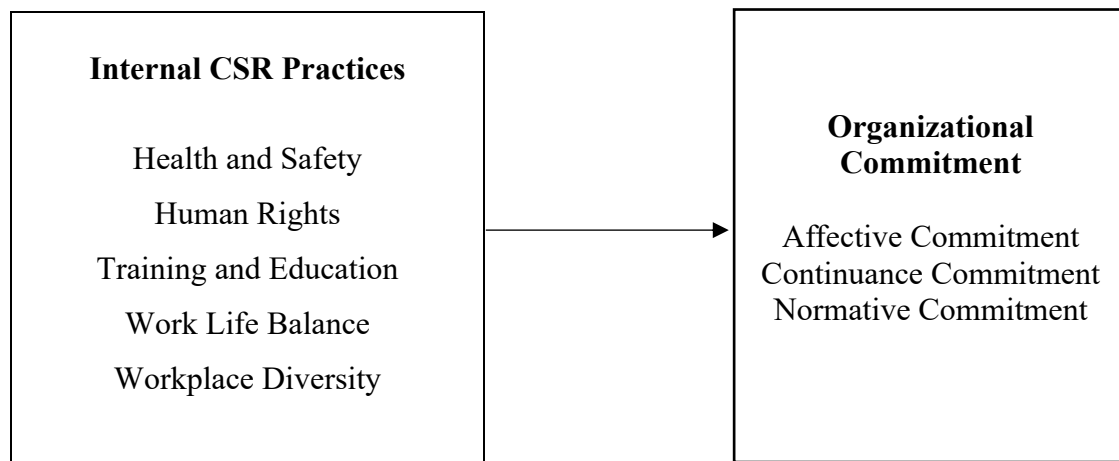
## **2.5 Previous Studies**

Previous studies on internal CSR practices and organizational commitment, organizational commitment and employee performance, CSR practices and employee performance are discussed as follow:

## 2.5.1 The Relationship between Internal CSR Practices and Organizational Commitment

Ali, Elisha & Soh (2010) investigated the relationship between internal CSR practices and organizational commitment using the social exchange theory. Particularly, they explored the effect of five dimensional internal CSR practices on organizational commitment: health and safety, education and training, human rights, work life balance and workplace diversity.

**Figure (2.1) The Relationship between Internal CSR Practices and Organizational Commitment**



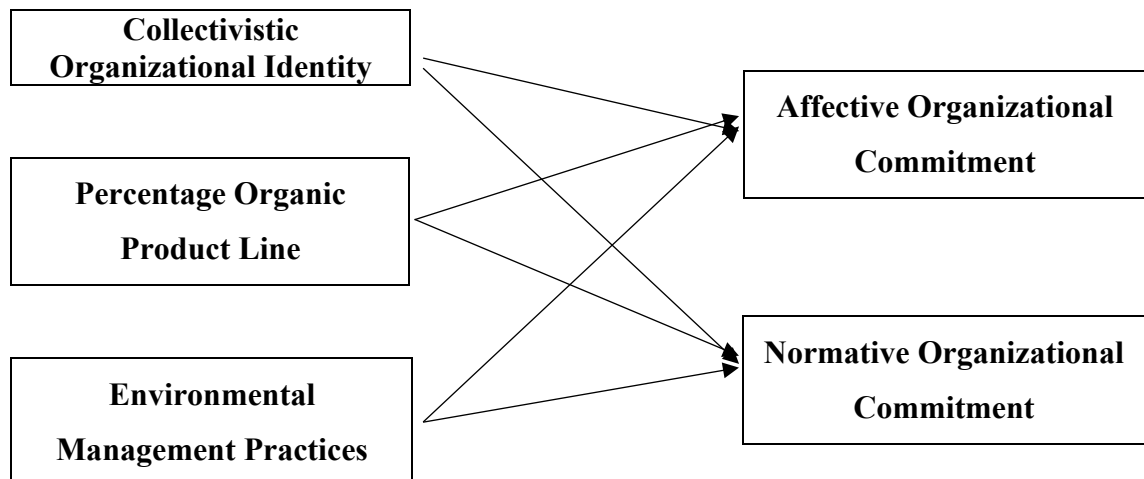
Source: Ali, Elisha and Soh (2010)

The proposed model was tested on a sample of 336 frontline employees within the banking sector in Jordan using proportionate stratified sampling technique. This study adopted the quantitative approach. Results specified that all internal CSR dimensions are significantly and positively related to affective and normative commitment. In addition, the findings of this study indicated that all internal CSR dimensions did not have a significant relationship with continuance commitment. It indicated that when a company provides employees with good training programs and support them with to continue high education, it will send a message that the banks care about them and are committed to them. Consequently, employee will reciprocate by being engaged and commitment to the bank. The findings also indicated that when banks performing in an ethical manner such as bank's procedures are trustworthy, non-biased, and treated employees with dignity and respect, the employees may feel obliged to repay the bank with level of commitment.

## 2.5.2 The Relationship between Firms' Environmental Sustainability and Affective and Normative Commitment

Suzanne (2012) investigated if employees' perceptions of their organization's environmental sustainability influence employees' level of organizational commitment. Organizational commitment refers to an individual's identification and involvement with an organization. The paper examines the organizational commitment of employees (affective and normative commitment) toward firms with varying levels of environmental sustainability efforts.

**Figure (2.2) The Relationship between Firms' Environmental Sustainability and Affective and Normative commitment**



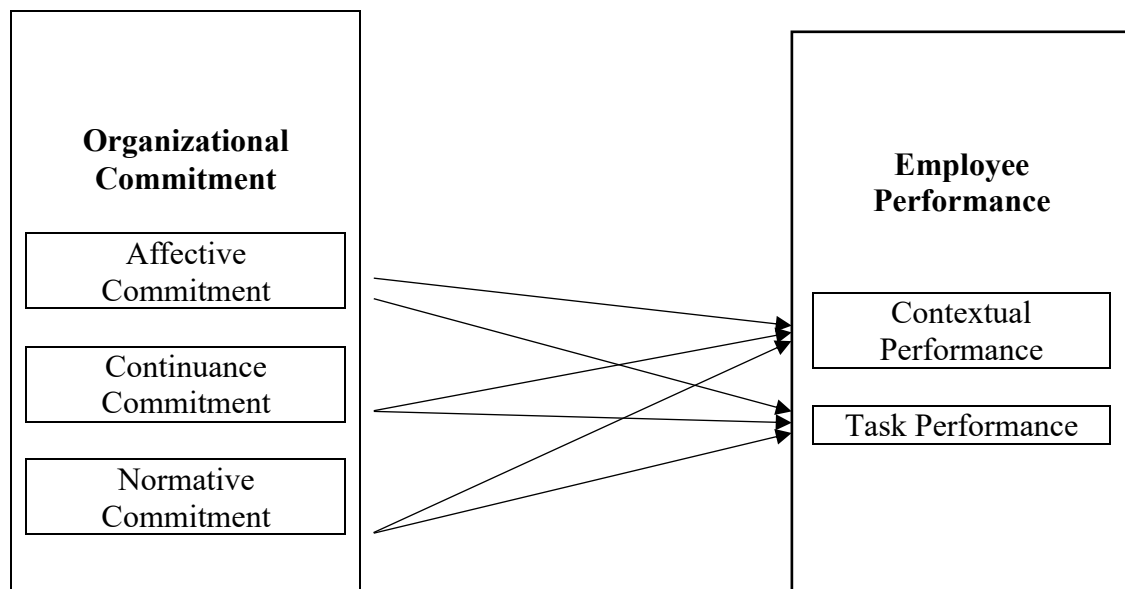
Source: Suzanne (2012)

Analysis of surveys from 195 respondents from 9 SME food-processing businesses shows employees' level of organizational commitment is influenced by their perceptions of their firm's environmentally sustainable practices. Particularly, employees working for corporations that they perceive as having a collectivistic organizational identity or that manufacture more certified organic product lines have strong affective and normative organizational commitment. In addition, higher employee affective organizational commitment is positively associated with employee perceptions of environmental management practices. However, employee normative organizational commitment is not in relationship with firms' environmental management practices.

### 2.5.3 The Relationship between Organizational Commitment and Employee Performance

Al Zefeiti and Mohamad (2017) explored the effect of Organizational commitment on Employee's work performance in Omani public civil service organizations and found out that employees' organizational commitment could lead to high performance. Employees who are committed to their organization are more likely to be better performers than the less committed employees as they exert more effort on behalf of the organization towards its success and strive to achieve its goals and missions (Jafri & Lhamo, 2013).

**Figure (2.3) The Relationship between Organizational Commitment and Employee Performance**



Source: Al Zefeiti and Mohamad (2017)

Human resources are critical for organizational effectiveness since it plays a great effect on supporting organizational competitive advantages through teams of committed employees. Organizational commitment has play vital role in the context of the work attitudes studied by practitioners and researchers (Meyer et al., 1993; Mowday et al., 1982) because of its impact on organizational outcomes such as work performance (Yousef, 2000; Dirani, 2009). Although work performance as an outcome of employee commitment has received a considerable attention from researchers, the results of researches in relationship between organizational commitment and work performance were mixed. Many researchers

proclaim that the positive links between organizational commitment and performance aren't supported (Jing, 2010; Mathieu & Zajac, 1990; Williams & Anderson, 1991).

