

# CORPORATE SOCIAL RESPONSIBILITY PERCEIVED BY EMPLOYEES: LATVIAN SURVEY RESULTS

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## **Abstract**

There is empirical evidence that business commitment to the Corporate Social Responsibility (CSR) principles has a direct positive impact on customer loyalty, employees' performance, and, as a result, on the company's value. The goal of the current paper is to evaluate the perceived importance of the company's CSR-related practices from the viewpoint of employees. One hundred nineteen representatives of Latvian companies were surveyed, using the authors' developed questionnaire consisted of 35 statements. Survey data was processed applying the frequency analysis and the logistic regression method. Most of the respondents (84%) perceive the company's commitment to CSR principles as necessary. The base on the frequency analysis results, the most important CSR elements from the viewpoint of Latvian employees are paid leaves, consumer interests, and salary. Logistic regression yielded the elements, which contribute the most to the positive perception of CSR: 'flexible work', 'support staff relaxation' and 'claims submission system' within the group' staff matters'. The measurement scale was tested for reliability and, based on Cronbach alpha results, was accepted as appropriate for use in a cross-country survey.

**Implications for Central European audience:** Despite the high interest in CSR-related issues in academia, the number of published works in Baltic countries is limited. In this particular study, the authors tried to identify — what exactly affects employees' positive attitude to CSR commitment — the company's participation in charity programmes or its environmental responsibility, for example? This survey contributed to the theoretical knowledge base about CSR perception among the staff of Latvian companies. In turn, the future survey is planned to be extended, involving respondents from Central and Eastern European countries. This, in turn, will allow making conclusions about the differences in attitude to CSR practices expressed by employees from different countries.

**Keywords:** corporate social responsibility; employees' perception; logistic regression; Latvia  
**JEL Classification:** M14

# Introduction

CSR has gained much attention from scholars during the last decade. Scientists claim that CSR could be treated as an opportunity to strengthen business activities (Du et al., 2010; Mercadé-Melé et al., 2018). CSR 'appears to reduce staff turnover, while increasing both customer satisfaction and reputation levels' (Galbreath, 2010, p. 423).

The number of scientific papers devoted to the issues related to socially responsible business, CSR, and business ethics has significant growth during the last decades. Search for keywords 'corporate social responsibility' yields more than 100000 results in the SCOPUS database. Within the framework of the current study, the authors intend to identify the most critical CSR elements/aspects perceived by staff. Considering the multidimensionality of the CSR concept, the authors are curious about what exactly is essential for staff members – the company's participation in charity programmes or its environmental responsibility, for example?

The goal of the given paper is to evaluate the perceived importance of the company's CSR-related practices from the viewpoint of employees represented in Latvian companies. Besides, the measurement scale was tested for reliability in order to use it in a future cross-country survey.

The online survey was conducted using the authors' developed research instrument (questionnaire). In total, 119 respondents – employed Latvian citizens – participated in the survey.

The reliability of the research instrument was assessed based on Cronbach alpha calculation's results. Conclusions about the most critical CSR aspects from the viewpoint of employees were made, applying such methods as frequency analysis and logistic regression method.

The research revealed that 'paid leaves', 'staff motivation system', and 'flexible work' (elements from the groups 'Staff financial support' and 'Staff matters') are essential CSR elements for respondents. Besides, the elements with a high value of perceived importance were the company's commitment to customer interests and ethical and honest way of doing business.

## 1 Concept of Corporate Social Responsibility

The development of the concept of Corporate Social Responsibility (CSR) has more than 60 years of history. Since the 1950s, it was investigated by many researchers in the different fields and relation with other concepts, such as company's performance (Mallin et al., 2014; Maqbool & Zameer, 2018; Platonova et al., 2018; Rodriguez-Fernandez, 2016), customer satisfaction and loyalty (Aramburu & Pescador, 2019; Chang & Yeh, 2017; S. Lee & Heo, 2009), corporate image (Maruf & Afeez, 2014), employee satisfaction and loyalty (Bauman & Skitka, 2012). Besides, the researchers pay attention to the questions regarding the perception of CSR by the company's employees, managers and top executives (Amran & Nejati, 2014; Tambovceva et al., 2017; Verina et al., 2018).

