



Factors Affecting Fashion Retail Employees' Workplace Behavior and Their Relationship with Employer

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In response to the negative impact the fashion retail industry has had on the environment and society, the question of corporate social responsibility (CSR) within the fashion retail industry has recently gained significant attention in the field of fashion design and marketing (Lee & Ha-Brookshire, 2017). Extensive studies have been conducted to investigate the relationship between CSR and firms' performance, but there is still a lack of research examining how CSR can be enhanced by different stakeholders (Madueno et al., 2016). The literature shows that CSR could have a positive influence on business performance and enhance competitive advantages, as well as building strong relationships with a variety of stakeholders, such as employees or business partners (Barnett, 2007). Through trust-based collaboration, these key relationships could make companies more competitive through a CSR approach. Furthermore, the organizational behavior literature suggests that employees' organizational citizenship behavior (OCB, defined as strong and supportive behaviors that are above and beyond formal work responsibilities) and counterproductive work behavior (CWB, defined as behaviors intended to damage both organizations and individuals) can be critical to organizational performance (Nielsen et al., 2016). These two theories suggest that by having good strong relationships with employees, and by fostering their positive workplace behavior, the overall sustainability performance of companies could be enhanced. However, the role of employees in increasing sustainability within the fashion retail industry has received limited attention in the literature. Thus, this study aimed to investigate employees' positive and negative workplace behaviors and the factors that enhance positive behavior that helps improve organizations' sustainability performance.

First, the literature suggests that ethical values within an organization can develop employees' positive perceptions about the relational agreement between themselves and their employer. Indeed, Lee and Ha-Brookshire (2017) found that fashion retailers' ethical values were conducive to building positive relationships with OCB, and therefore negatively influenced CWB. We expected that this relationship would be consistent in our study and was thus hypothesized as H1a (OCB) and H1b (CWB). Next, Rupp (2013) found that employees might build perceptions of their employers and work environment by continuously assessing the atmosphere of justice created by top management's actions/decisions and the organization's sustainability activities. In this light, we hypothesized that if fashion retail employees see their employers as morally responsible in the area of sustainability, such perceptions might have a positive influence on OCB (H2a) and a negative influence on CWB (H2b). Third, we hypothesized that the cultivation of OCB (H3a) and the reduction in CWB (H3b) would build a strong positive relationship with stakeholders, specifically on employees' relationships with their employers (i.e., relationship improvement).

A professional survey company in the United States was commissioned to collect data by sending out the online survey URL to target respondents in 2017. The target sample frame was comprised of employees over the age of 18 and currently working in the fashion and/or specialty retail industry. Within two weeks, 310 complete responses were returned for analysis. The 20-item scale developed by Jung and Ha-Brookshire (2017) was adopted to assess respondents' perceptions of the moral responsibility of corporate sustainability (MRCS) (environmental support: Cronbach's $\alpha = .92$; community support: Cronbach's $\alpha = .90$; working conditions: Cronbach's $\alpha = .84$; transparency enhancement: Cronbach's $\alpha = .70$). The 5 items to measure CEV (Cronbach's $\alpha = .77$) were adopted from Baker et al. (2006) while the 7-item scale from Shin (2012) and the 10-item scale from Spector et al. (2010) was employed to measure OCB (Cronbach's $\alpha = .80$) and CWB (Cronbach's $\alpha = .91$), respectively. The 15 items to measure relationship improvement (RI) (Cronbach's $\alpha = .82$) were adopted from Madueno et al. (2016). The sample consists of an equal number of males and females with roughly 65% ages 18-44. Approximately 55% of respondents worked in sales, and 40% had worked in the retail industry for less than 5 years.

Confirmatory factor analysis showed an adequate model fit of the measurement model (CMIN/DF = 1.600, $p < .001$; CFI=.91, TLI = .91, RMSEA = .04, SRMR = .06). A single-factor test was conducted to evaluate common method variance (CMV) and reported poor fit statistics ($\chi^2 = 3098.0$, $df = 350$, $p < 0.000$, CFI = .33, TLI = .28, RMSEA = .56, SRMR = 1.58). Structural equation modeling with maximum likelihood estimation showed a good model fit: CMIN/DF = 1.51, $p < .001$; CFI = .99, TLI = .98; SRMR = .03; RMSEA = .04. All hypotheses were statistically significant: (H1a: $\beta = .34$; p -value $< .001$; H1b: $\beta = -.30$; p -value $< .005$; H2a: $\beta = .29$; p -value $< .001$; H2b: $\beta = -.13$; p -value $< .005$; H3a: $\beta = .16$; p -value $< .01$; H3b: $\beta = -.56$; p -value $< .01$). The findings suggest that fashion retail employees' perceptions of a corporation's ethical values may encourage them to engage in OCB while reducing their engagement in CWB. On the other hand, their perceptions around the moral responsibility of corporate sustainability also has a critical influence on their OCB and CWB. Since OCB and CWB may directly impact their relationship with the organization, this study's finding suggests that fashion retailers must foster ethical values and moral responsibility toward corporate sustainability within the organization, so that employees would be more likely to engage in positive rather than negative behavior. Particularly, given that CWB has almost three times the impact on employees' relationships with their employers than OCB does, fashion retailers may want to focus more on reducing CWB by fostering ethical values and MRCS. Further research is recommended to investigate the role of employees on the overall sustainability performance of the fashion retail industry.

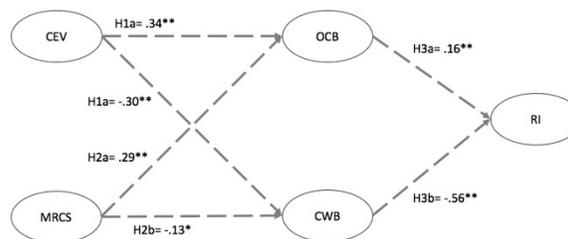


Figure 1. Results of Structural Equation Modeling

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