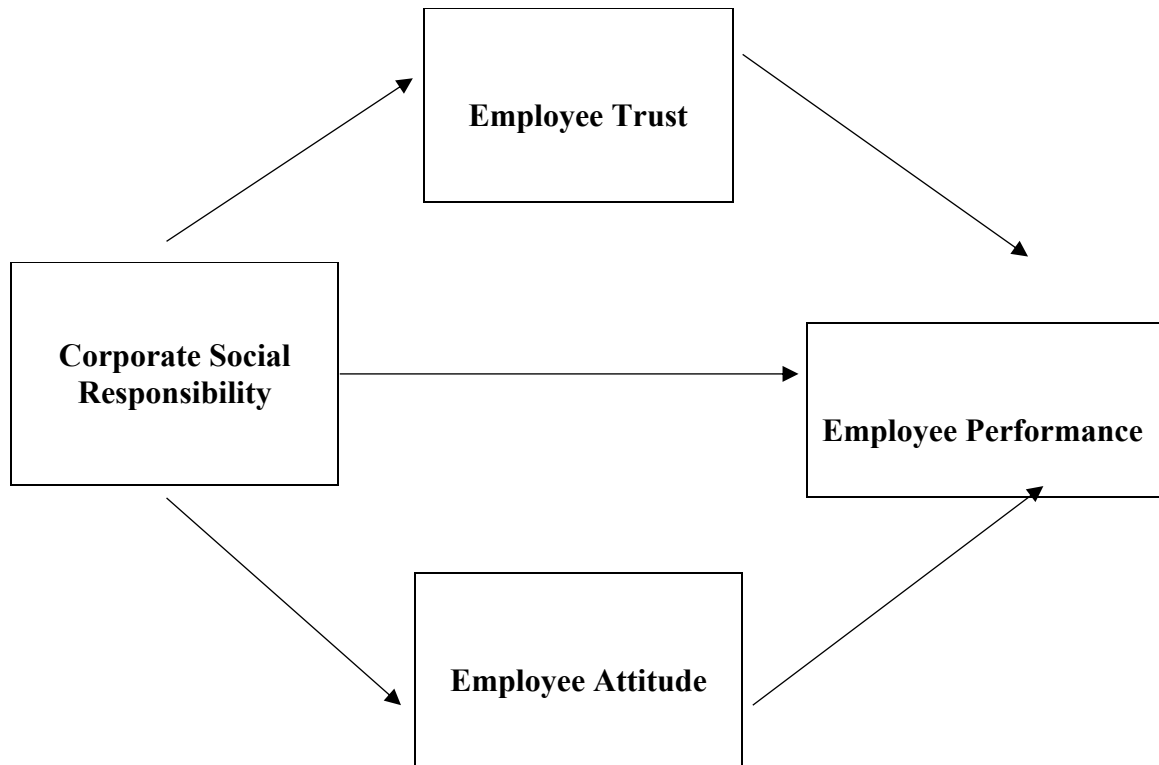
Nevertheless, many researchers, in fact, proclaimed that, there is a positive relationship between organizational commitment and work performance (Allen & Meyer, 1996). Specially, Meyer et al. (1989) and Bashaw and Grant (1994) argued that there's a positive relationship between Affective commitment and employees' overall work performance. Moreover, Baptiste (2008) explores that there is a relationship between employees' organizational commitment and improve work performance.

Organizational commitment questionnaire was used to measure organizational commitment. Work performance is measured based on contextual and task performance. Quantitative survey methodology was applied and a sample of 335 middle level managers of Omani government service organizations was selected to answer the instrument. Analysis of moment structures was utilized to analyze the collected data and test the research questions, and hypotheses. The techniques of data analysis comprised a confirmatory factor analysis, and a structural equation modeling analysis. The empirical results indicate that all three components of organizational commitment (affective, normative, and continuance) have a significant impact on work performance dimensions, contextual and task performance.

#### **2.5.4 The Relationship between CSR Practices and Employee Performance**

Retno and Tulus (2018) determined how the impact of CSR affects employee performance and the role of employee trust and employee behavior as a mediator at 3 companies in Bekasi and Jakarta. The model shows the relationship of CSR to employee performance through the mediation of employee trust and employee behavior which ultimately affects company performance. CSR can improve the welfare of the environment or have a positive impact on employee trust and employee behavior and then improve company performance.

**Figure (2.4) The Relationship between CSR Practices and Employee Performance**



Source: Retno and Tulus (2018)

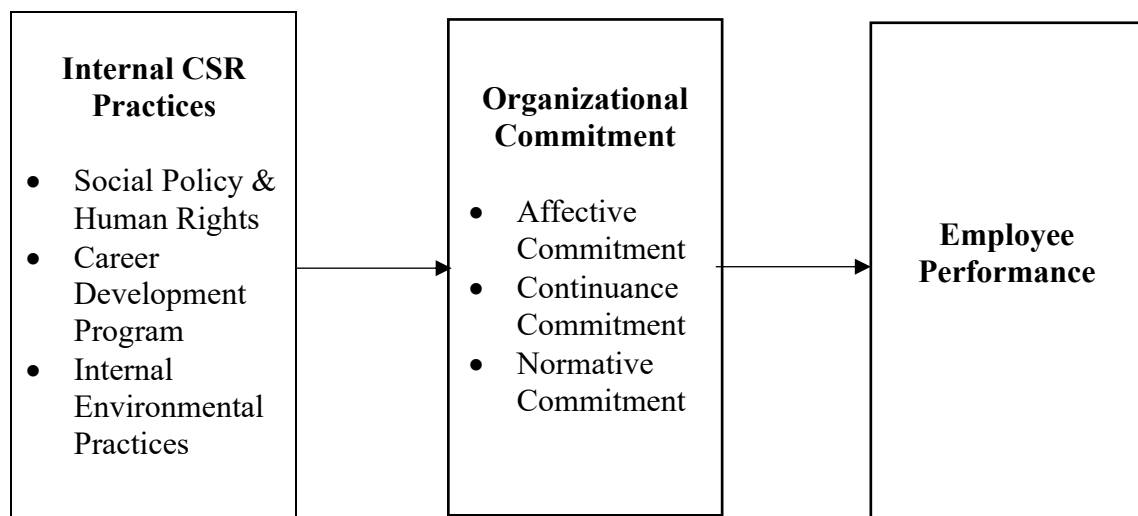
This study used a cross-sectional design and data was collected from employees of 3 companies in Bekasi and Jakarta. The first time they conducted interviews with members of the board of directors and conveyed them that the importance of CSR and its benefits for internal stakeholders. The interviewed was conducted from top management to the lowest level; both permanent employees and contract employees. The sample used was 250 respondents, but only 246 were valid. Data collection method used in this study was questionnaire and forum group discussions (FGD), while analytical method used was SEM Warps PLS. The findings of this study indicate that CSR does not impact directly the performance of the employees. The CSR indicator that needs to be taken into consideration is ethic, where the companies are advised to have a CSR department. Where workers have little knowledge of environmental work, environmental laws in terms of material sources, emissions, and so on. So that workers understand and perceive the importance of having attention and responsibility to the environment. CSR has a considerable impact on employee trust; employee trust has a considerable impact on employee performance; CSR has a significant impact on employee behavior; and employee behavior significantly impact

employee performance. Employee trust and employee behavior mediate the impact of CSR on performance of the employees.

## 2.6 Conceptual Framework of the Study

According to the results from the previous researches, the following conceptual framework is developed for this study. The conceptual framework of this study shows how internal CSR practices effect on organizational commitment and how organizational commitment effects on employee performance in inbound tour companies in Yangon.

**Figure (2.5) Conceptual Framework of the Study**



Source: Own compilation (2019)

In the conceptual framework of this study, three major sections are involved. They are internal CSR practices, organizational commitment and employee performance. The three dimensions of internal CSR will be measured which are social policy and human rights, career development program and internal environmental practices. Three-component model of Allen and Meyer (1990) is applied to measure the organizational commitment. They are affective commitment, continuance commitment and normative commitment. In order to measure the employee performance in this study, only task performance and contextual performance of individual work performance are considered. The other two dimensions which are adaptive performance and counterproductive work behaviors are excluded as this study is done for all levels of employees and adaptive performance can be unlikely found in all organizational levels. Similarly, as the study focuses only on employee-focused internal CSR practices, counterproductive work behaviors is found to be irrelevant for work performance in the current study. This



framework describes how internal CSR practices impact on organizational commitment and how the employee performance is affected by organizational commitment of employees in inbound tour companies in Yangon.

## **CHAPTER 3**

### **INTERNAL CORPORATE SOCIAL RESPONSIBILITY IN INBOUND TOUR COMPANIES**

Firstly, this chapter presents background of tourism industry in Myanmar and internal CSR practices in twelve inbound tour companies in Yangon. Then, the research design, the reliability test, and the demographic profile of the respondents are presented. Finally, the descriptive explanation of the internal CSR practices in inbound tour companies in Yangon based on the questionnaire results are discussed.

#### **3.1 Background of Inbound Tourism Industry in Myanmar**

Myanmar is an amazing country with a lot to offer travelers seeking a unique destination. It has long unspoiled beaches, friendly people, interesting ethnic groups, warm, friendly people, cultural sites, deserted islands, golden temples. It is known as the golden land not only for golden pagodas but also for fertile land and the wealth of its natural resources and indigenous people. The country is slowly emerging as a tourist destination that is a favorite among travelers all over the world. It has a wealth of attractions to draw visitors from abroad, including many diverse cultural and historical sites.

The history of tourism in Myanmar can be divided into three periods: the parliamentary democracy (1948-1962), the socialist period (1962-1988) and that of the opening up of the tourist market (since 1990). During the course of the period of parliamentary democracy, Myanmar economic policy was orientated towards capitalism. Despite a relatively low number of tourists, a few private travel agencies were opened. The Tourist Information Service (SIT) later called Tourist Burma was charged with informing and guiding tourists. At that time, tourist visas were valid for a month. In 1962, following the Revolutionary Council, the visas validity was reduced to 24 hours. In conformity with the Socialist Regime's Nationalization Law, Tourist Burma and the Hotels became State owned. The tourist sector therefore shrank very quickly, in order to protect the traditional values and customs from foreign influences, according to the authorities in place. At the start of the 1990s the new military government that arrived in power, decided to opt for a different strategy than that of the former dictator in opening the market to foreign

investments. The government thus decided to make the development of tourism one of its economic priorities. In 1992 a Ministry of Tourism and Hotels was set up and it was during this period that the construction of tourism-related infrastructures started. However, it was only in 1996, with the launch of the “Visit Myanmar Year 1996” that the government officially opened the doors to tourists. At the start of the year 2000, the entry requirements for tourists were relaxed and the visa validity lengthened, with the aim of facilitating the entry of tourists onto Myanmar land as much as possible. In 2004, the Myanmar authorities introduced an electronic visa and as of May 2010 it became possible to acquire a visa (arrival visa) directly upon arrival at Yangon and Mandalay airports, and further expand the availability at Naypyitaw.