Defining the concept of CSR, the authors of the given paper follow the definition provided by Ismail (2009, p. 199): '[CSR] is a concept whereby business organisations consider the interest of society by taking responsibility for the impact of their activities on customers,

suppliers, employees, shareholders, communities and other stakeholders as well as their environment.’ European Commission’s (European Commission, 2011) definition is shorter but expresses the core of the concept: ‘... whereby companies integrate social and environmental concerns in their business operations and their interaction with their stakeholders voluntarily’.

Company’s commitment to socially responsible business principles is resulted in (Asemah et al., 2013; S. J. Brammer & Pavelin, 2006; S. Brammer & Millington, 2005; Galbreath, 2010; Księżak, 2017):

- Improved corporate reputation and better brand recognition.
- More exceptional ability to attract talents.
- Increased job satisfaction and reduced employee turnover.
- Cost reduction and an increase in corporate performance.
- Increased sales and customer loyalty.
- Attracting new customers.
- Improved relations with the investment community and better access to capital.
- Stronger relations within communities through stakeholder engagement.
- Reducing environmental impact.
- Increased innovative potential.

Analysing the concept of corporate social responsibility, different scholars and practitioners emphasise the role of various CSR components (Table 1).

**Table 1 | Dimensions and components of CSR**

Dimensions/components of CSR
Based on Carroll (1991)
<ul style="list-style-type: none"> <li>• economic components</li> <li>• legal components</li> <li>• ethical components</li> <li>• philanthropic components</li> </ul>
Based on Campbell (2007)
<ul style="list-style-type: none"> <li>• employees' wages</li> <li>• benefits for employees</li> <li>• level of workplace safety</li> <li>• product quality</li> <li>• truth in advertising and pricing</li> <li>• supplier relations</li> <li>• working according to legislation</li> <li>• community development and investment in it</li> <li>• protection of environment</li> </ul>

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Based on Chahal and Sharma (2006):

- operational support (undertaking operations ethically and with integrity)
- employees support (such as safety, job security, profit sharing, employee participation, treating employees fairly and equitably)
- community support (actively involved in education, health and housing-related supportive activities, co-opting activities, philanthropic activities)
- product/services (such as product/service quality, product safety, delivery, research, and development)
- environment support (such as sustaining the eco-friendly environment, producing environment-friendly products, waste management, recycling)
- miscellaneous support (active participation in non-native country development)

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Based on Lin and Hsu (2018)

- environmental protection
- ethical behaviour
- fair treatment of employees
- reducing consumer price sensitivity
- facilitating corporates to establish intangible assets
- mitigating the likelihood of the legislative procedure
- increasing the buying intention of socially conscious consumers
- attracting economic resources from socially responsible investors
- human rights
- environment
- community
- employee relations,
- corporate governance
- business behaviours toward customers and suppliers

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Based on Rahman (2011)

- obligation to society
- stakeholders' involvement
- improving the quality of life
- economic development
- ethical business practice
- law-abiding
- voluntariness
- human rights
- protection of environment
- transparency & accountability

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Source: authors

The development of the research instrument was based on the CSR structure proposed by the World Business Council for Sustainable Development (Hohnen & Potts, 2007, p. 4). CSR practices refer to 'commitments and activities pertaining to:

- corporate governance and ethics;
- health and safety;
- environmental stewardship;
- human rights (including core labour rights);
- sustainable development;
- conditions of work (including safety and health, hours of work, wages);
- industrial relations;
- community involvement, development and investment;
- involvement of and respect for diverse cultures and disadvantaged peoples;
- corporate philanthropy and employee volunteering;

- customer satisfaction and adherence to principles of fair competition;
- anti-bribery and anti-corruption measures;
- accountability, transparency and performance reporting;
- supplier relations, for both domestic and international supply chains.'

