The impacts of socially responsible human resources management on organizational legitimacy

Cristina del-Castillo-Feito, Alicia Blanco-González, Felipe Hernández-Perlines

**ABSTRACT**

Social demands for corporate social responsibility (CSR) have been increasing in recent years. Organizations understand the need to follow socially responsible behavior to receive stakeholder support. In addition, the application of CSR principles within human resources (HR) management has become more relevant, and more empirical research is needed. In fact, enterprises will be considered legitimate if they are viewed as socially embedded not only externally but also internally. Under this scenario, the main objective of this research is to analyze the relationship between the implementation of socially responsible HR management and organizational legitimacy. Furthermore, the relevance and performance of diverse CSR policies will be analyzed through the implementation of the importance-performance matrix (IPMA). For this purpose, the evaluations made by 157 CSR experts on approximately 30 multinational companies are considered. PLS-SEM is applied to the data and shows a strong and positive relationship between CSR practices focused on employees and organizational legitimacy. The results offer relevant information for company managers to improve their resource optimization and internal stakeholder management through the correct and efficient introduction of CSR policies.

**1. Introduction**

In today’s markets, organizations need to manage their relationships with stakeholders to create value and mutual benefits (Hörisch et al., 2014; Freudenreich et al., 2020). Freeman (1984) introduced the stakeholder theory concept, which identifies diverse organizational interests and shows the importance of not only being profitable but also of understanding and caring about the impact that corporate activities have on different audiences.

Stakeholder groups are affected by organizations’ behavior and actions; however, it is important to understand that these actions also impact corporations’ stability (Silva et al., 2019). In fact, organizational viability strongly depends on the ability to satisfy stakeholders’ needs and understand their perceptions (Ulmer and Sellnow, 2000). Thus, if enterprises want to be successful in the medium-to-long term, they must identify the full range of these needs and be able to build lasting relationships with their stakeholder base (Dmytriiev et al., 2021).

Currently, stakeholders’ requirements regarding the social impact of the organizations with which they are associated have been strengthening. These groups expect companies to respond to societal needs that extend beyond economic considerations (Carroll, 1999) and will avoid engaging with institutions that are not able to meet their social behavior expectations (Fatma and Rahman, 2014; Fatma et al., 2019; Maignan and Ferrell, 2004). Organizations need stakeholder support to survive and succeed in the market. Thus, the introduction of corporate social responsibility policies has become a critical element in responding to social demands.

Most of the existing research on corporate social responsibility (CSR) has sought to analyze how these policies affect external stakeholders—such as customers, governments, markets in general, etc.—perceptions (Del-Castillo-Feito et al., 2021; Toussaint et al., 2021). However, the internal management and impact of these actions remain relatively unexplored (Blanco-Gonzalez, Diez-Martín, Cachón-Rodríguez and Prado-Román, 2020). Organizations can apply diverse CSR initiatives and, considering the critical role that employees play in organizational performance and success, introduce socially responsible procedures within their management that will enhance corporate knowledge and culture (Barrera-Martinez, López-Fernández and Romero-Fernández, 2019; Pedrini and Ferri, 2011). Applying social responsibility initiatives, such as encouraging fluid relationships between employees and managers or considering employees’ interests, will build trust within the company (Blanco-Gonzalez et al., 2020; Scherer et al.,...
Implementing social responsibility measures benefits companies in a variety of ways, but this effect is perhaps most notable in their financial results (Barnett and Salomon, 2006; Orlitzky, 2013; Wang et al., 2016). Socially responsible organizations will improve their social capital and corporate reputation (Del-Castillo-Feito et al., 2021; Del-Castillo-Feito et al., 2019), which are relevant intangible assets for long-term survival in any sector. Scholars have proven the relationship between CSR practices and better financial performance (Surroca et al., 2010; Zhang et al., 2018) since the relationship with internal stakeholders will be strengthened in response to newly adopted ethical management practices (Ferrell et al., 2019). Furthermore, employees will feel more engaged with and committed to the organization to which they belong if the actions these organizations undertake are perceived to be socially responsible (Barrena-Martinez et al., 2019; Collier and Esteban, 2007; De Roeck and Delobbe, 2012; Jones, 2010; Kim et al., 2010).

