

Perceived justice climate and CSR on employee trust: Comparison of Millennials and generation “Z” in the US retail industry

Amin Alizadeh

ameen59@tamu.edu

Texas A&M University

Shaoping Qui

qsp680504@tamu.edu

Texas A&M University

Deepu Kurian

dkurian3@central.uh.edu

University of Houston

While corporate social responsibility (CSR) and organization’s justice climate have been in the center of attention in the business ethics literature, there is a lack of study to show how CSR activities and justice climate perceptions impacts on employee trust among generation Z and Millennials. In this quantitative study we surveyed 300 Millennials and generation “Z” employees from US retail industry to answer the following research questions: 1- Does employee perception on CSR affect the generation Z and Millennials trust in the US retail industry? 2- Does interpersonal justice climate mediates the relationship between employee perception on CSR and employee trust among generation Z and Millennials? In this study we also aim to compare generation Z and Millennials and find out if there is any differences between these two generations. In addition to quantitative analysis, we also reviewed the literature and connected CSR and justice as they share fundamental ethical assumptions (Rupp et al, 2006). Then we highlighted the importance of employee trust which is the company’s most valuable assets

(García-Marzá, 2005) and explained why ethical activities are essential to achieve trustworthiness in organizations (Brien, 1998), and built our model based on Social Exchange Theory. In the final part of literature review, we analyzed the cross-generational perceptions of CSR and focused on the key characteristics of Millennials and generation “Z”. Our findings will highlight the importance of CSR practices to improve new generations’ trust in organization.

References:

Brien, A. (1998). Professional ethics and the culture of trust. *Journal of Business Ethics*, 17(4), 391-409.

García-Marzá, D. (2005). Trust and dialogue: theoretical approaches to ethics auditing. *Journal of business ethics*, 57(3), 209-219.

Rupp, D. E., Ganapathi, J., Aguilera, R. V., & Williams, C. A. (2006). Employee reactions to corporate social responsibility: An organizational justice framework. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 27(4), 537-543.