Besides, the authors take into account the structure of non-financial reporting according to the Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 (EU, 2014). The Directive regarding the disclosure of non-financial and diversity information requires an obligatory, including the information:

- regarding environmental matters – 'details of the current and foreseeable impacts of the undertaking's operations on the environment, and, as appropriate, health and safety, the use of renewable and/or non-renewable energy, greenhouse gas emissions, water use and air pollution.'
- regarding social and employee-related matters – 'the actions are taken to ensure gender equality... working conditions, social dialogue, respect for the right of workers ..., respect for trade union rights, health and safety at work and the dialogue with local communities.'
- regarding human rights, anti-corruption and bribery – '...information on the prevention of human rights abuses and/or on instruments in place to fight corruption and bribery.'

Developing the structure of the questionnaire and formulating the statements, in addition to the above-mentioned sources, the authors also used the statements from the questionnaire used within the survey 'Comparing the state of CSR in Baltics and Finland' (Alijošiūtė, 2015).

Formulation of the research hypothesis stated by the authors was based on the analysis of the scientific publications devoted to the issues regarding employees' perception of CSR. A wide range of studies investigates different aspects of employees' attitude towards CSR practices, as well as its link to staff work engagement, job satisfaction (Azim et al., 2014; Farid et al., 2019; Mascarenhas et al., 2020; Reklitis et al., 2018; Tahlil Azim, 2016) and job performance (Lee et al., 2013; Sarfraz et al., 2018). Some papers focus on factors affecting employees' perception of CSR (Bravo et al., 2017; Gkorezis & Petridou, 2017; Rosati et al., 2018; Melovic et al., 2019).

The topic of employees' attitudes to specific CSR aspects is less popular among the researchers, and it was the reason to conduct the current research. Zientara et al. (2015) investigate 'self-related' CSR experiences and 'others-related' CSR experiences. But again, they do not assess the perceived importance of 'experiences' but look at them through the prism of the relationship with job satisfaction, organisational commitment, and work engagement.

Soroka and Mazurek-Kusiak (2014) and Ersoy (2015) focus on CSR elements essential for potential employees, thus, assess the 'CSR activities in attracting talent'. Choosing an employer, respondents highlight the importance of the 'proposed salary', 'working atmosphere', 'workplace environment' (Hafee et al., 2019; Soroka & Mazurek-Kusiak, 2014).

Attitude to employees ('work-life balance', 'employee support programs') is essential for job seekers (Ersoy, 2015).

The authors intend to test the assumption that 'self-related' CSR activities are more important for employees than other aspects. Thus, the research hypotheses were stated as follows:

H1: For Latvian respondents, the most important CSR aspects are those related to staff financial support (such as motivation system, medical allowance, pension) and those related to the company's attitude to employees (such as job security, team building, staff training).

## 2 Methodology

The questionnaire developed by the authors' was distributed randomly through social networks. The structure of the questionnaire is reflected in Table 2.

**Table 2 | Structure of the questionnaire**

Label	Question	Type of the question: responses
A_Q1	Gender	Closed: 2 alternative responses (male; female)
A_Q2	Year of birth	Closed: 4 alternative responses (1946–1964; 1965–1980; 1981–2000; 2001 and later)
A_Q3	Represented sector of the economy	Closed: 11 alternative responses (main sectors + option 'other')
B_Q1	Overall perceived importance of CSR	Closed: Evaluation with a 5-point scale
B_Q2	Operating period in the market	Closed: 35 elements of CSR, perceived importance (5-point scale)

Source: authors

One hundred nineteen respondents participated in the survey (64% females, 36% males). The only representatives of generation X (birth years 1965–1980) and generation Y (the birth year 1981–2000) were among the participants. Most respondents were employed in the Education sector and Construction sector (18% and 20%, respectively).

The choice of options in A\_Q2 question was based on the authors' assumption about the different attitudes to CSR among representatives of different generations (baby boomers, millennials and etc.). However, this assumption was not tested within the current study.