Several authors support the positive and significant relationship between the correct implementation of CSR policies and a company’s legitimacy (Bansal and Clelland, 2004; Campbell, 2007; Del-Castillo-Feito et al., 2019; Palazzo and Scherer, 2006), which is defined as the perceived appropriateness of an organization within a social system in terms of rules, values, and beliefs (Deephouse et al., 2017). These institutions are accepted by the systems in which they operate since their actions meet society’s values and norms and thus create value for every stakeholder (Díez Martín, Blanco-González and Prado-Román, 2010; Miotto et al., 2020). Organizations with high level of legitimacy are typically more successful and long-lived than those with low level of legitimacy due to the social support they receive within their sector (Glozer et al., 2019; Zamparini and Lurati, 2017). Legitimate companies have better access to critical resources and will develop in a relatively unconstrained manner, since they avoid constant scrutiny (Salancik and Pfeffer, 1978; Suchman, 1995). Therefore, correctly implementing and maintaining this intangible asset is a critical step toward improving organizational performance.

Organizations can actively manage their perceived legitimacy level (Suchman, 1995) and thus must identify their stakeholders’ expectations to continue to receive social support (Díez-Martín et al., 2021). Considering contemporary sustainability and social impact concerns, companies must follow socially responsible behavioral principles to be viewed as legitimate institutions and to justify their right to exist (Kim et al., 2014). Thus, the implementation of CSR initiatives will improve organizational legitimacy (Banerjee and Venaik, 2018; Khan et al., 2015). Under these circumstances, the main objective of the current research is to understand the importance of CSR practices in managing employees and to evaluate the positive and significant impact that these initiatives have on the legitimacy of the organization (as measured through pragmatic, moral and cognitive dimensions). Thus, we expect to answer the following questions: (1) Are the companies that apply socially responsible HR management more legitimate? (2) Which types of legitimacy (pragmatic, moral, cognitive) are more affected by sustainable HR practices? and (3) Which specific HR policies have a higher impact on legitimacy?

The purpose this inquiry is to provide relevant contributions to the literature since the internal management perspective regarding CSR has not been sufficiently investigated. In fact, most of the existing research within the CSR field has focused on initiatives developed to benefit external stakeholders or on the impact that these policies have on external groups’ perceptions. This research covers socially responsible internal management in particular. Furthermore, the way in which the impact of socially responsible HR management on the three types of legitimacy is measured herein is novel. Most researchers have empirically analyzed legitimacy as a unidimensional construct (e.g., Shu et al., 2016; Yang et al., 2012), while for this research, the three dimensions of legitimacy proposed by Suchman (1995)—pragmatic, moral and cognitive—are included. Since each of these dimensions is achieved through different elements, this inquiry will help to gain a deeper understanding of the effect of CSR on legitimacy.

In addition, the relevance of the different CSR initiatives for achieving organizational legitimacy are studied through an importance-performance matrix. These results may provide relevant guidance for managers since they will be equipped with the tools to identify the most relevant socially responsible HR management practices for achieving high legitimacy. This information expands the knowledge base with regard to sustainable internal management and legitimacy.

To achieve this purpose, a review of the literature on CSR and employees, as well as on legitimacy, is carried out, followed by the proposition of the measurement model. Then, the sample and methodology are explained, and the results presented. Finally, the main conclusions are detailed, and future research inquiries are proposed.

2. Theoretical framework

2.1. Corporate social responsibility and employees

The concept of CSR considers that organizations must respond to society and its stakeholders beyond economic issues alone (Carroll, 1999). This variable has been increasing in value within academic and business fields due to its positive impact on organizational value and sustainable development (Massaro et al., 2018).