The Myanmar tourism suffered a lot due to natural disasters and political unrest in the country such as SARS outbreak in Asia in 2003, Nargis cyclone in 2005 and the revolution of the monks in 2008. Due to lack of proper procedures for recovery from a crisis, it is still a question that tourism can be economic engine for the country. Since the political reform by civilian government in 2011, the number of international arrivals has skyrocketed. Tourists jumped at the chance to see a country that had not only been closed to them for decades, but also boasts a rich culture and heritage. The country has inaugurated the bilateral agreement of visa exemption with some Asian countries since September 2015 in order to promote the country as a tourist destination for both inbound and outbound tourism.

In November 2015, the opposition democratic party “National League for Democracy” led by Aung San Su Kyi has witnessed the landslide victory and all tourism stakeholders have obsessed with great expectations of many more tourists’ arrivals. But due to outbreak of conflict in Arakan state since August 2017, some European authorities issued the warnings against travelling to Myanmar. Tourism stakeholders face huge challenges due to international media coverages about the country which was accused of violation of human rights. With the aim of luring tourist, the Myanmar Government eased visa requirements for Japan, China and South Korea by giving visa free entry to Japan and South Korea and visa on arrival to Indian tourists, Chinese tourists and starting from October 2019, visa on arrival scheme (tourist visa) will be expanded for some Europe countries – Italy, Australia, Germany, Spain, Switzerland, and Russia.

Although tourism will play an increasingly important part in shaping the economy of the country, stakeholders’ question that income generation from tourism sector will

boost to promote society's welfare and protect against environment's harm. Recent issue regarding growth of 'zero-dollar tours' for Chinese tourists has become a worrisome problem for stakeholders.

Zero-dollar tourism began expanding after Myanmar eased visa requirements for visitors from China by allowing them to get visas on arrival for a period of one year from the beginning of October 2018 to the end of this September 2019 to boost tourism. Chinese tourists' number have increased, with 650,000 visitors in the first four months of 2019, an increase of 30 percent from the same period last year, according to data from Ministry of Hotel & Tourism showed. Chinese tourists purchase very cheap tour packages from companies which are registered in the country but owned by Chinese nationals with little or no involvement from local tour businesses. The package consists of pre-arranged hotels, restaurants and retail shops which prices are very cheap as a consequence of squeezing by these Chinese tour operators. Chinese-speaking tour guides are missing out of work because China-based travel companies are relying on Chinese nationals to guide zero budget groups. The tour packages are sold at a cheap price (sometimes zero dollar) and Chinese tourists come under intense pressure to buy at the shops because the tour agency wants the commission.

Zero-dollar tourism doesn't benefit the local economy and community, and governments often lose out on revenue as payments often routed through Chinese digital platforms. Zero-budget travel is controversial because travel agencies and businesses in destination countries are often linked or owned by the same entity, which means much of the profit returns to China.

It is vital that the authorities take the role of enabling communities to look after their places, and their natural and cultural environment, to ensure that tourism brings more benefits to local communities than harm. Tourism stakeholders are urging the authority to take action on this zero-dollar tourism. In an indication of the scale of the problem in Thailand, a crackdown there in October 2016 on zero budget tours from China resulted in legal action against 29 people and the seizure of 2,155 tour buses.

In addition to numerous positive impacts, tourism can also lead to negative impacts. It can put pressure on tourist destinations; socio-cultural, environmental and economical. Profit is realised on short term, but how durable are the destinations in the long run? If the ecosystem is damaged the tourist attractions can lose out! By avoiding or minimising the

negative impacts tourism can become more sustainable. Increase the number of Chinese tourists is just a quantity, not a quality improvement? Institutionalizing corporate social responsibility towards sustainable development of tourism is more and more considered as the next step in “quality” improvement.

### **3.2 The Role of Corporate Social Responsibility in Tourism Sector**

The increase of tourism in Myanmar is a driver of economic growth and has created opportunities for employment generation. However, a haphazard growth of the tourism sector in Myanmar also has the potential to cause significant social and environmental harm. In order to prevent this, and to ensure that tourism growth delivers “broad and equitable social, economic, and environmental benefits”, the government of Myanmar has adopted the Myanmar Responsible Tourism Policy 2012. The aims of this policy have been further incorporated into the Tourism Master Plan 2013-2020, which sets out a strategic vision for the responsible and sustainable development of the tourism sector.

The government decided to formulate the first Myanmar Tourism Master Plan 2013-2020 which prepared by the Ministry of Hotel and Tourism with closely collaborative involvement or aid-assisted by various internal stakeholders, the Asian Development Bank, the Government of Norway, and many experts. The Master Plan, bringing into line with the 2012-2015 policy priorities of the Framework for Economic and Social Reforms and the parameters of the forthcoming National Comprehensive Development Plan, mainly adopts the Responsible Tourism approach and the vision and the nine aims of the Myanmar Responsible Policy, which developed through an extensive consultative process and with broad support from national stakeholders, as its core guiding principle.

The goal of the Master Plan is to enhance tourism’s contribution to income generation and national employment and ensure that economic and social benefits of tourism are distributed equitably. The Master Plan describes that Myanmar will work to develop Myanmar as a year-round destination with a geographically spread product base. It welcomes tourists from around the world and will continue to facilitate smooth and efficient access to the country. The yield and value of tourism outweigh simply increasing the volume of international visitors. Moreover, Myanmar will balance the need to ensure the protection of its natural and cultural heritage and the well-being of host communities

with the need to boost tourism's contribution to foreign exchange earnings and gross domestic product (GDP) growth.

This Myanmar Tourism Master Plan (MTMP) is the first Tourism Master Plan at national level which helps to transform the national tourism's policy (Responsible tourism) into actions at all below levels. It definitely has a top down led tourism planning style in their nature which the national government must take leading role to formulate the plan if would like to achieve the more sustainable tourism plan. Even though, some prefer the bottom up approach more or the high degree of participation of the public or stakeholder's involvement is a fundamental factor for achieving sustainable tourism development plan, but there are many intentions to support the leading role of the national government such as; the fragmentation of tourism industry in nature, it is difficult for individuals, SMEs in tourism industry to make a positive difference by comprehensive perspective and coordination ability like the government (s); Sustainability relates to areas of public concern- environmental, socio-cultural and economic aspects – which are the main responsibility of the governments who have more tool – such as the power to make regulation, offer economic incentives, and other resources – to promote and implement good practice.

However, there must be certain degree of stakeholder's involvement throughout the process as well, normally depending on each context. For Myanmar, in the time of socio-economic and political reforms and also the awareness of its people on sustainable development is not so intensive, then the government had allowed some appropriate level of stakeholder's involvement in the process of making this tourism master plan in many ways such as; adopting of the prior tourism related policies (Myanmar Responsive Tourism Policy and Policy on Community Based in Tourism) which had high involvements of stakeholders in the process into the making processes of the Master Plan; Inviting international expert teams and specialized organizations to join in the process; held discussion groups and workshops, conducted visitor surveys and seminars or public presentations. This is a challenging step for the government starting a good governance practice in sustainable way through developing the Master Plan.

Government and non-government stakeholders and Myanmar Centre for Responsible Business have actively worked to contribute to the goals of the master plan. In the wake of the new plans for the tourism sector, the International Trade Centre (ITC) and the Centre for the Promotion of Imports from Developing Countries (CBI) have also

involved with a collaborative project to promote the inclusive and environmentally sustainable development of the tourism sector in Myanmar. They have done so under the umbrella of the Netherlands Trust Fund III 2013-2017 (NTF III) projects and worked to enhance the competitiveness of national tour operators, develop community-based tourism in Kayah state, develop sector associations, and build up capacity among national and state government institutions.

The Pacific Asia Travel Association (PATA), The Netherlands Centre for the Promotion of Imports from Developing Countries (CBI), and Travelife have kicked off their co-operation with a series of training courses for tour operators and advisors in Asia. European travel associations initiated Travelife program that helps to achievement of global CSR, and sustainability standards and best practices amongst Asian tour operators and provide direction to committed tour operators and recognition for front runners. Within compliance and standard of Travelife, inbound tour operators are guided to manage and improve social and environmental impacts by complying with sustainability criteria.

**Table (3.1) Travelife Awarded Inbound Tour Companies**

<b>Sr. No.</b>	<b>Company Name</b>	<b>Travelife Award</b>
1	ExoTravel	Travelife Certified
2	Sampan Travel	Travelife Certified
3	Adventure Myanmar Travels	Travelife partners
4	Easia Travels	Travelife partners
5	Ethical Seven Star Travels	Travelife partners
6	Expedition Myanmar Travels	Travelife partners
7	Golden Express Travels	Travelife partners
8	Grand Lotus Travels	Travelife partners
9	Orchestra Travels	Travelife partners
10	River Mekong Travels	Travelife partners
11	Silk Road To Asia Travels	Travelife partners
12	Wayfahrer Travels	Travelife partners

Source: Own compilation (2019)

In this paper, I have studied the internal CSR practices of the selected 12 inbound tour operators. There are now total 21 tour companies which have been awarded by Travelife - 3 inbound tour companies as Travelife certified (Excellence in sustainability) and 18 inbound tour companies as Travelife partners (Committed to sustainability).

### **3.3 Research Design**

The study focuses on the effect of internal CSR practices on organizational commitment and the effect of organizational commitment on employee performance of 12 inbound tour companies in Yangon. There are 182 employees in 12 inbound tour companies. The target population of this study focuses only on employee of 12 inbound tour companies in Yangon. Using Raosoft calculator, the size of this research is 122 respondents. The descriptive quantitative research method and linear regression method are used in this study. The simple random sampling method is used for the selection of respondents from companies. The data collection period is June and July 2019.

The questionnaire consists of four parts which are demographic profile, internal CSR practices, organizational commitment and employee performance. In this study, internal CSR practices are accessed by using three factors which are social policy and human rights, career development program and internal environmental practices. For internal CSR practices, the questions are generated from previous literatures and green surveys of organizations.

Organizational commitment is accessed by three component models which are affective commitment, continuous commitment and normative commitment. The questions are adopted from items of Organizational Commitment Questionnaire (OCQ) by Mowday, Steers and Porter in 1979. OCQ is used for this study because questionnaire is widely used by academicians when they measure organizational commitment.

