MEDIATING ROLE OF EMPLOYEES’ SOCIETAL BEHAVIORS AMID SOCIAL SUSTAINABILITY ORIENTATION AND OPERATIONAL PERFORMANCE: A SEM APPROACH

Muhammad Ovais¹, Muhammad Nouman² & Anwar Khan³

¹PhD Scholar, Institute of Management Science (IMS), Peshawar, Pakistan
²Associate Professor, Institute of Management Science (IMS), Peshawar, Pakistan
³Assistant Professor, Department of Management Science, Khushal Khan Khattak University, Karak

KEYWORDS
Social Sustainability, Freight Transportation, SEM, Societal Behavior

ABSTRACT
By addressing issues & well-being of key stakeholders, social sustainability may offer operational advantages and benefit society at large. However, due to gaps in current knowledge, it is challenging to determine which practices will be beneficial and which managerial orientations will maximize effect of these practices upon operational performance. Study aimed to determine the mediating role of societal behaviors of employees amid social sustainability orientation and operational performance of freight forwarders. It recognizes strength of forces that oppose social change. Data was collected on complex questionnaire from freight forwarders, managers across developing country and analyzed through SEM using AMOS (23). Paper confirmed the mediating role of employee societal behavior amid socially sustainable freight transport orientation and operational performance. Findings suggest that SSI should be designed and implemented through positive behavioral changes, with the organization’s employees themselves as primary target. It is the employees’ positive attitudes and behaviors that translate SSI into effective operational performance.

INTRODUCTION
The sustainable transportation as defined by Black (2000: 151) is satisfying current mobility and transportation requirements without jeopardizing the ability of future generations to fulfill these requirements. However, the proliferation of concepts in the domain of sustainable development and the contextual sensitivity of these concepts frequently get researchers’ attention (Holden, Linnerud & Banister, 2013; Black, 2010) to revisit this and other standardized definitions of sustainability. In
addition, due to their conflicting nature, sustainability decisions face persistent tensions in creating equilibrium among social, economic, and environmental concerns. The paper responds to scholarly research calls to address this ‘dilution of the concept of sustainability’ by developing and validating social sustainability framework for the freight transportation in the context of a developing country (Ali, Javid, Hussain & Abdullah, 2021; Kumar & Anbanandam, 2019, 2022; Holden et al., 2015; Croom, Vidal, Spetic, Marshall & Carthy, 2018). Pakistan freight transportation system although crucial for the country’s economic development, lags behind on the efficiency and the sustainability parameters relative to its regional comparators like India, Bangladesh and Sri Lanka (Mohmand et al., 2021; Vaqar & Ghulam, 2012; Sánchez et al., 2013). Transportation systems are never socially sustainable due to their excessive energy consumption, land use, congestion as well as the accidents (Leinbach, 2007: 97).

Still, their sustainability related situation can be improved with regard to controlling & optimizing their negative social impacts mentioned before (Crainic, 2003; Mani et al., 2011; Leinbach et al., 2013). Consistently, the paper conceptualizes that improving social sustainability related situation may improve the performance of freight transportation in Pakistan. Social sustainability of freight transportation implies addressing the welfare, development and safety of communities (Klassen & Vereecke, 2012). Reliably, addressing social sustainability of freight transportation may require considerations related to the employee psychological state of mind with respect to the concept and construct of the sustainability itself (Chaudhary, 2020; Rice et al., 2021; Kim et al., 2019; Chia et al., 2020; De Roeck & Farooq, 2018; Mehmud et al., 2022). Therefore, adequate employee behavior may lead to effective application of social sustainability initiatives to ensure long run managerial outcomes. Therefore, the paper aimed to establish the validity and reliability of social sustainability evaluation framework (Kumar & Anbanandam, 2019) for the freight transportation. In addition, the paper aimed to determine mediating role of employees’ societal behavior in the relationship amid perceived social sustainability initiatives and operational performance of freight transportation in the context of Pakistan.