Organizations apply policies to meet stakeholder demands for more efficient and rigorous management practices. CSR is the implementation of policies to help enterprises achieve their objectives and to improve society, since these institutions serve both economic and social functions (Steiner, 1972). Enterprises should behave responsibly toward their stakeholders (customers, employees, and other society groups) to gain internal and external support (Frooman, 1997).

Currently, stakeholders expect companies to follow socially responsible behavioral principles and will avoid being involved with organizations that do not fulfill their expectations on this matter (Fatma and Rahman, 2014; Fatma et al., 2019; Maigman and Ferrell, 2004). Therefore, by correctly implementing socially responsible practices, companies both respond to stakeholder demands and improve their legitimacy (Campbell, 2007; Odriozola and Baraibar-Diez, 2017).

Many scholars have researched the benefits associated with CSR. Barnett and Salomon (2006); Orlitzky (2013) or Wang et al., (2016) present the strong link between CSR practices and better financial results. However, when considering intangible assets, fewer papers exist, and further research is needed to improve the understanding of this issue. Despite this, some scholars have suggested the relationship between CSR and better performance (Surroca et al., 2010; Zhang et al., 2018). In fact, the application of ethical management practices will have a positive impact on companies’ relationships with their internal stakeholders (Egan, 2019; Ferrell et al., 2019; Hudson et al., 2019), which will result in improved cooperation and loyalty.

The implementation of CSR policies will also have a positive external impact on intangible assets such as social capital, corporate reputation and legitimacy (Del-Castillo-Feito et al., 2019). Moreover, these practices will also provide internal benefits since corporate culture will improve (Barrena-Martinez et al., 2019; Branco and Rodrigues, 2006). Most research to date has focused on external stakeholders’ perceptions; however, it is important to explore in a more detailed manner the results that CSR can generate among employees (Blanco-González et al., 2020). Social responsibility elements such as internal relationships between employees and managers, trust of and identification with the organization or consideration of stakeholders’ interests are critical for improving companies’ performance. In fact, many scholars have proven the positive relationship between CSR practices and employee commitment (Barrena-Martinez et al., 2019; Collier and Esteban, 2007; De Roeck and Delobbe, 2012; Jones, 2010; Kim et al., 2010).

Employees play a critical role in organizations’ success due to their presence in the day-to-day execution of operational strategies.
The implementation of CSR strategies in conjunction with fair HR practices enhances human capital (Bartram et al., 2014; Sun and Pan, 2011; Zhang and Morris, 2014). The connection between CSR practices and employee management has received more attention in recent years. Voegtlin and Greenwood (2016) study the relationship between CSR policies and the internal organizational process. Galbreath (2006) and Collier and Esteban (2007) suggest that the introduction of responsible and social factors increases employees’ well-being and, as a result, organizational performance improves. Other authors, such as Sharma et al., (2009) or Shen and Benson (2016), show how the combination of CSR and HR management could reinforce positive employee behavior and improve performance. Barrena-Martinez et al., (2019) support the relationship between applying CSR to employee management and achieving business value.

Additional research has described specific HR practices related to CSR and their relationship to maintaining intangible assets such as legitimacy. For example, Blanco-Gonzalez et al. (2020) develop a study in which the results highlight the importance of applying specific socially responsible actions toward employees. In fact, these authors considered the introduction of volunteering activities, training plans or labor conciliation measures as critical to improving organizational success and achieving social acceptance (Daily and Huang, 2001; Sarks, 2001). Others, such as Barnes (2009), highlight the importance of the relationships between employees and managers on this matter.

In conclusion, by reviewing the literature on CSR, a clear trend based on organizations placing employees at their center and focusing on socially responsible HR management can be identified due to the positive connection doing so has on their success.