Employee performance is accessed with two dimensions of individual work performance which are task performance and contextual performance. The questions are adopted from items of Individual Work Performance Questionnaire (IWPQ).

The respondents are requested to rate each statement on the five-point Likert scale depending on their level of agreement on each statement (1=strongly Disagree to 5=Strongly agree). A total of 122 questionnaire are distributed among employees and these employees include General Manager, Product team, Sales and Reservation team and



Operation team who are currently working in those companies. All the respondents fully answered questionnaires and those data are used for statistical analysis.

### 3.4 Reliability Test

Reliability refers to the extent to which it is a consistent measure of a concept of the study and Cronbach's alpha ( $\alpha$ ) is one way of measuring the strength of that consistency. Cronbach's alpha indicates if the study accurately measures the variable of interest, thus it is used to measure the reliability. It is mostly commonly used when Likert questions in a survey or questionnaire that form a scale are applied to the study.

The  $\alpha$  coefficient of reliability ranges from 0 to 1 in providing this overall assessment of a measure's reliability. If all of the scale items are entirely independent from one another (i.e., are not related or share no covariance), then  $\alpha = 0$  and, if all of the items have high covariance, then  $\alpha$  will approach 1 as the number of items in the scale approaches infinity. A number of Methodologists recommend a minimum  $\alpha$  coefficient between 0.65 and 0.8 (or higher in many cases);  $\alpha$  coefficients that are less than 0.5 are usually intolerable. Some indicates that the minimum acceptable value for Cronbach's alpha is 0.70.

**Table (3.2) Reliability Test**

Scale	Number of Items	Cronbach's Alpha
<u>Internal CSR Practices</u>		
Social Policy and Human Rights	7	0.814
Career Development Program	7	0.756
Internal Environmental Practices	7	0.874
<u>Organizational Commitment</u>		
Affective Commitment	7	0.868
Continuous Commitment	7	0.787
Normative Commitment	7	0.767
<u>Employee Performance</u>	10	0.889

Source: Survey Data (2019)

In this study, Cronbach's alpha is used to assess the reliability of 7 constructs. Table (3.2) shows the outcomes of reliability test of the study. According to the results, the Cronbach's alpha of all constructs is above 0.7 and it indicates that the consistency or reliability of the constructs under this study is undoubtedly accepted.

### **3.5 Demographic Profile of the Respondents**

This study analyzes the profile of the respondents, demographic characteristics, such as gender, age, education level, experience, occupation level and monthly salary. This is very important for inbound tour operators to enhance the employee performance as it is service industry, and employees play vital role in order to provide top-notch services to customers. The demographic profile of the respondents is shown in Table (3.3). Most of the employees are female because they represent the 79.5 percent of total respondents, while males represent the remaining 20.5 percent. It is found that majority of the employees in Inbound tour companies are female employees.

Most respondents are between 25 and 34 years old and they represent the largest group by 44.2 percent of the respondents. The second largest group is under 25 years old group representing 24.5 percent of the respondents. The third group is 35 and 44 years old group which is 18.8 percent of the respondents. The smallest group of the respondents is 45 years old and above which is only 12.2 percent of the respondents.

Among 122 respondents, 69.6 percent of the respondents are graduate level and they contribute the largest portion. The remaining people are post graduate level representing 27 percent of the respondents. The smallest portion is 3.2 percent which is under graduate level. Generally, the employees working in inbound tour companies come from good educational background.

According to Table (3.3), years of experience of most of the employees working in inbound tour companies are between 1 to 5 years which represents 45 percent. The second group accounts for the group of 6 to 10 years which is 27.8 percent of the respondents. The third largest group is 10 years, and above which is 13.9 percent and the smallest one is below 1 year group which is only 13.1 percent. Generally, the employee working in the inbound tour companies work at an organization for a long period.

Regarding occupation level, it is found that 66.3 percent are non-managerial level and 33.6 percent are managerial level. Linking the data of years of experience, it can be concluded that employees stay at a company for a long time and thus most of them are

promoted in one of managerial levels. So, the figure of managerial level is about half of the non-managerial level which means 2:1 (2 non-managerial staff:1 managerial staff).

**Table (3.3) Profile of the Respondents**

<b>Sr.</b>	<b>Characteristics</b>	<b>Frequency</b>	<b>Percentage</b>
<b>1</b>	<b>Gender</b>		
	Male	25	20.5
	Female	97	79.5
<b>2</b>	<b>Age</b>		
	Under 25 years old	30	24.5
	25 and 34 years old	54	44.2
	35 and 44 years old	23	18.8
	45 years old and above	15	12.2
<b>3</b>	<b>Education</b>		
	Under Graduate	4	3.2
	Graduate	85	69.6
	Post Graduate	33	27.0
<b>4</b>	<b>Experience</b>		
	Below 1 year	16	13.1
	1 – 5 years	55	45.0
	6 – 10 years	34	27.8
	10 years and above	17	13.9
<b>5</b>	<b>Occupation Level</b>		
	Managerial level	41	33.6
	Non-Managerial level	81	66.3
<b>6</b>	<b>Monthly Salary</b>		
	Less than 300,000 MMK	12	9.8
	300,001 – 500,000 MMK	51	41.8
	500,001 MMK – 1,000,000 MMK	48	39.3
	1,000,001 MMK and above	11	9.0

Source: Survey Data (2019)

Regarding income level, the majority of the salary range is at between 300,001 and 500,000 MMK and 500,001 – 1,000,000 MMK – 41.8 percent and 39.3 respectively which

is only slightly different. As majority of the employees in inbound tour companies are experienced at a particular organization, thus their salary is in the range of 300,001 – 1,000,000 MMK. The third group of the salary less than 300,000 MMK is 9.8 percent of the respondents. The percentage of the third group doesn't differ much with the smallest group of 1,000,001 MMK and above which accounts for 9 percent.

### 3.6 Internal Corporate Social Responsibility in Inbound Tour Companies

In this study, internal CSR management of 12 inbound tour companies are examined. It will focus on three criteria which are social policy and human rights, career development program and internal CSR practices, and the questions are asked by five scale points (Strongly Disagree, Disagree, Neutral, Agree, Strongly Agree)

#### 3.6.1 Social Policy and Human Rights in Inbound Tour Companies

Social Policy and Human Rights are the most fundamental part of Internal CSR practices under the core value of CSR. In this study, social policy and human rights in inbound tour companies are analyzed and the findings are presented in Table (3.4).

**Table (3.4) Social Policy and Human Rights**

No.	Items	Mean	Std. Deviation
1	Provide the medical insurance or covers the medical fees in case of work-related accidents.	3.38	0.785
2	Provide a comfortable working environment.	3.98	0.721
3	Availability of First aid sets and trained staff.	3.52	0.795
4	Can report the employees' concerns at work.	3.52	0.774
5	Provide equal opportunities to all employees.	3.48	0.911
6	Avoid discrimination in termination based on race/gender/religion/age.	4.00	0.739
7	Ensure employment diversity in terms of gender.	3.74	0.736
Overall Mean		3.66	

Source: Survey Data (2019)

According to Table (3.4), most employees are satisfied with Social Policy and Human Rights in Inbound Tour Companies. The highest mean value shows that the tour companies avoid discrimination in termination based on race, gender, religion, age. The second highest mean value indicates that the tour companies provide the comfortable working environment. It can be drawn to the fact that the managements of the companies take care of the health and safety and welfare of the employees, provide a nice working environment, and the employees are well informed that the companies instilled the policy of non-discrimination in terms of gender, race, religion, age. According to overall mean scores, employees are satisfied with Social Policy and Human Rights in Inbound Tour Companies.

### 3.6.2 Career Development Program in Inbound Tour Companies

Employees always want to improve their career life by polishing their job-related skills. So, it is vital for companies to realize employees' career development as an important factor. Inbound tour companies provide training for future jobs and they are fully supportive enhancing employee's career. Table (3.5) shows the employee satisfaction on career development program provided by inbound tour companies.

**Table (3.5) Career Development Program**

<b>No.</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Train employees for future jobs and career development.	3.76	0.656
2	Support a career management program for employees.	3.48	0.741
3	Provide financial support to employees for study.	3.78	0.755
4	Provide time-off to employees for study.	3.48	0.973
5	Provide the separate place for training session.	3.64	0.853
6	Provide on the job-training for employees.	3.76	0.576
7	Consult with employee for their interests.	3.39	0.887
Overall Mean		3.61	

Source: Survey Data (2019)

According to the results, the highest mean value indicate that the tour companies provide the financial support to employees for study. They offer training and paid education assistance in most of the cases, employees learn skills that help them advance in their

careers. This helps the employees earn more salary and gain more confidence in their ability to do the job. Sponsoring employee career growth can also help a company foster more loyalty from its employees. The employees felt much more engaged and committed to company which offered chances for personal growth and development. According to overall mean score, employees are satisfied with career development program by inbound tour companies.

### 3.6.3 Internal Environmental Practices in Inbound Tour Companies

It has been recognized that environmental practices have been a part of internal CSR. Inbound tour companies train employees for sustainability awareness in the environment they are working and how it involves as an essential part of the sustainable development of the business. Table (3.6) shows the employee satisfaction on internal environmental practices by inbound tour companies.

**Table (3.6) Internal Environmental Practices**

No.	Items	Mean	Std. Deviation
1	Purchase products in bulk	3.67	0.743
2	Reduce energy consumption	3.67	0.922
3	Policy in place to reduce non reusable waste	3.66	0.986
4	Take action to reduce the amount of plastic drinking water bottles.	3.54	0.892
5	Organize the proper waste's collection and disposal.	3.48	0.763
6	Sustainability mobility policy in place	3.54	0.892
7	Provide proper guidance and training for internal sustainability practices.	3.45	0.882
Overall Mean		3.57	

Source: Survey Data (2019)

According to the results, the inbound tour companies pay attention to develop an environmental management system which can strengthen the green attitudes of employees who are environmentally committed at work. According to highest mean score, the inbound tour companies carry out the environmental management practices such as purchasing products in bulk, reducing energy consumption. Moreover, they have provided training and

guidance to employees to reinforce their understanding about corporate environmental targets and policies, which in turn result in the sense of attachment and responsibility as well as the commitment of the employee to the environmental issues. They practice “reduce, reuse, recycle” internally in working environment which stipulate environmental commitment. According to overall mean score, employees are satisfied with internal environmental practices by inbound tour companies.