LITERATURE REVIEW

Freight Transport’s Social Sustainability

The freight transport sector is a significant contribution to the economic prosperity of a country. It promotes trade, boosts tax income, generates a significant amount of job opportunities, and so aids in the fight against poverty. The freight transportation industry expanded faster than the GDP on a yearly basis between 1991 and 2016. It contributed 13.3% to the GDP and more than 20% to Gross capital formulation in 2016–2017 (PC, 2016). According to aforementioned source, transportation industry employs over 2.5 million people, about 6% of total workforce. Efficient and inexpensive transport system not only assures employment opportunities but supports growth at national level by lowering domestic costs of the manufacturing, connecting markets and linking people. Pakistan’s infrastructure for freight transportation has many difficulties. In this drive, Pakistan has significant modal imbalance, where 96% freight is transported through inadequate and poor quality of road transportation services (Mir et al., 2017; Sánchez et al., 2013). This is coupled with poor road safety, higher fragmentation of the freight transportation industry, an obsolete and underpowered truck
fleet, and high overload practices that emit higher pollutants. Thus, as a result, the transportation of freight is slower (40–50 kph), which is half of Europe, and the economic, social and environmental costs in diverse situations are 3–4 times greater than international standards (Vaqar & Ghulam, 2012; Sánchez et al., 2013).

Both poor road infrastructure in rural areas and urban congestion amount to multiple challenges to sustainability of freight transportation in Pakistan. These challenges include accidents, congestion, poor spatial transformation, infrastructural damages and poor operational does like over speeding, overloading and low wage rates etc., (Sánchez et al., 2013; Ali et al., 2020; Mohmand et al., 2022; Mir et al., 2017). Freight transport system of Pakistan is highly fragmented and includes numerous small-scale operators owning one or two trucks (Sánchez et al., 2013: 41–43). This, together with the poor governance, internal competition, and a lack of coordination, causes the sector to suffer from a poor load factor, fill rate and resource efficiency. Aforesaid fact leading to higher operational costs and leaving both the operator and the economy worst off on efficiency parameters (Mir et al., 2017; Baloch, 2018; Tahir & Tahir, 2020; Mohmand et al., 2022). Passable employee behavior may lead to effective application of social sustainability initiatives to ensure long run managerial outcomes. Aforesaid factors added worsen malpractices like overloading, over-speeding, poor employment and organizational practices, neglect of the regulations and operating procedures, causing negative social impacts like accidents, congestion, as well as human rights violations (Tahir & Tahir, 2020; Ahmed et al., 2022).

The implementation of the China Pakistan economic corridor program is expected to boost trade, economic activity, leading to many-fold increase in freight transportation (Baloch, 2018; Rasool et al., 2019; Ali et al., 2020). Consequently, the social sustainability-related challenges of the freight transportation may intensify in context of Pakistan. Research suggests that congestion, air pollution, and noise are only a few of detrimental environmental effects that the quick expansion of freight transportation will bring about (McKinnon et al., 2015). A greater number of vehicles also raises the likelihood of accidents and other negative social impacts in addition to these effects (Elvik et al., 2009). To decrease impact of freight transportation, planning for it must at all costs incorporate the social sustainability component (McKinnon et al., 2015). Tolerable employee behavior may lead to effective application of SSI to ensure long run managerial outcomes. Freight transportation systems are never bearable due to heavy reliance on non-renewable energy sources, emissions and other externalities like, congestion, accidents, and land use patterns. Thus, still, the increased efficiency in economic, social and environmental costs may improve their sustainability situation (Crainic, 2003; Leinbach, 2007: 196).