2.2. Corporate social responsibility and legitimacy

The concept of legitimacy, which was originally applied in a sociological context, was first introduced in the corporate field and in organizational studies by Weber (Johnson et al., 2006; Suchman 1995; Ruffe and Scott, 1998). According to Deephouse et al., (p.9), legitimacy can be defined as “the perceived appropriateness of an organization to a social system in terms of rules, values, norms and definition”. Legitimate organizations are perceived as desirable and appropriate since their behavior connects with the general values and beliefs of the social system in which they operate (Díez Martín et al., 2010). Companies achieve legitimacy if their stakeholders perceive that they create more value than they destroy (Miotti et al., 2020).

Legitimacy improves organizations’ success and odds of survival since it generally leads to greater stakeholder support (Deephouse et al., 2017; Gliozzi et al., 2019; Zamprini and Lucati, 2017; Zimmerman and Zeitz, 2002). There is a positive relationship between legitimacy and organizational success (Alcantara et al., 2006). In fact, legitimate organizations have better access to relevant resources and will avoid being penalized (Salancik and Pfeffer, 1978; Suchman, 1995). Castello and Lozano (2011, p.12) highlight that “Without stakeholder legitimacy, an organization will not be able to renew its license to operate nor gain new spheres of power to grow”.

Two main approaches have emerged regarding legitimacy management. According to institutional theory, companies can only gain legitimacy by connecting with the general values, beliefs and norms of a given social system (Díez-Martín et al., 2021; Weber 1978; Ruffe and Scott, 1998; Yang et al., 2020). However, authors such as (Scott, 1995) or Suchman (1995) consider that organizations can implement strategies and actions to manage their legitimacy. Following this approach, institutions must identify which are the most suitable strategies to improve their legitimacy scores.

When managing legitimacy, organizations must understand the relevance of receiving social support; thus, they must identify stakeholders’ expectations and meet their demands (Coricoli et al., 2019; Miotto et al., 2020). These groups provide positive legitimacy assessments when they assume that organizations will maintain specific behavioral standards (Kostova and Zaheer, 1999; Yang et al., 2020). Organizations are part of a broader social system and consume relevant resources; therefore, their use of resources must be justified in the eyes of the system in which they operate (Kim et al., 2014).

Currently, society is highly concerned with sustainability and social well-being, which translates into greater demands regarding organizations’ ethics and social behaviors (Brown and Vidaver-Cohen, 2009; Toussaint et al., 2021). In fact, stakeholders scrutinize companies’ activities to ensure compliance with their moral and social norms before engaging with them (Du and Vieira, 2012). Social responsibility policies have become one way with which to respond to stakeholders’ requirements regarding social issues (Blanco-González et al., 2020).

Since organizations achieve legitimacy by meeting stakeholder expectations, the introduction of social initiatives will help companies gain or improve their legitimacy (Banerjee and Venaik, 2018; Khan et al., 2015). This approach is reflected in today’s markets, where one of the most applied strategies for achieving and maintaining legitimacy is to implement social responsibility practices (Palazzo and Richter, 2005; Reast et al., 2013).

Given the competitive landscape, organizations must develop social responsibility practices to receive social support, become more prestigious and reach social legitimacy (Garriga and Mele, 2004). Blanco-Gonzalez et al. (2020) consider that social responsibility policies create value and that legitimacy measures the social support that this creation of value represents while highlighting the importance of combining social responsibility actions with legitimacy (Lamberti and Lettieri, 2011).

Most of the existing research focuses on understanding the external impact of implementing CSR, leaving the relationship between CSR practices and an organization’s employees unexplored (Bolton et al., 2011). Since organizations are related to a wide network of stakeholders, it is relevant to understand that each of them plays an important role in the legitimacy assessment process (Porter and Kramer, 2006). Thus, companies must consider employees’ perceptions regarding social responsibility implementation as a key element in achieving legitimacy (Kostova and Zaheer, 1999).

Maignan et al., (2011) highlight the importance of considering multiple stakeholders in organizations’ CSR practices and consider both employees and the community when measuring the relationship between social responsibility and legitimacy. Other authors, such as Esteban-Lloret et al., (2018) or Subramony (2006), understand that implementing internal CSR initiatives, such as training employees, improves the company’s legitimacy. This approach will result in higher support not only from internal sources (managers, employees, etc.) but also from external actors (public opinion, consumers, etc.), resulting in higher overall legitimacy (Certo and Hodge, 2007; Thomas, 2005).