### 3.6.4 Internal CSR Practices in Inbound Tour Companies

To analyze the internal CSR practices of Inbound Tour Companies, the three factors are conducted among employees. The respondents are asked total 21 questions to measure the internal CSR dimensions. The results are shown in Table (3.7).

**Table (3.7) Internal CSR Practices**

<b>No.</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Social Policy and Human Rights	3.66	0.78
2	Career Development Program	3.61	0.77
3	Internal Environmental Practices	3.57	0.86
Overall Mean		3.61	

Source: Survey Data (2019)

According to the results, the respondents have highest mean value on social policy and human rights. It can be interpreted that social policy and human rights policy and practices are well managed by inbound tour companies and employee perceive their organization treats them well. The second highest mean value is career development program and it indicates that employees are satisfied with career development programmed provided by these tour companies. The lowest mean value internal environmental practices can be interpreted that organizations carry out the green practices internally effectively.

## **CHAPTER 4**

### **ANALYSIS ON ORGANIZATIONAL COMMITMENT AND EMPLOYEE PERFORMANCE IN INBOUND TOUR COMPANIES**

This chapter focuses on the analysis of organizational commitment on employee performance of employee in 12 inbound tour companies in Yangon. This chapter consists of three parts. The first part examines the organizational commitment of employee in Inbound tour companies. The second part is the analysis on the effect of internal CSR practices on organizational commitment and the third part is employee performance in inbound tour companies in Yangon.

#### **4.1 Organizational Commitment in Inbound Tour Companies**

Organizational commitment is that create the strong relationship between employees and their organization. Employees who are committed to their organization generally feel that they fit in, feel they understand the goals of the organization, and feel a connection with their organization. In this case, employees they are more proactive in offering their support, show relatively high productivity, and tend to be more determined in their work. Organizational Commitment is essential for all organization in order to attain the strategic goals.

Organizational commitment of inbound tour companies in Yangon is measured based on three distinct components of organizational commitment which are affective commitment, continuous commitment and normative commitment. To analyze the organizational commitment of employees, the questions are adopted from Organizational commitment questionnaire (OCQ) by Mowday, Steers and Porter in 1979. The respondents are asked to rate themselves regarding organizational commitment. The questions are asked by five-point Likert scale (Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree). The results on organizational commitment of employee in inbound tour companies are discussed with respective mean value tables from Table (4.1) to (4.3) accordingly.



#### 4.1.1 Affective Commitment

In this study, affective commitment of employee in inbound tour companies is studied. Total seven questions are involved to measure the level of affective commitment. The mean value results are shown in Tale (4.1).

**Table (4.1) Affective Commitment**

No.	Items	Mean	Std. Deviation
1	Happy to spend the rest of career with the organization.	3.61	0.886
2	A great deal of personal meaning.	3.63	0.763
3	“Part of the family” at the organization.	3.61	0.887
4	A strong sense of belonging to the organization.	3.69	0.814
5	Say “we” rather than I in the organization.	3.79	0.929
6	Proud to tell others about being part of the organization.	3.70	0.861
7	Environmental sustainability aligns with own concern.	3.82	0.823
Overall Mean		3.69	

Source: Survey Data (2019)

Among three distinct components of organizational commitment, affective commitment is the emotional attachment an employee has towards the organization. According to Table (4.1), this dimension measures if employees are affectively committed to their organization, it means that they want to stay at their organization as they feel that they fit into the organization and are satisfied with their work.

In the data presented in Table (4.1), the highest mean value indicates that environmental sustainability aligns with concerns of employees. Most respondents agree that they enjoy spending the rest of career life with the organization and working at that particular organization is a great deal of personal meaning for them. Inbound tour companies have the training program, career development program, and health care and safety standard for employees well in place, thus employees enjoy working with them. Most employee feels that environmental sustainability practices of inbound tour companies are aligned with their concerns. It means that they become part of the family and they are proud of working at that particular organization as they have identical core value. As the overall mean score, most employees are satisfied with Internal CSR practices and they have affective commitment to the respective inbound tour companies.

#### 4.1.2 Continuance Commitment

In this study, continuance commitment of employee in inbound tour companies is studied. Total seven questions are involved to measure the level of continuous commitment. The mean value results are shown in Tale (4.2).

**Table (4.2) Continuance Commitment**

<b>No.</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Disrupted if decided to leave the organization.	3.33	0.743
2	Too costly to leave the organization now.	3.45	0.854
3	Staying with the organization is a matter of necessity.	3.58	0.702
4	Afraid of quitting job without having another one job.	3.52	0.805
5	Another organization may not match the benefits.	3.33	0.743
6	Difficult financial situation before finding a new job.	3.40	0.906
7	Expected the return as a reward of years of experience.	3.65	0.871
Overall Mean		3.46	

Source: Survey Data (2019)

Continuance commitment refers to the situation where an individual feel that they will lose more by leaving than they will gain. If employees have a high level of continuance commitment, they will stay with an organization because they feel that they must stay. Table (4.2) highlighted the level of the continuance commitment of the employees in inbound tour companies.

According to Table (4.2), the highest mean value indicates that most of the employees expected to receive the return as a reward of years of experience from management. It is found that some employees are afraid that their life would be disrupted if they leave the organization and another organization may not be able to offer the same benefits they have right now. The reason may be that quitting their job may lead to an acceptable length of unemployment. Thus, it would be too risky for them as the opportunity cost is too high. According to overall mean score, employees have strong continuance commitment to the inbound tour companies.

### 4.1.3 Normative Commitment

In this study, normative commitment of employee in inbound tour companies is studied. Total seven questions are involved to measure the level of continuous commitment. The mean value results are shown in Tale (4.3).

**Table (4.3) Normative Commitment**

<b>No.</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Believe in the value of remaining loyal to one organization.	3.76	0.963
2	Better when people stayed with one organization.	3.43	0.862
3	Feel a sense of moral obligation to remain.	3.70	0.810
4	Owe a great deal to the organization.	3.64	0.728
5	Disloyal people move from company to company too often.	3.44	0.891
6	Unethical behavior Jumping from one organization to another.	3.42	0.889
7	Must always be loyal to the organization.	3.78	0.848
Overall Mean		3.59	

Source: Survey Data (2019)

Normative commitment is employees feel obligated to the organization or believe that staying is the right thing to do. Here, they believe you ought to stay and usually this is because of a sense of obligation to the organization. This sense of obligation stems from moral, ethical, because the organization spent time and money training them. It can be found the level of normative commitment of employees in inbound tour companies in Table (4.3).

According to Table (4.3), employees believe that they must always be loyal to an organization and it is what they valued for. So, it is the highest scores in normative commitment because most employees are trained and fairly treated by inbound tour companies, thus, their moral obligation has influenced them to decide to stay with organization and they become loyal to the organization and they would feel guilty if they leave the organization. As the overall mean score, employees have normative commitment to the inbound tour companies.

#### 4.1.4 Organizational Commitment of Employee in Inbound Tour Companies

This section aims to identify the organizational commitment of employees in inbound tour companies in Yangon. The mean scores of the employees toward level of organizational commitment are presented in Table (4.4) below.

**Table (4.4) Organizational Commitment**

No.	Items	Mean	Std. Deviation
1	Affective Commitment	3.69	0.85
2	Continuous Commitment	3.46	0.80
3	Normative Commitment	3.59	0.85
Overall Mean		3.58	

Source: Survey Data (2019)

According to survey results, affective commitment has the highest mean value and it shows that employees in these inbound tour companies feel that they fit into the organization and are satisfied with their works. Moreover, they feel valued and assets for organizations. Normative Commitment, the second highest mean value, represents that they have sense of obligations that they should stay at their organizations, and leaving their organizations would have devastating consequences. The lowest mean value, continuous commitment shows that their commitment lies in their need to stay with the organization. The underlying reason could be varied, but possibly it may relate to a lack of work options and pay.

#### 4.2 Analysis on the Effect of Internal CSR Practices on Organizational Commitment in Inbound Tour Companies

This study covers the analysis of Internal CSR practices on organizational commitment. In this study, linear regression is used to test the relationship between independent variables: social policy and human rights, Career development program and internal environmental practices, and dependent variables: affective, continuance and normative organizational commitments.

#### 4.2.1 The Effect of Internal CSR Practices on Affective Commitment

This study analyzes the relationship between Internal CSR practices of Inbound Tour Companies and affective commitment of employees towards their respective companies. The linear regression model is used. The findings are shown in Table (4.5).

**Table (4.5) The Effect of Internal CSR Practices on Affective Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig	VIF
	B	Std Error				
Constant	-.299	.165		-1.1810	.073	
Social Policy and Human Rights	.749***	.093	.632	8.091	.000	5.258
Career Development Program	.119	.094	.093	1.262	.209	4.719
Internal Environmental Practices	.230***	.070	.237	3.296	.001	4.468
R	.929					
R Square	.863					
Adjusted R Square	.859					
F Value	247.592***					
Durbin-Watson	1.993					

Source: Survey Data (2019)

Note\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to results, the R Square is 0.863 and adjusted R Square is 0.859. Thus, this specified model could explain 86.3% about the variance of dependence variable (affective commitment) and independence variables (social policy and human rights, career development program and internal environmental practices). R value of 0.929 and it indicates that internal CSR practices and affective commitment are correlated. The overall significant of the model, F value, is highly significant at 1 percent level. This model can be said to be valid. All VIFs (Variance Inflation Factory) of independent variables are less than 10. Hence, there is no problem of multi-collinearity (correlation between independent variables).

According to table (4.5), social policy and human rights and internal environmental practices have the significance relationship with the affective commitment. The “Social Policy and Human Rights” has the expected positive sign and significant coefficient value

at 1 percent level. According to regression result, positive relationship means that the increase in social policy and human rights factor leads to more affective commitment of the employees toward inbound tour companies. Inbound tour companies provide health care program, social welfare, fair treatment to all employees, and avoid discrimination, thus employees have fringe benefits and they feel that they are well valued by the organization.