B part included B\_Q1 question that was aimed to determine the attitude towards CSR among employees with no particular specification of the elements. Data B\_Q1 was a dependent variable for the logistic regression model. B\_Q2 question involved 35 CSR elements, which were offered for evaluation to the respondents. The proposed evaluation scale was a Likert-type 5-point scale from '1' (absolutely not important) to '5' (extremely important).

For testing the reliability of the instrument, B\_Q2 statements were analysed, using a reliability analysis option with an application of the Cronbach's alpha test. All the statements were initially grouped by the authors into six categories: 1) strategic vision and transparency, 2) honest business principles, 3) customers and community, 4) staff financial support, 5) staff matters, 6) environment. The results of reliability testing are provided in Table 3.

**Table 3 | Test for the reliability of B\_Q2 scale**

Labels for B_Q2 statements	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
<b>Strategic vision and transparency</b>		
Strategy (X <sub>1</sub> )	0.542	0.966
Tax transparency (X <sub>2</sub> )	0.739	0.965
Code of ethics (X <sub>3</sub> )	0.816	0.965
Information provision (X <sub>4</sub> )	0.638	0.966
<b>Honest business principles</b>		
Salary (X <sub>5</sub> )	0.564	0.966
Taxes (X <sub>6</sub> )	0.557	0.966
Business honesty (X <sub>7</sub> )	0.764	0.965
Anti-corruption (X <sub>8</sub> )	0.637	0.966
Partners (X <sub>9</sub> )	0.734	0.965
<b>Customers and community</b>		
Data security (X <sub>10</sub> )	0.616	0.966
Consumer interests (X <sub>11</sub> )	0.602	0.966
Customer claims (X <sub>12</sub> )	0.671	0.965
Sustainable consumption, awareness raising (X <sub>13</sub> )	0.763	0.965
Support to local community (X <sub>14</sub> )	0.645	0.966
Cooperation with NGO (X <sub>15</sub> )	0.705	0.965
Social programmes (X <sub>16</sub> )	0.612	0.966
<b>Staff financial support</b>		
Staff motivation system (X <sub>17</sub> )	0.552	0.966
Paid leaves (X <sub>18</sub> )	0.647	0.966
Medical insurance (X <sub>19</sub> )	0.465	0.966
Family support (X <sub>20</sub> )	0.605	0.966
Pension (X <sub>21</sub> )	0.600	0.966
<b>Staff matters</b>		
Flexible work (X <sub>22</sub> )	0.413	<b>0.967</b>
Equality (X <sub>23</sub> )	0.591	0.966
Work security and stress-reducing (X <sub>24</sub> )	0.717	0.965
Support staff relaxation (X <sub>25</sub> )	0.644	0.966
Team building (X <sub>26</sub> )	0.619	0.966
Staff training (X <sub>27</sub> )	0.590	0.966
Claims submission system (X <sub>28</sub> )	0.675	0.965
Job satisfaction assessment (X <sub>29</sub> )	0.761	0.965
<b>Environment</b>		
Resource-saving (X <sub>30</sub> )	0.759	0.965
Waste reduction (X <sub>31</sub> )	0.769	0.965
Waste management (X <sub>32</sub> )	0.772	0.965
Environment-friendly technologies (X <sub>33</sub> )	0.794	0.965
Environmental impact assessment (X <sub>34</sub> )	0.747	0.965
Environment-friendly processes (X <sub>35</sub> )	0.800	0.965

Source: authors

Cronbach alpha for the whole scale is equal to 0.966, which indicates an excellent overall consistency. The removal of X<sub>22</sub> can increase the value of alpha for 0.001 points that could be treated as an insignificant result. Thus, the scale was not changed.

Before running a logistic regression, the data gathered during the survey was tested for normality, as this is a critical factor for choosing the research method. For testing the normality, the Shapiro-Wilk test was employed, and the results showed that all the variables are non-parametric, i.e. the null hypothesis is rejected, and all the variables do not follow the normal distribution. Based on that, non-parametric regression was chosen for analysing the data in order to test the predictive quality of the proposed models.