In recent years, there has been steady increase in literature that links social challenges and impacts to economic performance and business sustainability (Govindon et al., 2014; Carter & Rogers, 2008). Addressing multiplicity of stakeholders, industrial fragmentation, and the necessity to investigate potential integration of public and private collaborations are important factors (Thomas et al., 2021; Lo et al., 2021). In addition, concept of freight transport sustainability itself is subject to economic, social–cultural & geopolitical environment of specific country (Litman & Burwell, 2006; Yaqoob et al., 2021). This is the reason that researchers face challenges in formulating and implementing an
adequate set of freight transport sustainability indicators that may be mapped into comprehensive framework (Kumar & Anbanandam, 2019; Bandeira et al., 2018; Pathak et al., 2019; Ingrao et al., 2021; Collaço et al., 2022) for the optimal impacts. The management of social concerns is frequently portrayed in academic writing as a crucial aspect of firm's sustainable success (Wartick & Cochran, 1985; Carroll, 1979; Wood, 1991). Research focuses on development of valid processes for assessment, monitoring and evaluation of social sustainability related impact of operations (Vanclay et al., 2015; Qorri et al., 2018).

Consistently, research recommends further empirical investigations into the social impact related dimension of sustainability (Missimer et al., 2017; Ahi & Searcy, 2015). Govindan et al. (2014) and Fallahpour et al. (2017) suggest more research in this regard in the context of developing countries. Attempts have been made to address this aspect of the freight transport sustainability (Awaysheh & Klassen, 2010; Morali & Searcy 2013; Lo et al., 2021), yet, it is unclear which key conceptions are applied in the field and how they connect to one another. Social dimension is mentioned in research (Ahi & Searcy, 2013; Ashby et al., 2012), although this idea is not the focus of their investigation (Reyna et al., 2022). Also, research demonstrates a lack of attention to social aspect of sustainable freight transport through use of empirical models (Mani, et al., 2016; El Amrani et al., 2021). Recent scholarly research (Bandeira et al., 2018; Rajak et al., 2016; Kumar & Anbanandam, 2019) identifies a significant research gap related to the social aspect of freight transport sustainability. Addressing the social sustainability of complex system like freight transportation in context of a developing is a challenging task. Keeping in view diversity of stakeholders, and other challenges related to social cultural and behavioural aspects of the freight operations (Sarkis et al., 2010; Panigrahi et al., 2019; Govindan et al., 2014).

Social Sustainability, Employee Behavior & Operational Performance:
There are studies that are pessimistic about performance related implication of social sustainability in distribution and supply chain management. For example, Chin and Tat (2015) found a negative relationship between supply chain performance and social sustainability initiatives. Similarly other researches too, show indirect relationship between social sustainability initiatives and performance of supply chain and distribution companies (Hollos et al., 2012). In addition, research suggests that an increase in total factor productivity in developing nations may have detrimental sustainability implications for the poor in both the rural and urban areas (Sánchez et al., 2013). According to the social, cultural, and economic surroundings of the key stakeholders, freight transport sustainability is dynamic (Christen & Schmidt, 2012; Gudmundsson et al., 2016, p. 61–62; Collaço et al., 2022; Navarro, 2021; Hoejmose et al., 2013; Clarkson, 1995). In this connection, numerous factors are thus responsible and research on supply chain social sustainability has been caring in evolving relevant theory and informing practice in the mature markets (Carter & Easton, 2011; Carter & Jennings, 2004), it has received less attention in emerging economies (Ashby et al., 2012; Zorzini et al., 2015), especially in SMEs.

However, research indicates that supply chain social sustainability traits might differ significantly amid emerging and industrialized economies (Zorzini et al., 2015; Mani et al., 2016). Due to varying social standards, it is challenging to distinguish between social concerns that are time-dependent,
contextual, dynamic, and social issues and moments cannot be generalized (Klassen & Vereecke, 2012). Likewise, there are calls from academics for research on the development of new models that incorporate many societal challenges (Klassen & Vereecke, 2012; Huq et al., 2016). According to authors, social concerns connected to supply chain and distribution networks are those parts of their operations that may have an impact on community development, welfare, and safety (Klassen & Vereecke, 2012). Handling social concerns requires businesses to make decisions that prevent them from engaging in the immoral and/or socially unacceptable behavior (Hoejmose et al., 2013b, 2014; Clarkson, 1995). Therefore, an organization’s performance in terms of the sustainability is not only influenced by its policies, regulations and rules but also by how willingly its people are to adhere to those practices and take part in sustainability projects (Unsworth & Mcneill, 2016). Considering that they must deal with it directly and are the direct beneficiary or victims (Farrukh et al., 2020; Davies & Crane, 2010).

