

The effects of Employees' Integrity, Responsibility, Compassion and Forgiveness on Corporate Social Responsibility in Iranian Private Sector in East and West of Azerbaijan in Iran

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Abstract

Inner characteristics of Employees' like integrity, responsibility, compassion and forgiveness are very important factors for every factory to be considered as moral or reputed one. The other important factor for company's reputation and Brand value is corporate social responsibility these factors can increase effectiveness and efficiency and every sector (private or public) that wants to be survived in chaotic market should concentrate more on them.

This paper investigates the Employees' integrity, responsibility, compassion and forgiveness on CSR in Iranian private sector in east and west of Azerbaijan in Iran.

Keywords: Employees, corporate social responsibility, inner characteristics, private sector

Acknowledgement: Author are acknowledged from the participants from the private sectors' Employees in East and West of Azerbaijan in Iran

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Introduction

Moral Intelligence

Moral Intelligence is the mental capacity to determine how to apply universal moral principles—such as:

- integrity,
- responsibility
- compassion
- Forgiveness to our personal values, goals and actions.

Moral Competence is the ability to act on our moral principles.

In other words, Moral Intelligence knows right from wrong. Moral Competence is doing what's right. Unfortunately, because of the fallibility of human nature, it is highly likely most of us have been both morally intelligent and morally incompetent at the same time (Lennick & Keil, 2005).

Corporate Social Responsibility

Like many of management and social science concepts, corporate social responsibility is fraught with definitional problems, which makes it difficult for a uniform platform to assess firms' responsiveness to it. On this plethora of definitions, Crowther and Jatana (2005) argue that social responsibility is in vogue at the moment but as a concept, it remains vague and means different things to different people.

Bowen (1953), one of the early contributors on the concept, conceived corporate social responsibility as business policies and decisions, which give values to the society.

Another early proponent of social responsibility, Frederick (1960), defines social responsibility as the use of society's resources; economic and human, in such a way that the whole society derives maximum benefits beyond the corporate entities and their owners.

Backman (1975) considers social responsibility as other stated objectives by business, which are not directly related to economic, but rather address its negative externalities, improve employee's conditions and the societal quality of life.

Davis (1973) defines corporate social responsibility as the voluntary efforts by business to achieve a balance of economic goals and societal well-being (Obalola, 2008, p.539: Danaee Fard & Noruzi, 2013)

Methodology and Instruments

This project has been done by two questionnaires with high reliability and validity among 286 (232 Male and 54 Female) Employees in Iranian Private Sector in East and West of Azerbaijan in Iran. And studied the moral intelligence and CSR and other hypothesis will be discussed as well.

Moral intelligence, the moral intelligence Scale is a 40-items psychometric scale that is designed to assess moral intelligence. The scale has been originally developed by *Link* and *Keil* and has been used in many studies. In contrast to other scales that were designed to assess, this one explicitly refers to personal moral intelligence, i.e., is very capable for our study.

CSR, used from a researcher developed questionnaire which contains of 10 questions which complied from different theories on CSR after getting consult from elites of CSR in Accounting and business.

Research Questions:

1. Does moral intelligence have effects on CSR among Employees in Iranian private sector in east and west of Azerbaijan in Iran?
 - 1-1- Does Integrity have effects on CSR among Employees in Iranian private sector in east and west of Azerbaijan in Iran?
 - 1-2- Does responsiveness have effects on CSR among Employees in Iranian private sector in east and west of Azerbaijan in Iran?
 - 1-3- Does compassion have effects on CSR among Employees in Iranian private sector in east and west of Azerbaijan in Iran?
 - 1-4- Does forgiveness have effects on CSR among Employees in Iranian private sector in east and west of Azerbaijan in Iran?

Data Analysis

To assess normal distribution, Descriptive statistics was applied. But the data was not normal and does not have normal distribution then the non-descriptive statistic has been used. To determine the relationship between Employees' moral intelligence and CSR, Kolmogorov –Smirnov Test was used and for checking the hypothesis' significance Chi –Square have been used. And the number of participants were 286 Employees in Iranian private sector in east and west of Azerbaijan in Iran.

Results

Below tables shows the results of data analysis for the two instruments – moral intelligences and CSR questionnaires - used in the study.

Table 1: Descriptive statistics for marital status

Marital Status	Profusion	Percentage
Married	210	73
Single	76	27
Total	286	100

In order to evaluate the study of marital status table 1 shows that 73 % of participants are married and 27 % are single (see Table 1).

Table 2: Descriptive statistics for Employees' Education

Education	Profusion	Percentage
Diploma	100	35
Bachelor of Arts	170	60
Master	16	5
Total	286	100

To evaluate the education of participants, descriptive statistics shows that most of participants have Bachelor of Arts degree (see Table 2).

Table 3: Descriptive statistics for Employees' Experiences of work

Experiences	Profusion	Percentage
1-10 years	126	45
11-20 years	100	35
21-30 years	60	20
Total	286	100

To evaluate the experience of participants descriptive statistics shows that most of participants have 1-10 years experiences and the second rank is for 11-20 years. (See Table 3).

Table 4: Descriptive statistics for Employees' Years of old

Years of old	Profusion	Percentage	Cumulative Percentage
Young (19-32 years)	81	28	28
Mid Aged(33-45 years)	115	40	68
Old (46-57 years)	90	32	100
Total	286	100	

To evaluate the years of old descriptive statistics shows that there is somehow normal distribution in this factor and as Table 4 shows this.

Table 5: Moral Intelligence Chi –Square test on CSR for analyzing hypothesis

Dependent Variables	Test		DF	significance	Result
Integrity	Chi –Square	36.6	4	0.001	significant
	Kendall's tau-b	0.28	-	0.001	Significant
Responsiveness	Chi –Square	48.8	4	0.001	Significant
	Kendall's tau-b	0.24	-	0.001	Significant
Compassion	Chi –Square	62.3	4	0.001	Significant
	Kendall's tau-b	0.14	-	0.001	Significant
forgiveness	Chi –Square	44.3	4	0.001	Significant
	Kendall's tau-b	0.17	-	0.001	Significant
Moral Intelligence	Chi –Square	178.2	4	0.001	Significant
	Kendall's tau-b	0.60	-	0.001	significant

After summarizing the data in Table 5 we can conclude that Chi –Square with 4 degree of freedom is 178.2 in the significance of 0.001 so moral intelligences' four dimensions (Integrity, Responsiveness, Compassion, Forgiveness) have effect on CSR (See table 5).

Discussion and Implications

- There are seven main traits exhibited by moral beings for Employees. The extent to which an accountant exhibits these traits coincides with accountant's level of moral intelligence. These seven traits are:
 - inhibitory control
 - Empathy
 - Consistency
 - Fairness
 - Responsibility
 - Cooperation

Researchers have revealed that humans are born with a certain instinctual guideline of morality and develop further moral intelligence during maturation. "Underlying the extensive cross-cultural variation is a universal moral grammar that enables each child to grow a narrow range of possible moral systems. When we judge an action as morally right or wrong, we do so instinctively, tapping in a system of unconsciously operative and inaccessible moral knowledge." (Hauser, 2006). And while even young children do not start off on even moral footing, a lifetime of experiences and cultural influence further develops and shapes individuals' depth and direction of moral understanding (Abele & spork, & Spurk, 2009, 9.804: Rahimi et all, 2011).

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