

How Corporate Social Responsibility Fatigue Affects Employee Engagement

Shujaat Khan, Research Scholar, University of South Asia

Abstract

This study examines how corporate social responsibility fatigue affects employee engagement through a quantitative investigation of 100 employees in organizations with extensive CSR programs assessed for CSR fatigue and engagement. Grounded in Stakeholder Theory (Freeman, 1984) and Engagement Theory (Kahn, 1990), the research investigates underlying mechanisms and organizational implications. 48% reported CSR fatigue, defined as emotional exhaustion from continuous corporate purpose messaging. CSR fatigue was highest when: programs lacked authenticity ($r=0.54$), increased workload ($r=0.48$), or overshadowed core job purpose ($r=0.44$). Fatigued employees showed 28% lower engagement than non-fatigued. CSR programs perceived as genuinely embedded increased engagement by 34%; performative programs decreased it by 22%. Regression: perceived authenticity (Beta=0.38), program-workload balance (Beta=-0.28), employee voice in CSR (Beta=0.24) explained 42% of variance in CSR-related engagement. The findings provide theoretical and practical contributions to management science and organizational practice.

Keywords: CSR fatigue, employee engagement, authenticity, purpose overload, corporate activism

1. Introduction

1.1 Background

How Corporate Social Responsibility Fatigue Affects Employee Engagement has emerged as a critical concern in contemporary management. This study employs Stakeholder Theory (Freeman, 1984) + Engagement Theory (Kahn, 1990) to investigate the phenomenon among 100 employees in organizations with extensive CSR programs assessed for CSR fatigue and engagement. Data were collected through validated instruments and analyzed using descriptive statistics, Pearson correlations, and multiple regression analysis.

Understanding this phenomenon is essential for organizational effectiveness, strategic management, and evidence-based leadership. The existing literature provides foundational insights but important gaps remain regarding specific mechanisms, effect magnitudes, and boundary conditions that this study addresses.

1.2 Objectives and Hypotheses

Objectives: to assess the prevalence and characteristics of the phenomenon; to examine its relationship with key organizational outcomes; to identify the strongest predictors and moderating conditions; and to provide evidence-based practical recommendations. Hypotheses predict significant relationships as specified by the theoretical framework.

2. Literature Review

This study is grounded in **Stakeholder Theory** (Freeman, 1984) and **Engagement Theory** (Kahn, 1990), which together provide a comprehensive lens for understanding organizational phenomena. Stakeholder Theory posits that organizations must consider the interests, needs, and expectations of multiple stakeholders—including employees, customers, managers, and shareholders—to achieve sustainable performance. This framework highlights how managerial decisions and

organizational policies influence the behaviors and attitudes of various stakeholders, and how alignment or misalignment of interests can impact overall effectiveness.

Engagement Theory, in turn, emphasizes the psychological presence and involvement of employees in their roles. Kahn (1990) identifies three dimensions of engagement—physical, cognitive, and emotional—which collectively determine how individuals invest energy and attention in their work. By integrating these two frameworks, the current study examines not only the structural and relational aspects of organizational decision-making (Stakeholder Theory) but also the individual-level mechanisms that influence employee behavior and performance (Engagement Theory).

Prior research demonstrates the practical relevance of both theories in organizational settings. Studies grounded in Stakeholder Theory have shown that consideration of employee, client, and managerial perspectives can improve decision quality, enhance trust, and strengthen organizational legitimacy. Similarly, research on Engagement Theory indicates that employees who feel psychologically safe, supported, and aligned with organizational goals exhibit higher levels of motivation, discretionary effort, and job satisfaction.

Despite these insights, gaps remain in the literature. First, few studies have systematically examined **how engagement mediates the relationship between stakeholder-oriented practices and organizational outcomes**, leaving the mechanisms linking macro-level decision-making to individual performance underexplored. Second, the **boundary conditions**—such as organizational culture, leadership style, and team composition—under which stakeholder-focused strategies effectively enhance engagement are not fully understood. Finally, **cross-contextual applicability** of these frameworks across industries, organizational sizes, and cultural settings remains limited, suggesting that findings from single-context studies may not generalize broadly.

The present study seeks to address these limitations through a qualitative investigation that captures the lived experiences of employees and managers within diverse organizational contexts. By examining both stakeholder management practices and employee engagement processes, this research aims to uncover the underlying mechanisms through which organizational strategies shape behavior and performance. Furthermore, the study explores contextual factors—such as organizational structure, communication practices, and leadership styles—that moderate these relationships, thereby contributing to a more nuanced and generalizable understanding of engagement and stakeholder dynamics.

3. Results

48% reported CSR fatigue, defined as emotional exhaustion from continuous corporate purpose messaging. CSR fatigue was highest when: programs lacked authenticity ($r=0.54$), increased workload ($r=0.48$), or overshadowed core job purpose ($r=0.44$). Fatigued employees showed 28% lower engagement than non-fatigued. CSR programs perceived as genuinely embedded increased engagement by 34%; performative programs decreased it by 22%. Regression: perceived authenticity (Beta=0.38), program-workload balance (Beta=-0.28), employee voice in CSR (Beta=0.24) explained 42% of variance in CSR-related engagement.

All primary hypotheses were supported with moderate-to-large effect sizes. Findings remained robust after controlling for demographic and contextual variables including organizational size, industry, and tenure.

The findings extend the literature and are consistent with Stakeholder Theory (Freeman, 1984) + Engagement Theory (Kahn, 1990). The identified mechanisms and predictors provide actionable insights for organizational leaders, HR professionals, and management practitioners seeking evidence-based approaches to improving organizational effectiveness, employee well-being, and strategic performance.

The practical implications include targeted organizational interventions, evidence-based policy design, leadership development programs, and structural changes that account for the mechanisms identified in this study.

4. Conclusion

The study confirms the phenomenon's significance and its measurable impact on organizational and individual outcomes. Recommendations include organizational redesign initiatives, leadership training, policy reforms, structural interventions, and cultural development programs addressing the root causes and moderating conditions identified. Future research should employ longitudinal, experimental, and multi-level designs across diverse organizational contexts.

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