In order to find out which of the elements of each group has the most significant impact on the overall attitude towards organisations' work in line with CSTR principles, the logistic regression was employed. The main idea of logistic regression is that it shows which of the analysed elements influence the possibility of the dependent variable to take the value of one. In the current study, Y = 1 means that for the respondents, it is essential that the organisation perform following CSR principles, and Y = 0 means that CSR principles are not necessary for the respondents. The logistic regression model is presented below:

$$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = \beta_0 + \sum_{i=1}^n \beta_i x_i, \quad (1)$$

where Y = 1 – for respondents, it is vital if their organisation follows CSR principles;

Y = 0 – for respondents, it is not crucial if their organisation supports CSR principles;

$\beta_0$  – intercept;

$\beta_i (i = 1, 2, \dots, n)$  – coefficient associated with independent variables  $x_1, x_2, \dots, x_n$ .

For testing the quality of the model Nagelkerke pseudo-R<sup>2</sup> and chi-square tests were used. Moreover, it is worth mentioning that logistic regression could be used only if the dependent variable lies on a dichotomous scale; hence the values of the dependent variable were transformed ('1' and '2' were set to zero; '4' and '5' – to '1'). The answers of the respondents who assessed their attitude towards CSR at three were removed from the survey. Consequently, the final number of respondents for the logistic regression analysis was 107.

### 3 Results

Over attitude to CSR activities is quite positive among the respondents. Answering the general question 'How important is that your current or potential employer acts according to CSR principles?', 84% of survey participants responded 'important' or 'extremely important'.

Analysing each element of B\_Q2 separately, the most important for the respondents are summarised in Table 4. Perceived importance was calculated as a percentage of respondents, evaluating a particular element as 'important' or 'extremely important'.



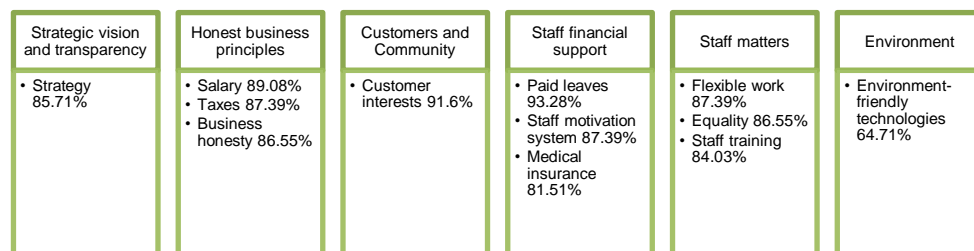
**Table 4 | The most important CSR elements from the viewpoint of employees**

CSR element	Perceived importance	CSR element	Perceived importance
<b>Paid leaves</b>	93.28%	Flexible work	87.39%
<b>Consumer interests</b>	91.60%	Business honesty	86.55%
<b>Salary</b>	89.08%	Equality	86.55%
<b>Taxes</b>	87.39%	Strategy	85.71%
<b>Data security</b>	87.39%	Staff training	84.03%
<b>Staff motivation system</b>	87.39%	Medical insurance	81.51%

Source: authors

The most critical elements within each group according to their perceived importance are presented in Figure 1. The only elements that were evaluated as 'important' or 'extremely important' by more than 80% of respondents were included. The exception is the element 'Environment-friendly technologies'; 64% of respondents assessed it at '4' and '5', but it was the most important in the group 'Environment'.

**Figure 1 | Most critical elements of CSR based on the perceived importance**



Source: authors

For the purpose of in-depth analysis of the employees' attitude towards CSR, six groups of elements were tested (see Table 5). For each group, the logistic regression model was developed. Before presenting the models themselves, the goodness of fit of each model is presented.