Employees are expected to be real contributors to effective implementation of sustainable practices and their results in the organizations, Venturelli et al. (2018) noted that employee involvement is important for the organization. Recent scholarly research investigations have focused on the aspects of employees’ behaviors that may lead to better social sustainability outcomes (Chia et al., 2020; Roeck & Farooq, 2018; Hur et al., 2021; Hill et al., 2021). Key argument of aforementioned research is that for positive operational performance, social sustainability initiatives may be implemented through societal behaviors (Mahmud et al., 2022; Mahmud et al., 2020; De Roeck & Farooq, 2018) that lead to active employee engagement and commitment (Shao et al., 2022). Employee societal conduct refers to person’s socially conscious activities and demeanor that promote community well-being, overall social welfare even outside of framework of organizational work environment (Nazir et al., 2021; Mahmud et al., 2021b). Employee social behavior and sustainable growth of developing economy are well linked and lead to improvement in living standards, community development and general societal wellbeing (Zhao et al., 2020; Mahmud et al., 2021a). Besides, sustainability is more than just a leader’s declaration and corporate policies are needed to put sustainability plans into the practice.

The creation of a sustainable organization necessitates the engagement and commitment of all level managers and employees (Risi & Wickert, 2016). Because an employee’s attitude towards realizing sustainability initiatives and how they will benefit the society as a whole ultimately impacts the growth and overall profitability of the company. In their research, Testa et al. (2018) confirmed that there is a direct correlation between employee dedication and engagement and an organization’s sustainable performance. Research suggests that considering potential mediators and moderators is crucial to addressing unanswered query of whether social sustainability initiatives & performance outcomes are causally related (Hur et al., 2021). The employee societal conduct refers to a person’s socially conscious activities and demeanor that promote community well-being and overall social welfare even outside of the framework of their organization’s work environment (Nazir et al., 2021; Mahmud et al., 2021b). So, this research based on above discussion conceptualizes that employees societal behavior (Roeck & Farooq, 2018; Mehmud et al., 2002) may mediate relationship between perceived social sustainability and operational performance of the SMEs in freight transportation industry of Pakistan.
Hypothesis: Employee societal behavior mediates relationship amid perceived social sustainability initiatives and freight transportation performance. Figure one next page represents the conceptual framework formulated by this study.

Figure 1 Theoretical Framework

RESEARCH METHODOLOGY
This research used a composite questionnaire to survey the freight forwarders and freight terminal managers. Questionnaire included measurement scales for alleged social sustainability orientation of the freight forwarding organization, employees’ societal behavior and operational performance. SEM using Amos 23 was performed to first establish the validity and reliability and later on test the proposed hypothesis. The study translated social sustainability framework (Kumar & Abhinandam, 2019) for freight transportation into a measurement instrument, with each of indicators measured on a seven-point Likert scale. The authors followed a systematic process using the Delphi technique to ensure credibility in translating the items of the framework into an effective measurement scale. In this regard, the authors selected a group of experts from the freight transport industry and two academicians to conduct Delphi study. The consensus achieved through multiple iterations allowed for the verification, interpretation, and structural validity of the measurement scale based on the SSFT framework. The process involved the following steps: First, authors translated the indicators of framework into closed ended questions following “item-objective congruence” approach (Rovinelli & Hambleton, 1976).