By introducing internal CSR (ICSR) activities, enterprises uphold socially desired practices and increase their legitimacy (Drori and Hong, 2013). In fact, recent research papers confirm the positive relationship between ICSR practices and employees’ legitimacy evaluations (Blanco-González et al., 2020).

Many scholars have focused on analyzing external legitimacy granted by external stakeholders, such as consumers, suppliers or governments (DiMaggio and Powell, 1991; Meyer and Scott, 1983). However, additional positive assessments are needed to survive and succeed in the long run; thus, employees’ perceptions must be considered critical to organizations’ stability and efficiency (Brown and Toyoki, 2013; Drori
and Honig, 2013; Esteban-Lloret et al., 2018). Moreover, a deeper analysis of the integration of social responsibility policies in HR management and their impact on intangible assets is needed to improve the knowledge in this field (Barrena-Martínez et al., 2019). Therefore, the following hypothesis is presented for this research:

**H1**: CSR oriented to HR positively and significantly affects the company’s legitimacy.

Legitimacy has been studied as a multidimensional variable. Suchman (1995) asserts that legitimacy could be achieved through the following dimensions: pragmatic, which is granted when stakeholders perceive that the organization serves their personal interests; moral, which relates to the institution’s ethical behavior and the fulfillment of social norms and values; and cognitive, which is depends on the degree of understandability of the company’s activities and objectives. Therefore, this research aims to analyze whether CSR practices within the HR context affect the pragmatic, cognitive and moral legitimacy to understand which type of legitimacy is affected by CSR policies and to what extent by hypothesizing as follows:

**H1a**: CSR oriented to HR positively and significantly affects the company’s pragmatic legitimacy.

**H1b**: CSR oriented to HR positively and significantly affects the company’s moral legitimacy.

**H1c**: CSR oriented to HR positively and significantly affects the company’s cognitive legitimacy.

An additional hypothesis is presented for this research since the importance of each CSR variable is analyzed. For this purpose, the importance-performance matrix analysis (IPMA) is applied with PLS-SEM to understand which are the most relevant factors for achieving legitimacy and which should be the main priorities for the organizations under consideration (García-Fernández et al., 2020; Wyród-Wrobel and Biesok, 2017). Thus, the following hypothesis is proposed:

**H2**: CSR policies oriented to HR have different importance levels for achieving legitimacy.

The following figure presents the proposed model. Fig. 1

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**3. Materials and methods**

**3.1. Sample and data collection**

To collect the data, an online questionnaire was distributed to 157 experts on corporate social responsibility. These experts evaluated the implementation of social responsibility initiatives related to HR management as well as the legitimacy of 30 multinational enterprises with more than 1000 employees. These companies were chosen for their strong international presence and visibility compared to regular enterprises. Since these institutions operate in diverse contexts, achieving social support is critical; thus, it is relevant to analyze their CSR implementation with respect to their legitimacy. Furthermore, given their global nature and size, these companies are obligated to publish detailed information about their CSR policies, which enables experts to access information to understand and evaluate their performance on this matter.

A detailed explanation of the objectives was described in the email and questionnaire sent to the experts so they would have a clear understanding of the purpose of the investigation. For their evaluation of the socially responsible behaviors of the companies under review, the information published on their website and the content of their sustainability reports were analyzed. The data were collected from 2015 to 2019.

**3.2. Variable measurement**

For the development of this research, a specific survey was created considering the existing literature on legitimacy and socially responsible HR management. Each variable is measured along an eleven-point Likert scale, with 0 referring to strongly disagree and 10 referring to strongly agree.