**Table 5 | The goodness of fit for logistic regression models**

Group of elements	Nagelkerke pseudo-R <sup>2</sup>	Statistic	Chi-square	Pr > Chi <sup>2</sup>
<b>Strategic vision and transparency</b>	0.392	-2 Log(Likelihood)	17.437	0.002
<b>Honest business principles</b>	0.615	-2 Log(Likelihood)	28.648	< 0.0001
<b>Customers</b>	0.670	-2 Log(Likelihood)	31.652	< 0.0001
<b>Staff financial support</b>	0.369	-2 Log(Likelihood)	16.246	0.006
<b>Staff matters</b>	1.000	-2 Log(Likelihood)	51.435	< 0.0001
<b>Environment</b>	0.693	-2 Log(Likelihood)	29.541	< 0.0001

Source: Authors' own calculations

As it could be seen from the table above, all the probabilities are lower than 0.05, which means that all the variables bring essential information to the models. Moreover, Nagelkerke pseudo-R<sup>2</sup> in all the cases is higher than 0.25, illustrating the explanatory strength of the

variables. Summing up, all the models have passed the quality tests and could be used. The developed models are presented in Table 6.

**Table 6 | Developed logistic regression models**

Group of elements	Model
Strategic vision and transparency	$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = -3.905 + \mathbf{0.594}X_1 - 0.127X_2 + \mathbf{0.916}X_3 + \mathbf{0.94}X_4$ (2)
Honest business principles	$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = -6.571 + \mathbf{1.430}X_5 + \mathbf{1.479}X_6 - 0.768X_7 + \mathbf{0.573}X_8 + \mathbf{0.217}X_9$ (3)
Customers and community	$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = -7.974 + \mathbf{3.446}X_{10} - 2.102X_{11} + \mathbf{1.171}X_{12} - 0.114X_{13} + \mathbf{2.083}X_{14} - 1.771X_{15} + \mathbf{0.699}X_{16}$ (4)
Staff financial support	$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = -2.791 + \mathbf{0.489}X_{17} + \mathbf{0.705}X_{18} + \mathbf{0.471}X_{19} - 1.928X_{20} + \mathbf{1.672}X_{21}$ (5)
Staff matters	$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = -243.770 + \mathbf{15.121}X_{22} - 4.442X_{23} - 38.285X_{24} + \mathbf{113.360}X_{25} - 29.273X_{26} + \mathbf{5.350}X_{27} + \mathbf{47.039}X_{28} + \mathbf{4.928}X_{29}$ (6)
Environment	$\ln \left( \frac{\mathbb{P}(Y=1)}{\mathbb{P}(Y=0)} \right) = -3.369 + \mathbf{10.569}X_{30} - 1.494X_{31} + \mathbf{0.193}X_{32} + \mathbf{0.540}X_{33} - 6.394X_{34} + \mathbf{0.078}X_{35}$ (7)

Source: Authors' own calculations

Within the group 'Strategic vision and transparency' (equation 2), the most influential element is a 'code of ethics' ( $X_3$ ). 'Strategy' ( $X_{10}$ ) and 'information provision' are also the elements that increase the overall importance of CSR; meanwhile, 'tax transparency' ( $X_2$ ) increases the probability that CSR will not be essential for employees (negative relationship). Analysis of the group 'Honest business principles' showed that 'salary' ( $X_5$ ) and 'taxes' ( $X_6$ ) are the most critical elements that raise the probability of a positive attitude towards CSR among employees. In the case of the 'Customers and community' group, the elements that contribute to the likelihood that for respondents, the overall view on CSR is positive are 'data security' ( $X_{10}$ ), 'consumer interests' ( $X_{11}$ ) and 'support to the local community' ( $X_{14}$ ). While analysing the 'Staff financial support' group, the study revealed that the element influencing the probability of CSR importance for employees is a 'pension' ( $X_{21}$ ). The surprising result is that 'family support' has a negative relationship with overall CSR perceived importance. Equation (6) revealed that 'support staff relaxation' ( $X_{25}$ ) remarkably influences the probability of  $Y = 1$ , and its coefficient is 113.360. Regression coefficients for 'works security' and 'claims submission system' are high as well; it means that these elements contribute to the positive attitude on CSR. In the group 'Environment', the only element that positively affects  $Y$  is 'resource-saving' ( $X_{30}$ ).