The initial set included fifty-five indicators from four major themes and their associated dimensions. Respective questions for each indicator had three response options: -1 indicated inappropriateness, 0 indicated uncertainty and 1 represented the response as appropriate. Criteria used were that each indicator must be closer to 1 to qualify for the next stage, with a minimum value of greater than 0.05 to qualify. Based on Delphi findings, authors dropped eleven indicators in first stage. Respondents were given closed-ended questionnaire with forty-four items for the second time. The authors used the median (observed value = 4.1), interquartile range (observed value = 0.83), standard deviation (74), and the values for skewness and kurtosis (<0.5). The values of statistical parameters mentioned clearly indicated a good degree of consensus among the participants on the final scale (Rovinelli & Hambleton, 1976; Mueller & Knapp, 2018; Ismail & Zubairi, 2022) having four dimensions and forty-three items. Measuring scale for societal behavior was adapted from Mahmud et al. (2021b).
Ovais, Nouman & Khan ... Mediating Role Of

and Roeck and Farooq (2018). Four items were used by the writers to gauge the societal behavior of employees. Study adapted operational performance scale from Wong et al. (2011). The operational performance scale with 12 items was included in the Delphi study for scale for social sustainability of freight transportation.

The resultant scale for operational performance included three dimensions, namely, delivery, costs, and service quality in context of freight transportation, with each dimension represented by four items. Final questionnaire had seventy-four questions, including four demographic questions, forty-four questions on behalf of five dimensions of SSFT, four questions for SB & 12 question representing the three dimensions of operational performance (Annexure 1). The target samples included 998 freight forwarders (SMEs), managers of freight distribution companies, respondents from National Logistic Cell (NLC), rail freight terminal managers, and associated small-scale freight operators in the major cities of Pakistan, including Karachi, Lahore, Faisalabad, Islamabad, and Peshawar. The authors used purposive sampling techniques for the collection of data. This research used two main channels for the collection of data: physical by the research investigators (80%) and online through emails and WhatsApp (20%). The authors chose to employ scale means in their data analysis to be consistent with the methodology Gainer and Padanyi (2005) used to build their scale, even though the use of fused indicators produces stronger Structural Equation Modeling results (Baumgartner & Homburg, 1996).

Moreover, an assessment of structural equation modeling applications in marketing research shows that using composite indicators is a frequent technique, appearing in 77% of studies utilizing this analysis technique (Baumgartner & Homburg, 1996). Structural equation modelling needs at least an 8:1 ratio between the number of estimated free parameters and sample data (Benter, 1987). The scale employed in this study comprises fifty nine parameters, authors received four hundred and ninety four responses with a response rate of 49%. Four of returned questionnaires were discarded as they were not filled properly. As a result, the net response rate remained far higher than the 20–25 percent range suggested by academics. The response rate is consistent with earlier academic studies that used survey methods (Maignan & Ferrell, 2001; Cannon & Perreault, 1999). In addition, the final four hundred and ninety responses justified the general rule of thumb of item to parameter ration of 8:1 (Benter, 1987). The approach operates under the essential premise that theoretical non-respondents will respond to the late respondents equally. Consequently, it can be assumed that the respondents’ and the non-respondents’ responses are comparable if there is little difference between the early and late respondent responses. Thus, there is no discernible difference between related early and late respondents’ responses, according to the research using independent sample t-test.

**Instruments Reliability**

According to John and Reve, item to structure correlation and alpha values for each of constructs were tested in order to establish dependability (1982). The construct of the SSFT scale has reliability statistics of 0.95, which is much higher than the average value of 0.7. (Nunally, 1978). Alpha scores for the four dimensions all go beyond the threshold of 0.7; for example, the alpha values for internal human capital development are 0.88, community sustainability is 0.90, ecosystem contribution is
0.92, and safety is 0.93. With an alpha value of 0.96, the scale measuring societal behavior likewise had superior dependability. Operational performance scale demonstrated greater dependability. Overall scale's alpha value was 0.94, while the delivery, cost, and service quality dimensions had alpha values of 0.94, 0.89, and 0.92, respectively. Deletion of any item had no discernible impact on the dependability statistics (John & Reve, 1982). Finally, the results of the Hollings T-squared test were significant for each of the constructs at the 0.01 level. Research demonstrated that “differences among items” meant that they varied considerably from one another at a 1% level in each of the constructs related to the five fundamental aspects. This states that there is no similarity or difference among any of 59 things.