Legitimacy is considered a multidimensional variable (Deephouse et al., 2017); therefore, for this research, this approach is followed, considering the relevant number of scholars that have measured it through its multiple dimensions (Alexiou and Wiggins, 2019; Díez-Martín, Prado-Román and Blanco-González, 2013). The three dimensions proposed by Suchman (1995) — pragmatic, moral and cognitive — are applied to measure global legitimacy. These three dimensions are measured by adapting existing scales used in previous research (Alexiou and Wiggins, 2019; Chung et al., 2016; Díez-Martín et al., 2013; Nagy et al., 2017). We include one item regarding the ability of the organization to meet stakeholders’ needs and interests to measure pragmatic legitimacy, six items related to the degree of
understandability and appropriateness of the company’s activities and structures, and finally, three items to understand the behavioral ethics of the institution to measure the moral component of the construct.

Regarding the measurement of social responsibility in employee management, a measurement scale based on the GRI standards for the sustainability reports is considered (Table 1). Five categories are included, namely, relationship between employees and managers; health, security and social benefits; employee training provided by the company; diversity, opportunities and no discrimination; and finally, corporate volunteering.

3.3. Data analysis

To develop the analysis of the relationship between social responsibility policies applied to HR management and organizational legitimacy, structural equation modeling methodology is applied through SmartPLS version 3 software. This technique applies a statistical analysis of the proposed relationships by predicting the dependent variables and makes it possible to calculate and quantify the effects that some variables have on others (Hallak et al., 2018). In so doing, it enables the evaluation of the reliability and validity of the relationships between different constructs. The chosen methodology is appropriate for this research due to its strong predictive capacity (Chin et al., 2003), which offers adequate advantages to developing this research (Hair et al., 2014) since the relationships are complex and the existing empirical and theoretical research is relatively scarce. In addition, PLS offers some benefits, such as lower sample size requirements (100 subjects), which, considering the sample of 157 experts’ responses, is appropriate for this research (Reinartz et al., 2009). Additionally, this methodology is capable of handling formative indicators, which characterize the items used to measure socially responsible HR practices for this research.

Furthermore, through the application of PLS-SEM, we are able to introduce a relevant tool for enriching this research, specifically our importance-performance matrix analysis (IPMA). This matrix provides relevant information for managers since it shows which are the main factors that should be improved within the organization (Wyrød-Wobbel and Biesok, 2017). The IPMA helps managers identify the organization’s priorities and define the most important applications of specific activities (García-Fernández et al., 2020). The implementation of IPMA is relevant because it explicates the impact that diverse variables or indicators have on the analyzed construct (Henseler et al., 2016).

4. Results

4.1. Descriptive analysis

First, a descriptive analysis of the data is developed to view the

| Table 2 | Descriptive analysis. |
|---|---|---|---|---|
| Factor | Item | Mean | Standard deviation | Average factor value |
| Relationship between employees and managers | RELED01 | 8.22 | 1.78 | 8.03 |
| | RELED02 | 7.68 | 2.13 | |
| | RELED03 | 8.20 | 1.90 | |
| Health, security, and social benefits | SALUD01 | 8.84 | 1.50 | 8.55 |
| | SALUD02 | 8.60 | 1.68 | |
| | SALUD03 | 8.20 | 2.13 | |
| Employee training | FORM01 | 8.89 | 1.32 | 8.67 |
| | FORM05 | 8.50 | 1.50 | |
| | FORM06 | 8.63 | 1.71 | |
| Diversity, opportunities, and no discrimination | DIVERS01 | 8.40 | 1.99 | 8.24 |
| | DIVERS02 | 8.16 | 1.78 | |
| | DIVERS04 | 8.16 | 2.03 | |
| Corporate volunteering | VOLUNT01 | 8.60 | 1.82 | 8.57 |
| | VOLUNT02 | 8.53 | 1.84 | |
| Pragmatic Legitimacy | LP01 | 7.99 | 1.86 | 7.99 |
| Cognitive Legitimacy | LC02 | 8.41 | 1.73 | 8.43 |
| | LC03 | 8.70 | 1.59 | |
| | LC04 | 8.44 | 1.72 | |
| | LC05 | 8.21 | 2.03 | |
| | LC06 | 8.37 | 1.89 | |
| | LC07 | 8.42 | 1.72 | |
| Moral Legitimacy | LM07 | 9.20 | 1.12 | 8.88 |
| | LM09 | 8.96 | 1.26 | |
| | LM15 | 8.48 | 1.79 | |
average values obtained through the responses of the sample. Table 2 shows the results regarding the mean and standard deviations. The values for the considered variables of the research are 8.03 for the relationship between employees and managers, 8.55 for health, security and social benefits, 8.67 for employee training, 8.24 for diversity, opportunities and no discrimination and 8.57 for corporate volunteering. In the case of legitimacy, the results for each dimension are pragmatic: 7.99, cognitive: 8.43; and moral, 8.88, all of which are out of a possible 10 for each variable.