## Conclusions

The current paper reflects the results of the authors' conducted survey aimed to evaluate the perceived importance of the company's CSR-related practices from the viewpoint of employees. Different CSR elements combined in six groups (Strategic vision and

transparency; Honest business principles, Customers and community; Staff financial support; Staff matters; Environment) were offered to 119 Latvian respondents for evaluation.

In general, Latvian respondents perceive a company's commitment to CSR principles as important (84% of respondents). However, not all CSR elements are treated equally.

Ranking CSR elements according to their perceived importance, the study revealed the top ten the most critical items from all the groups, excluding 'Environment'. Top 3 includes 1) paid leaves – related statement 'a company provides employees with paid leave (for instance, study leave, leave for childcare)', 2) consumer interests – related statement 'a company takes into account consumer/customer interests', and 3) salary-related statement 'a company pays salary officially, no envelope salary'. These statements were evaluated as 'important' or 'extremely important' by 93%, 92%, and 89% of respondents, respectively.

Environment-related elements (resource-saving, waste management, environment-friendly processes) were not prioritised, as well as a company's activities towards the support of the local community (cooperation with NGO, the company's support to society, charity programmes, sports, culture and etc.). Analysing the logistic regression models, within the group 'Environment', the only element 'Resource-saving' contributes significantly to Y (overall attitude to CSR).

The research hypothesis H1: 'For Latvian respondents, the most important CSR aspects are those related to staff financial support (such as motivation system, medical allowance, pension) and those related to company's attitude to employees (such as job security, team building, staff training)' is confirmed. TOP10 of the essential elements includes six items from the groups 'Staff financial support' and 'Staff matters'. Besides, regression analysis revealed the strong predicting power (the positive relationship between explanatory and dependent variables) of almost all the elements from these groups.

It is worth mentioning that an ethical and honest way of doing business is also perceived as necessary by the respondents. The statements 'a company pays salary officially, no envelope salary' ( $X_5$ ), 'a company pays taxes in a fair way' ( $X_6$ ) and 'a company is committed to honest business principles' ( $X_7$ ) were included in TOP 10 of the essential CSR items. Besides, the elements 'customer interests' and 'data security' were evaluated at '4' and '5' by 91% and 87% of respondents, respectively.

As mentioned before, the researchers mostly investigate the relationship between CSR perception and employees' commitment to the company, work engagement and staff performance, as well as job satisfaction. That is why it is difficult to refer to the current research findings to previous results. Sometimes, the researchers treat CSR elements as non-CSR related attributes. For instance, 'job security' was ranked among the most critical factors influencing the choice of an organisation in the research conducted by Simpson and Aprim (2018), but it was not a CSR-related factor in contrast to the current study ('Work security and stress-reducing' ( $X_{24}$ )). But it was also not prioritised by Latvian respondents.

The current research provides an insight into the general perception of CSR specific attributes and allows managers to understand which CSR practices can contribute to the attraction and retention of employees. Latvian respondents do not care about the company's environmental image, but business reputation and commitment to staff and customers interests matter. This

goes in line with the conclusions made by Nedelko and Potocan (2019: that organisational expenses that are linked to CSR could be greater for social than environmental issues.

As for practical implications, the implementation of a claim submission system ( $X_{28}$ ) to ensure the up-to-down feedback and staff training system ( $X_{27}$ ) are quite crucial for Latvian employees (positive regression coefficients – equation (6)). Sometimes, these measures do not even require a significant financial contribution but only proper management.

The main limitation of the study is the sample size. The authors intend to conduct a cross-country survey to increase the reliability of the results. Thus, the next step is expected to be a distribution of the developed questionnaire among the respondents in other countries (the potential geographical area is Baltic States, Central and Eastern Europe). The analysis of the received results will be based not only on the whole sample data but also on grouping respondents according to their represented generation and working sector.

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