**Instrument Validity**

After confirmatory factor analysis through Amos, the paper examined the validity of the measuring constructs and models in two key steps. In the first step the validity of the measurement model was assessed through item-to-structure correlation, average variance retrieved, and t-values were used in the initial stage to assess validity of each concept or model separately (Fornell & Larker, 1981; Anderson & Gerbing, 1988). In the second stage, the authors assessed the structural model's validity after including all the items. Four of returned questionnaires were discarded as they were not filled properly. The item to structure correlation coefficients for all the constructs were higher than the inter-correlations for constructs/dimensions, demonstrating discriminant validity. Also, for each construct, the average variance extracted (AVE) was greater than sum of all linked squared inter-construct correlation. Item t-values for item means were likewise significant at 1 percent, supporting convergent validity. According to Anderson and Gerbing (1981) and Fornell and Larker (1981), all of items had higher loadings (greater than 0.5) on corresponding components/constructs, indicating convergent validity.

Convergent validity was also established by average extracted variance values for each concept being higher than 0.50. (Hair et al. 1992). A reasonable fit is shown by the goodness of fit indices. The chi-square test being significant at 0.05 level, showed a poor fit of the data with the model. The authors employed the Armstrong and Overtone approach to enhance generalizability and reduce response Bias (1977). Though, it is well recognized that Chi-square test has flaws and is inconsistent (Jöreskog, 1993). The item-structure correlation values are higher than 0.4, further supporting the scale’s dependability. With an increase in the number of respondents, it becomes harder to maintain the null hypothesis due to sensitivity of Chi-square test to sample size (Bollen, 1990). With RMSEA 0.060 indicating an acceptable fit, alternative fit indices demonstrated a fair fit. In this connection, the further evidence for desired validity of the SSFT, societal behavior and operational performance measures was provided by values of various fit indices from results (RMR 0.88, TLI 0.954, NFI 0.902, and CFI 0.920).

**RESULTS OF STUDY**

Following the principle of parsimony, paper used the method of item parceling (Landis et al., 2000) for scales of SSFT orientation and operational performance. Thus, structural model included (Figure 2) SSFT orientation as second order latent construct with 4-dimensions and 15-indicators (sub-themes) parcelled by calculating means of their respective items. The paper performed the analysis.
in two major phases. It established validity of structural model in first phase and later on performed the hypothesis testing by running the structural model.

Figure 2 Analysis Model (AMOSE)

The output model in figure two establishes the validity of structural model with all of the indicators having a significant loading on their respective constructs. According to fit indices for the model (Figure 2), the fit was decent. GFI and NFI values of 0.92 and 0.96 indicated that the structural model suited the data reasonably well. Nonetheless, a good fit was seen when other fit indices (RMR 0.09, RMSEA 0.08, CFI 0.95, and TLI 0.94) were examined. Thus, Table 1 next page provides the comprehensive view of the second phase of analysis, that is, analysis of the structural model. We used the bootstrap method to conclude for the mediation effect of the societal behavior between the relationship of SSFT orientation and the operational performance (Mackinnon et al., 1995; 2000; Koopman et al., 2015).