4.2. Structural model

The first step when analyzing the results of the structural model is to test the reliability and validity of the measurement model, which are presented in Table 3. Regarding the reflective items of the legitimacy dimensions, the results show that all Cronbach’s alphas surpass the recommended value of 0.70 (Cronbach, 1951; Nunnally and Bernstein, 1994). The composite reliability results also fulfill the required value of greater than 0.60 (Bagozzi and Yi, 1988). The average variance extracted (AVE) values should be greater than 0.50 (Fornell and Larcker, 1981); every item we research exceeds this value. In addition, the discriminant validity results of the legitimacy reflective items are shown in Table 4. These results are tested through the HTMT ratio, as suggested by Henseler et al., (2015). All values are less than 0.85 (Clark and Watson, 1995); therefore, no problems appear regarding this issue.

Furthermore, the discriminant validity results of the legitimacy reflective items are shown in Table 4. These results are tested through the HTMT ratio, as suggested by Henseler et al., (2015). All values are less than 0.85 (Clark and Watson, 1995); therefore, no problems appear regarding this issue.

When considering the formative values (global legitimacy and social responsibility policies), the next aspects are analyzed to prove their reliability and validity (Table 3). First, the collinearity (VIF) results show that every item fulfills the required level of VIF < 5 (Hair et al., 2011). Second, the standardized weights and their significance level show that every item is significantly linked to its respective variable. Only some items appear to be nonsignificant. With regard to the health, security, and social benefits variable, the diversity, opportunities, and no discrimination and corporate volunteering variables are not significant. However, since their loadings are high (>0.50), they are maintained in the model (Hair et al., 2011).

The next step is the analysis of the results of the proposed hypotheses. Table 5 and Fig. 2 show the obtained results. The results show the existence of a strong relationship between the implementation of socially responsible practices on employee management and organizational legitimacy, as well as with the three legitimacy dimensions.

IPMA is developed in this research independent of the proposed hypotheses on the relationship between CSR policies and legitimacy. This tool improves PLS-SEM results through a four-quadrant graphic to show the factors’ positive/negative performance and the relationship

### Table 3
Measurement model reliability and validity.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Item</th>
<th>Weights/Loadings</th>
<th>T-Value</th>
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<th>CR</th>
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Note: CA: Cronbach’s Alpha; CR: Composite Reliability; AVE: Average Variance Extended.
with these factors’ importance (low/high). For the development of the importance map, four quadrants are created (García-Fernández et al., 2020; Hair et al., 2019), namely, Q1 (Management is correct), Q2 (Something important that must be improved), Q3 (Too much performance for a nonimportant element) and Q4 (not important and no performance). The limits to create these four quadrants are made considering the mean of both performance and importance obtained from the IMPA results table (Table 6). Fig. 3 shows the importance-performance map.

5. Discussion and conclusions

Stakeholder support has become a critical asset for organizational survival and success in all sectors. However, stakeholders will only engage with institutions that meet their social expectations and follow responsible behavioral principles (Fatma and Rahman, 2014; Fatma et al., 2019). With a high level of social support and acceptance, organizations will be perceived as legitimate and will access relevant resources critical to their ongoing performance.