The “Internal Environmental Practices” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in Internal Environmental practices factor leads to more affective commitment of the employees toward inbound tour companies. The companies set the clear procedures of internal environmental practices such as use of paper, energy, water and they provide proper guidelines to employees. Employee are well trained how to follow 3Rs (reduce, reuse, recycle). They become proud of being members of such organizations and most of the employees feel like part of the organizations.

The standard coefficient (Beta) of social policy and human rights factor has the largest value (.632) among three explanatory variables indicating that social policy and human rights factor has the greatest contribution to increase the affective commitment of employees of inbound tour. The overall evaluation reveals that models explain the variation in the awareness of the affective commitments of the employees towards inbound tour companies well because the estimation produced expected signs and significant coefficients for most variables. The increase in social policy and human rights and internal environmental practices have the positive effects on affective commitments of the employees.

In summary, the results show that career development factor is not significant at 10 percent level and the main determination of affective commitment is found to be social policy and human rights. According to survey findings, social policy and human rights and internal environmental practices could significantly raise the affective commitment of the employees at inbound tour companies.

#### **4.2.2 The Effect of Internal CSR Practices on Continuance Commitment**

This study analyzes the relationship between Internal CSR practices of Inbound Tour Companies and continuance commitment of employees towards their respective companies. The findings are shown in Table (4.6).

**Table (4.6) The Effect of Internal CSR Practices on Continuance Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig	VIF
	B	Std Error				
Constant	.133	.192		.694	.489	
Social Policy and Human Rights	.641***	.107	.645	5.966	.000	5.258
Career Development Program	.361***	.109	.339	3.309	.001	4.719
Internal Environmental Practices	-.089	.081	-.109	-1.099	.274	4.468
R	.859					
R Square	.738					
Adjusted R Square	.731					
F Value	110.688***					
Durbin Watson	1.675					

Source: Survey Data (2019)

Note \*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to Table (4.6), the R Square is 0.738 and Adjusted R square is 0.731. Thus, this specified model could explain 73.8% about the variance of dependent variable (continuous commitment) and independent variables (social policy and human rights, career development program and internal environmental practices). R value is 0.859 and it indicates that the level of continuous commitment and internal CSR practices in inbound tour companies are correlated. The overall significant of the model, F value, is highly significant at 1 percent level. This model can be said to be valid. All VIFs of independent variables are less than 10 and hence, there is no problem of multi-collinearity.

According to the Table (4.6), social policy and human rights and career development program have the significance relationship with the continuance commitment. The “Social Policy and Human Rights” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in social policy and human rights factor leads to more continuance commitment of the employees toward inbound tour companies. Inbound tour companies provide health care program, fringe benefits, and social welfare. Thus, employees are satisfied with the benefits they have obsessed staying in organization, and they are afraid

that they will have to lose those benefits if they leave the organization or they may not have these overall benefits if they move to other organization.

The “Career Development Program” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in career development factor leads to more continuance commitment of the employees toward inbound tour companies. Employees are well supported by companies for their future career development. They are provided financial assistance to enhance the knowledge and skills and time-off if they study. Moreover, a space for studying is created and the employees can study during their free time.

The standard coefficient (Beta) of social policy and human rights factor has the largest value (.645) among three explanatory variables indicating that social policy and human rights factor has the greatest contribution to increase the continuance commitment of employees of inbound tour companies. The overall evaluation reveals that models explain the variation in the awareness of the continuance commitments of the employees towards inbound tour companies well. The increase in social policy and human rights and career development program have the positive effects on continuance commitments of the employees.

In summary, the results show that internal environmental practices factor is not significant at 10 percent level and the main determination of continuance commitment is found to be social policy and human rights. According to survey findings, social policy and human rights and career development program could significantly raise the continuance commitment of the employees at inbound tour companies.

#### **4.2.3 The Effect of Internal CSR Practices on Normative Commitment**

This study analyzes the relationship between Internal CSR practices of Inbound Tour Companies and normative commitment of employees towards their respective companies. The findings are shown in Table (4.7).



**Table (4.7) The Effect of Internal CSR Practices on Normative Commitment**

Variable	Unstandardized Coefficients		β	t	Sig	VIF
	B	Std Error				
Constant	.047	.153		.305	.761	
Social Policy and Human Rights	.356***	.086	.345	4.143	.000	5.258
Career Development Program	.433***	.087	.392	4.962	.000	4.719
Internal Environmental Practices	.191***	.065	.227	2.956	.004	4.468
R	.919					
R Square	.844					
Adjusted R Square	.840					
F Value	212.883***					
Durbin Watson	1.827					

Source: Survey Data (2019)

Note \*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

Internal CSR practices on organizational commitment is examined. The findings are According to Table (4.7), the R Square is 0.844 and Adjusted R Square is 0.840. Thus, this specified model could explain 84.4 percent about the variance of dependent variable (normative commitment) and independent variables (social policy and human rights, career development program and internal environmental practices). R value is 0.919 and it indicates that the level of normative commitment and internal CSR practices are correlated. The overall significant of the model, F value, is highly significant at 1 percent level. This model can be said to be valid. All VIFs of independent variables are less than 10 and there is no problem of multi-collinearity.

According to Table (4.7), all three internal CSR factors have the significance relationship with the normative commitment. The “Social Policy and Human Rights” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in social policy and human rights factor leads to more normative commitment of the employees toward inbound tour companies. Inbound tour companies treat all employees equally and do not have discrimination against race, gender, religion. So, employees feel that they have been treated

fairly and they do not wish to take the chance of leaving the organization and finding themselves in between the current job and the uncertain condition of another job.

The “Career Development Program” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in career development factor leads to more normative commitment of the employees toward inbound tour companies. Employees are well supported by companies both means of financially and consultation for their future career development. Thus, employees feel the sense of obligation as organization spent time and money for them.

The “Internal Environmental Practices” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in Internal Environmental practices factor leads to more normative commitment of the employees toward inbound tour companies. Normative commitment of employees to the organization is created through feelings of obligation to organization or its action when employees and organization are psychologically bonded. Employees identified positively with organization’s environmental practices which is part of corporate social responsibility efforts. Employees are motivated to be through in efforts to recycle waste if they feel a sense of duty to do so, given the environmental efforts of the company.

The standard coefficient (Beta) of career development factor has the largest value (.392) among three explanatory variables indicating that career development factor has the greatest contribution to increase the normative commitment of employees of inbound tour companies. The overall evaluation reveals that models explain the variation in the awareness of the normative commitments of the employees towards inbound tour companies well. The increase in all three factors - social policy and human rights, career development program and internal environmental practices have the positive effects on normative commitments of the employees.

In summary, the results show that all factors are significant at 1 percent level and the main determination of normative commitment is found to be career development program. According to survey findings, all three factors could significantly raise the normative commitment of the employees at inbound tour companies.

#### 4.2.4 The Effect of Internal CSR Practices on Organizational Commitment

In this study, the effect of shown in Table (4.8).

**Table (4.8) The Effect of Internal CSR Practices on Organizational Commitment**

Variable	Unstandardized Coefficients		$\beta$	t	Sig	VIF
	B	Std Error				
Constant	-0.420	.125		-.319	.750	
Social Policy and Human Rights	.582***	.070	.572	8.336	.000	5.258
Career Development Program	.304***	.071	.279	4.290	.000	4.719
Internal Environmental Practices	.111**	.053	.133	2.106	.037	4.468
R	.946					
R Square	.894					
Adjusted R Square	.892					
F Value	332.432***					
Durbin Watson	1.887					

Source: Survey Data (2019)

Note \*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to the results shown in Table (4.8), R square is 0.894 and Adjusted R square is 0.892. This model can explain 89.4% about the variance of dependent variable (organizational commitment) and independent variables (social policy and human rights, career development program, internal environmental practices). R value is 0.946 and it indicates that the level of organizational commitment and internal CSR practices are correlated. The value of F test, the overall significance of the model, is highly significant at 1 percent level. This specified model can be said valid. All VIFs (Variance Inflation Factor) of independent variables are less than 10. Hence, there is no problem of multicollinearity (correlation between independent variables).

Social policy, human rights and career development program variables have the expected positive sign and significance coefficient at 1 percent level. The internal environmental practices have the expected positive sign and significance coefficient variable at 5 percent level. The employees are more committed when they experience high internal CSR practices. The findings show that the internal CSR practices have direct impact on organizational commitment for employees in inbound tour companies in Yangon.

According to the results, it can be interpreted that if the social policy and human rights are practiced by inbound tour companies, it makes employees more committed in the workplace. Similarly, when employees are encouraged for their career development by companies, they feel more committed in the work place. The employees in inbound tour companies feel proud of being the member of the organization and more committed in their job if international environmental policies are well practiced by companies. Therefore, internal CSR practices create the pleasant work environment which make employees feel comfortable and proud, so, the level of organizational commitment is increased.

### **4.3 Employee Performance in Inbound Tour Companies**

The performance of employee is very important in service industry and critical to customers perception about the service quality due to the intangible and inseparable of the services, and many services being the result of interaction between the service provider and the customers. The employee performance at Inbound tour companies is studied by using linear regression model. The survey results relating to the performance of employees are presented in Table (4.9).

**Table (4.9) Employee Performance**

<b>No.</b>	<b>Items</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Planned work so that it was done on time.	3.89	.805
2	Planning was optimal.	3.74	.702
3	Able to separate main issues from side issues at work.	3.68	.785
4	Can set the right priorities.	3.94	.696
5	Old one is finished and started new tasks.	3.83	.701
6	Took on challenging work tasks.	3.80	.918
7	Keeping job knowledge up-to-date.	3.66	.907
8	Keep looking for new challenges in my job.	3.75	.788
9	Did more than was expected.	3.61	.887
10	Actively looked for ways to improve performance	4.00	.739
Overall Mean		3.79	

Source: Survey Data (2019)

Regarding employee performance, most employees accomplish their assigned tasks on time as inbound tour companies provide the trainings to them to get things done effectively and efficiently. As they always look for ways to improve their performance, they are willing to take on challenging work tasks. As it is the main priority for service providers to deliver the service at right time, employees have capabilities of setting the right priorities. According to overall mean score, most employees of the inbound tour companies are satisfied with their own performance.