Table 1 Analysis output

<table>
<thead>
<tr>
<th></th>
<th>Estimates</th>
<th>S.E.</th>
<th>C.R.</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Effect (No mediator)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Performance &lt;--- SSFT Orientation</td>
<td>0.58</td>
<td>0.166</td>
<td>4.960</td>
<td>***</td>
</tr>
<tr>
<td>Direct Effect (Bootstrap Method)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Performance &lt;--- SSFT Orientation</td>
<td>0.24</td>
<td>0.216</td>
<td>1.954</td>
<td>0.05</td>
</tr>
<tr>
<td>Societal Behavior &lt;--- SSFT Orientation</td>
<td>0.56</td>
<td>0.191</td>
<td>2.491</td>
<td>***</td>
</tr>
<tr>
<td>Operational Performance &lt;--- Societal Behavior</td>
<td>0.52</td>
<td>0.125</td>
<td>2.236</td>
<td>***</td>
</tr>
<tr>
<td>Indirect Effect (Bootstrap Method)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Performance &lt;--- SSFT Orientation</td>
<td>0.18</td>
<td>0.124</td>
<td>2.124</td>
<td>0.024</td>
</tr>
<tr>
<td>Total Effect (Bootstrap Method)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational Performance &lt;--- SSFT Orientation</td>
<td>0.41</td>
<td>0.160</td>
<td>2.160</td>
<td>***</td>
</tr>
</tbody>
</table>

The outcome figures in Table 1 led to the acceptance of hypothesis that societal behavior mediates the relationship between the SSFT orientation and employee’s societal behavior (Beta value: 0.18, P value: <.001). In addition, paper ran a separate model while controlling the mediation effect. The direct effect of SSFT orientation on operational performance was highly significant with Beta value
of 0.58 (p value: <0.001) as shown in Table 2. The reduction in direct effect (Beta value: 0.18) of the SSFT orientation on operational performance with the inclusion of the mediator confirmed partial mediation (Kenny, 1986).

**DISCUSSION & CONCLUSION**

The results of this study imply that company’s commitment to social sustainability has direct impact on its employees’ mental health and their social intention and behavior for ultimate operational performance. Therefore, consistent with concept of social capital (Dyllick & Hockerts, 2002) the findings suggests that social sustainability strategies should address human capital first. Because improved corporate–employees’ relationship will ultimately lead to organization and societal level benefits. Results are in line with current research findings that imply organizational sustainability orientation influences workers’ positive behavioral changes (Hill et al., 2021; Moon et al., 2020). The results showed that employee behavioral attitudes towards discretionary activities are a natural result of the advantage of social initiatives that are insightful and of social, informational cues that employees’ organizational environments. Employee social attitudes play vital role in determining how they will respond psychologically to company social activities, particularly those that promote community development and good social change. Societal behavior is recognized by practitioners and academics as useful tool for resolving employees’ social concerns, irrational behavior leading to better performance.

The study aimed to determine mediating effect of employees’ societal behavior amid organization’s social sustainability orientation on the operational performance of the freight and logistic services operators. The findings conclude that employees who develop positive attitudes about how their company supports or participates in better community development–oriented for positive social changes directly find organization performance as source of satisfaction. The findings are consistent with previous scholarly research that suggests a link between employees perceived organizational social contribution and performance (Roec & Farooq, 2018; Aguinis & Glavas, 2019; Hur et al., 2021). This is because employees perceive their participation in organizational social activities as an integral component of their professional roles, which motivates them to fulfil serious obligations and responsibilities like work assignments. So, by engaging in social sustainability inventiveness, they are able to increase their social standing, organizational pride, and networking opportunities in both formal and informal settings, which promotes cooperation and synergies in the pursuit of the organizational goals.

The study extends scholarly literature on way social sustainability can be formulated and framed within a particular organizational context for effective performance–related implications. Findings of this paper also expand the scholarly understanding related to the central role of employees (as a direct stakeholder) by establishing link between organizational social sustainability strategies and employees’ psychological states of mind. The paper may guide the public policy and private freight managers in devising and implementing social sustainability strategies in view of their employees’ social and psychological wellbeing, leading to better organizational performance. The paper has several limitations that could be addressed by future researchers. Future research should opt for a longitudinal design to better address causality and mediation effects among the target variables.
addition, concept of social sustainability itself is subject to multiple economic and social-cultural influences. So, future research should perform in-depth and context specific investigations through qualitative study inquiries.

REFERENCES