#### **4.4 Analysis on the Effect of Organizational Commitment on Employee Performance in Inbound Tour Companies**

Employee Performance is vital for every organization especially for service industry. In this section, the effect of organizational commitment on employee performance

is studied. The linear regression is used to test the relationship between independent variable: organizational commitment and dependent variable: employee performance. The findings are presented in Table (4.10).

**Table (4.10) The Effect of Organizational Commitment on Employee Performance**

Variable	Unstandardized Coefficients		B	t	Sig	VIF
	B	Std Error				
Constant	.803	.175		4.5723	.000	
Affective Commitment	.654***	.105	.740	6.252	.000	7.004
Continuance Commitment	.158*	.086	.150	1.825	.070	3.372
Normative Commitment	.007	.117	.007	.060	.952	6.665
R	.874					
R Square	.764					
Adjusted R Square	.758					
F Value	127.376***					
Durbin Watson	1.877					

Source: Survey Data (2019)

Note \*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to Table (4.10), R Square is 0.764 and Adjusted R square is 0.764. This model can explain 76.4% about the variance of dependent variable (Employee performance) and independent variable (Organizational commitment). R value is 0.874 and it indicates that the level of organizational commitment and employee performance in inbound tour companies are correlated. The overall significant of the model, F value, is highly significant at 1 percent level. This model can be said to be valid. All VIFs (Variance inflation factor) of independent variables are less than 10. Hence, there is no problem of multi-collinearity (correlation between independent variables).

The “affective commitment” has the expected positive sign and significant coefficient value at 1 percent level. According to regression result, positive relationship means that the increase in affective commitment factor leads to increase of employee performance at inbound tour companies. Employees have a high level of active commitment, then the chances of staying with the organization for long are high. Employees are not only happy but also engaged in the organizational activities as inbound tour companies make employee feel that they are part of the organization.

The “continuance commitment” has the expected positive sign and significant coefficient value at 10 percent level. According to regression result, positive relationship means that the increase in continuance commitment factor leads to increase of employee performance at inbound tour companies. The underlying reason for the continuous commitment of employees lies in their need to stay with the organization. They are afraid to leave the organization and they feel that they may not receive the overall benefits in other organization. Employees with high continuance commitment to the organization work hard to ensure that the organization goals and objectives are achieved. They see themselves as an important part of the organization. They became more involved in achieving the organizational missions and visions by improving their performance.

The standard coefficient (Beta) of affective commitment factor has the largest value (.740) among three explanatory variables indicating that affective commitment factor has the greatest contribution to increase the employee performance at inbound tour companies. The overall evaluation reveals that models explain the variation in the awareness of the performance of the employees towards inbound tour companies well. The increase in affective commitment and continuous commitment have the positive effects on performance of the employees.

In summary, the results show that normative commitment factor is not significant at 10 percent level and the main determination of employee performance is found to be affective commitment. According to survey findings, affective commitment and continuous commitment could significantly raise the employee performance at inbound tour companies.

## **CHAPTER 5**

### **CONCLUSION**

This chapter consists of three main parts. The first part is findings and discussions from previous chapters. The second part is suggestions and recommendations according to the finding of the study. The third part is the limitations and needs for further research of the employee performance.

#### **5.1 Findings and Discussions**

This study attempts to explore the internal CSR practices and to analyze the effect of organizational commitment on performance of employee in 12 inbound tour companies in Yangon. To analyze the study, a sample of 122 from 182 employees is randomly selected. Simple random sampling method is applied. Questionnaire method is applied to collect primary data. Secondary data is collected from the records of relevant books, previous research paper and online sources.

The first part of the study explores the internal CSR practices of 12 inbound tour companies in Yangon such as social policy and human right, career development program and internal environmental practices. According to the results, the employees have positive perception on all three factors of internal CSR practices. Among the three factors, the employees have highest perception on social policy and human rights. According to the results, it is found that the employees in inbound tour companies are highly satisfied with the internal CSR practices of companies.

The second part of the study shows the organizational commitment in three components: affective, continuous and normative commitment. In this study, the employees are committed in all three dimensions. Among three dimensions, the respondents have the highest positive perception on affective commitment. The results show that the employees in inbound tour companies are highly committed to the companies.

As third part of the study, the results show that there is direct impact of internal CSR practices on organizational commitment of the employees in 12 inbound tour companies in Yangon. Among internal CSR practices, social policy and human rights and



career development program have significance positive relationship with organizational commitment in this study.

The final part of the study shows that employee performance is strongly related with affective commitment of employees in 12 inbound tour companies in Yangon. According to the results, affective commitment has strongest relationship with employee performance under this study. Thus, the respondents of this study are highly committed in their job in terms of affective commitment and moderately committed in their job in terms of continuous commitment.

By analyzing all factors, it can be concluded that social policy and human rights has the greatest influence on organizational commitment and affective commitment has the highest effect on employee performance.

## **5.2 Suggestions and Recommendations**

According to the findings of the study, the employees in 12 inbound tour companies are satisfied by social policy and human rights. Thus, the companies should focus more on policies of social responsibility and human rights and implementation of these practices. The major outcome of internal corporate social responsibility is not only to enhance the productivity and capacity of employees, but also talent attraction. As it is found that the employees have the highest perception on practices of social responsibility and human rights, the companies should find ways to publicize it in a variety of ways, such as by posting online, blogging, speaking at public events or sharing with policymakers. All employees should be trained and acknowledge the Code of Business Conduct on semi-annual or an annual basis. New comers are also required to complete compliance training, other relevant trainings from time to time.

The employees in 12 inbound tour companies in Yangon are not appreciated enough by career development of companies. In the survey finding of career development factor on affective commitment, management should emphasize more on providing the employee with more opportunities to build up their capabilities, to help meet the needs for personal growth. The coaching and mentoring way of supervisor is also very important in affective commitment. Supervisors should take time to listen to employees regarding their concerns and needs for their skills. Management should also monitor the feedback from employee to analyze the employee perception on their career and their interests. Thus, employee will be

more comfortable and raise their voice what they want to be. When an organization provides employees with good career development programs and support them with to continue high education, it will send a message that the organization cares about them and are committed to them. Consequently, employee will reciprocate by being engaged and commitment to the organizations. The findings also indicate that when organizations performing in an ethical manner such as working procedures are trustworthy, non-biased, and treated employees with dignity and respect, the employees may feel obliged to repay the organization with level of commitment.

The results from the current study indicate that internal CSR practices are significantly related to organizational commitment. Hence, internal CSR practices lead to employee's commitment; this would suggest that the management of inbound tour companies should pay more attention to internal CSR practices that are most desired by employees and these are most likely to create a sense of psychological attachment that will result in levels of commitment.

According to the result of the effect of commitment on employee performance, affective commitment is the highest effect on employee performance. Therefore, inbound tour companies should focus on affective commitment. They should develop trust between the organization and the individual by communicating clear goals and expectation to the employees. Most employees want to be a part of the organization, they want to know what is most important in their job and how they can achieve excellence in their job. When an organization is transparent with its employees, there are greater chances that employees feel valued and increased sense of belonging.

Moreover, the companies need to foster a positive work culture, create the strong teamwork culture, and maintain work ethics. Having high standards of work ethics makes employees feel motivated and respectful towards the organizations. It is vital for companies to keep making employees proud of working at their organization, feel that the organization's problems are their own problem, and happy to spend the career life with the organization.

Normative commitment is the least influencing factor on employee performance. Inbound tour companies should focus more on how and what they have made efforts towards employees' welfare and development, and to make them understand well in order to stipulate sense of obligation.

### **5.3 Needs for Future Research**

This study has a few limitations. Firstly, it focuses and emphasizes on internal CSR practices of 12 inbound tour companies. It does not represent the results of other tour companies. Future research may re-examine the conceptual model used in this study with a larger sample size so that the outcomes can be generalized to a larger population. It is suggested to conduct the survey of employee commitment in tourism company in other regions such Mandalay, Bagan and Inle. Secondly, as the study focuses only on internal CSR practices, further study needs to conduct both internal and external CSR practices on organizational commitment of tourism industry. Thirdly, this study applied only structure questionnaires. Although it is assumed that the answers are accurate and reliable, there can be some incorrect information. Therefore, in-depth interviews with employees would be helpful, and it is the case especially when internal CSR practices vary according to size and management style of the organization.

Finally, another future studies should examine the effects of other internal CSR practices such as the quality of management, adaption to change, organizational structure and job security on organizational commitment.

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**APPENDIX A**  
**YANGON UNIVERSITY OF ECONOMICS**  
**DEPARTMENT OF MANAGEMENT STUDIES**  
**MBA PROGRAMME**

**Survey Questionnaire for Organizational Commitment of selected  
Inbound Tour Companies in Yangon**

Dear Participant,

I am an Executive MBA student from Yangon university of Economic and I am doing my thesis which is to study “**Effect of Internal CSR practices on organizational commitment**” of “**twelve inbound tour operators**” in Yangon. I found out that your company is conducting CSR and sustainability practices. The questionnaire is strictly to provide vital information regarding this research work. I assure full confidentiality of all information given.

It would be my great pleasure if you could take 5-7 minutes to take part in the questionnaire.

Sincerely,

Ma Wah Wah

EMBA II 68

EMBA 16<sup>th</sup> Batch



## Part I: Employee's Demographic Information

Please tick the box that correspondent to your answers.

1. What is your **gender**?

Male       Female

2. What is your **Age**?

Under 25       25 – 34       35 – 44       45 and above

3. What is your **education level**?

Under Graduate       Graduate       Post Graduate

4. What is your **experience at this company**?

Below 1 year       1 – 5 years       6 – 10 years       10 years and above

5. What is your **occupation level**?

Managerial staff       Non-managerial staff

6. What is your **monthly salary**?

Less than 300,000 MMK       300,001 – 500,000 MMK

500,001 – 1,000,000 MMK       1,000,001 MMK and above

**Part II: How would you agree on below internal CSR practices in your organization?**

(1= strongly disagree, 2=disagree, 3=neutral, 4=agree, 5= strongly agree)

<b>Social Policy and Human rights</b>						
1	My organization provides the medical insurance or covers the medical fees in case of work related accidents.	1	2	3	4	5
2	My organization provides a comfortable working environment.	1	2	3	4	5
3	First aid sets and trained staff are available at relevant location.	1	2	3	4	5
4	My organization gives employees the freedom of speech to report their concerns at work.	1	2	3	4	5
5	My organization provides equal opportunities to all employees.	1	2	3	4	5
6	My organization avoids discrimination in termination based on race/gender/religion/age.	1	2	3	4	5
7	My organization ensures employment diversity in terms of gender.	1	2	3	4	5
<b>Career Development Program</b>						
1	My organization trains employees on skills that prepare them for future jobs and career development.	1	2	3	4	5
2	My organization is fully supportive of a career management program for employees.	1	2	3	4	5
3	My organization provides financial support to employees for study which can enhance their capacity of work related knowledge and skills.	1	2	3	4	5
4	My organization provides time-off for study to all employees.	1	2	3	4	5
5	My organization provides the room or separate quiet place for training session or e-learning.	1	2	3	4	5
6	My organization provides on the job-training for employees.	1	2	3	4	5
7	My organization always consults with employee if their current position fits with their interests and if they have other interests to move to other departments.	1	2	3	4	5

<b>Internal Environmental Practices</b>						
1	My organization purchased products in bulk in order to reduce the amount of packaging materials.	1	2	3	4	5
2	My organization has an active commitment to reduce energy consumption which is monitored and implemented.	1	2	3	4	5
3	My organization has the policy to reduce non reusable waste (for eg: one time used coffee cup).	1	2	3	4	5
4	My organization takes action to reduce the amount of plastic drinking water bottles.	1	2	3	4	5
5	My organization organizes the proper waste's collection and disposal.	1	2	3	4	5
6	My organization has sustainability mobility policy such as office carpool system, ferry transport, and encourage employees to use public transport.	1	2	3	4	5
7	My organization provides proper guidance and training for internal sustainability practices.	1	2	3	4	5

**Part III: How would you agree on your commitment in your organization?**

(1= strongly disagree, 2=disagree, 3=neutral, 4=agree, 5= strongly agree)

<b>Affective Commitment</b>						
1	I would be very happy to spend the rest of my career with this organization.	1	2	3	4	5
2	This organization has a great deal of personal meaning for me.	1	2	3	4	5
3	I feel like “part of the family” at my organization.	1	2	3	4	5
4	I feel a strong sense of belonging to my organization.	1	2	3	4	5
5	When I talk about my organization, I usually say “we” rather than I.	1	2	3	4	5
6	I am proud to tell others that I am part of this organization.	1	2	3	4	5
7	My organization’s concern for environmental sustainability aligns with my own concern.	1	2	3	4	5

<b>Continuance Commitment</b>						
1	Too much in my life would be disrupted if I decided I leave my organization now.	1	2	3	4	5
2	It would be too costly for me to leave my organization now.	1	2	3	4	5
3	Right now, staying with my organization is a matter of necessity.	1	2	3	4	5
4	I am afraid to what might happen if I quit my job without having another one lined up	1	2	3	4	5
5	Another organization may not match the overall benefits I have here.	1	2	3	4	5
6	It would be very difficult financial situation for me when I leave this job and before I find new job.	1	2	3	4	5
7	I decide to remain in the organization as I expected to receive the return as a reward of years of experience from management.	1	2	3	4	5

<b>Normative Commitment</b>						
1	I was taught to believe in the value of remaining loyal to one organization.	1	2	3	4	5
2	Things were better in the days when people stayed with one organization for most of their careers.	1	2	3	4	5
3	I feel a sense of moral obligation to remain in this organization.	1	2	3	4	5
4	I owe a great deal to my organization.	1	2	3	4	5
5	I think that disloyal people move from company to company too often.	1	2	3	4	5
6	Jumping from one organization to organization seems unethical to me.	1	2	3	4	5
7	I believe that a person must always be loyal to his or her organization.	1	2	3	4	5

**Part IV: How would you agree on your performance in your organization?**

**(1= strongly disagree, 2=disagree, 3=neutral, 4=agree, 5= strongly agree)**

<b>Employee Performance</b>						
1	I managed to plan my work so that it was done on time.	1	2	3	4	5
2	My planning was optimal.	1	2	3	4	5
3	I was able to separate main issues from side issues at work.	1	2	3	4	5
4	I knew how to set the right priorities.	1	2	3	4	5
5	I started new tasks myself, when my old ones were finished.	1	2	3	4	5
6	I took on challenging work tasks, when available.	1	2	3	4	5
7	I worked at keeping my job knowledge up-to-date.	1	2	3	4	5
8	I kept looking for new challenges in my job.	1	2	3	4	5
9	I did more than was expected of me.	1	2	3	4	5
10	I actively looked for ways to improve my performance at work.	1	2	3	4	5

Thank you for your kind participation.

## APPENDIX B

### STATISTICAL OUTPUTS

#### (1) The Effect of Internal CSR practices on Affective Commitment

Model Summary <sup>b</sup>										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.929 <sup>a</sup>	.863	.859	.239	.863	247.592	3	118	.000	1.993

a. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Program Mean, Intenal Environmental Practices Mean

b. Dependent Variable: Affective Commitment Mean

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	42.407	3	14.136	247.592	.000 <sup>b</sup>
	Residual	6.737	118	.057		
	Total	49.144	121			

a. Dependent Variable: Affective Commitment Mean

b. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Mean, Internal Environmental Practices Mean

Coefficients <sup>a</sup>													
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	-.299	.165		-1.810	.073	-.627	.028					
	SHMean	.749	.093	.632	8.091	.000	.566	.933	.917	.597	.276	.190	5.258
	CDMean	.119	.094	.093	1.262	.209	-.068	.305	.842	.115	.043	.212	4.719
	IEMean	.230	.070	.237	3.296	.001	.092	.368	.860	.290	.112	.224	4.468

a. Dependent Variable: Affective Commitment Mean

**(2) The Effect of Internal CSR practices on Continuance Commitment**

Model Summary <sup>b</sup>										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.859 <sup>a</sup>	.738	.731	.277	.738	110.688	3	118	.000	1.675

a. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Mean, Internal Environmental Practices Mean

b. Dependent Variable: Continuance Commitment Mean

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.524	3	8.508	110.688	.000 <sup>b</sup>
	Residual	9.070	118	.077		
	Total	34.594	121			

a. Dependent Variable: Continuance Commitment Mean

b. Predictors: (Constant), Social Policy and Human Rights Mean, Career Development Mean, Internal Environmental Practices Mean

Coefficients <sup>a</sup>													
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.133	.192		.694	.489	-.247	.513					
	SHMean	.641	.107	.645	5.966	.000	.428	.854	.845	.481	.281	.190	5.258
	CDMean	.361	.109	.339	3.309	.001	.145	.577	.806	.291	.156	.212	4.719
	IEMean	-.089	.081	-.109	-1.099	.274	-.249	.071	.730	-.101	-.052	.224	4.468

a. Dependent Variable: Continuance Commitment Mean

**(3) The Effect of Internal CSR practices on Normative Commitment**

Model Summary <sup>b</sup>										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.919 <sup>a</sup>	.844	.840	.222	.844	212.883	3	118	.000	1.827

a. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Mean, Internal Environmental Practices Mean

b. Dependent Variable: Normative Commitment Mean

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.385	3	10.462	212.883	.000 <sup>b</sup>
	Residual	5.799	118	.049		
	Total	37.184	121			

a. Dependent Variable: Normative Commitment Mean

b. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Mean, Internal Environmental Practices Mean

Coefficients <sup>a</sup>													
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.047	.153		.305	.761	-.257	.350					
	SHMean	.356	.086	.345	4.143	.000	.186	.526	.881	.356	.151	.190	5.258
	CDMean	.433	.087	.392	4.962	.000	.260	.605	.883	.415	.180	.212	4.719
	IEMean	.191	.065	.227	2.956	.004	.063	.320	.854	.263	.107	.224	4.468

a. Dependent Variable: Normative Commitment Mean



**(4) The Effect of Internal CSR practices on Organizational Commitment**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.946 <sup>a</sup>	.894	.892	.180	.894	332.432	3	118	.000	1.887

- a. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Mean, Internal Environmental Practice Mean  
 b. Dependent Variable: Organizational Commitment

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.371	3	10.790	332.432	.000 <sup>b</sup>
	Residual	3.830	118	.032		
	Total	36.201	121			

- a. Dependent Variable: Organizational Commitment Mean  
 b. Predictors: (Constant), Social Policy and Human Right Mean, Career Development Mean, Internal Environmental Practice Mean

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics		
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF	
1	(Constant)	-.040	.125		-.319	.750	-.287	.207						
	SHMean	.582	.070	.572	8.336	.000	.444	.720	.929	.609	.250	.190	5.258	
	CDMean	.304	.071	.279	4.290	.000	.164	.444	.888	.367	.128	.212	4.719	
	IEMean	.111	.053	.133	2.106	.037	.007	.215	.860	.190	.063	.224	4.468	

- a. Dependent Variable: Organizational Commitment Mean

**(5) The Effect of Organizational Commitment on Employee performance**

Model Summary <sup>b</sup>										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.874 <sup>a</sup>	.764	.758	.277	.764	127.376	3	118	.000	1.877

a. Predictors: (Constant), Affective Commitment Mean, Continuance Commitment Mean, Normative Commitment Mean

b. Dependent Variable: Employee Performance Mean

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.303	3	9.768	127.376	.000 <sup>b</sup>
	Residual	9.049	118	.077		
	Total	38.352	121			

a. Dependent Variable: Employee Performance Mean

b. Predictors: (Constant), Affective Commitment Mean, Continuance Commitment Mean, Normative Commitment Mean

Coefficients <sup>a</sup>													
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	.803	.175		4.573	.000	.455	1.150					
	ACMean	.654	.105	.740	6.252	.000	.447	.861	.870	.499	.280	.143	7.004
	CCMean	.158	.086	.150	1.825	.070	-.013	.329	.766	.166	.082	.297	3.372
	NCMean	.007	.117	.007	.060	.952	-.225	.239	.807	.006	.003	.150	6.665

a. Dependent Variable: Employee Performance Mean