Considering the increasing requirement for socially responsible behavior, the implementation of CSR practices has been established as a source of legitimacy (Bansal and Clelland, 2004; Campbell, 2007; Del-Castillo-Feito et al., 2019; Palazzo and Scherer, 2006). Therefore, institutions must identify how to integrate these policies as they aim to improve their legitimacy. Furthermore, most research has focused on the external impact of policy implementation (Toussaint et al., 2021), whereas the internal perspective regarding the introduction of CSR principles within HR management and the impact that these policies can have both internally and externally remains relatively unexplored.

Considering the described scenario, the main objective of this research is to analyze the importance of implementing socially responsible HR management to achieve high legitimacy within the context of the three legitimacy dimensions proposed by Suchman (1995). In addition, within the research, the importance and performance of the diverse CSR measures is analyzed through the importance-performance matrix.

The results of this investigation illustrate the following conclusions. First, based on the results regarding the descriptive analysis of the sample, the experts evaluating the companies under consideration determine that these institutions are in fact implementing efficient CSR policies within their HR management since the scores for these policies average approximately 8.5 out of a possible 10. Therefore, these organizations’ efforts to encourage corporate volunteering, employee training, the implementation of communication channels between managers and employees, health, security and social benefits, diversity, opportunities and no discrimination policies are well-valued by stakeholders. In addition, the scores of the diverse types of legitimacy represent high values (approximately 8 out of a possible 10), which shows that stakeholders support organizations that are perceived to be ethical and consistent with their CSR principles.

Second, when analyzing the structural model, all the proposed hypotheses are confirmed. Hypothesis 1 (H1), which analyzes the relationship between applying socially responsible HR policies and global legitimacy, shows a significant and positive impact (B: 0.90; T-value: 47.67). The same conclusion is reached for the different dimensions of legitimacy. In the case of Hypotheses H1a, which tests the effect of socially responsible HR policies on pragmatic legitimacy (B: 0.60; T-value: 10.63), H1b, which analyzes the relationship between socially responsible HR policies and moral legitimacy (B: 0.77; T-value: 21.50), and H1c, which focuses on the impact of applying socially responsible HR policies on the cognitive legitimacy level (B: 0.86; T-value: 36.14), the obtained results also confirm a positive and significant effect. These confirmed results are in line with previous research (e.g., Blanco-Gonzalez et al., 2026; Esteban-Lloret et al., 2018; Garriga and Melé, 2004; Lamberti and Lettieri, 2011; Subramony, 2006), which demonstrates the importance of implementing CSR actions in achieving positive assessments. These results highlight the critical role that applying socially responsible HR management has in gaining social acceptance.

This information is novel since it not only links CSR and legitimacy again empirically, but also offers a more specific approach to the application of CSR in HR management. In addition, regarding the link between CSR and each individual dimension of legitimacy, the results also need to be considered unique. Most of the existing research analyzes the link between CSR and global legitimacy, measured as a unidimensional variable (e.g., Brown and Vidaver-Cohen, 2009; Shu et al., 2016; Yang et al., 2012), while in the present research, three types of legitimacy are covered.

Corporate managers must continue to introduce CSR principles related to employee management to improve social acceptance and to

<table>
<thead>
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<th>FACTOR</th>
<th>Importance</th>
<th>Performance</th>
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<tr>
<td>Y1 Diversity, opportunities, and no discrimination</td>
<td>0.36</td>
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<td>Y2 Employee training</td>
<td>0.20</td>
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<td>Y3 Relationship between employees and managers</td>
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<td>Y4 Health, security, and social benefits</td>
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<td>Y5 Corporate volunteering</td>
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<tr>
<td>Average Value</td>
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<td>74.8</td>
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Fig. 2. Estimation of the proposed model.
increase their commitment while improving organizational performance and development. These results show the importance of managing employees following socially responsible behavioral principles since the organization will be perceived as an example of how others should behave. Additionally, the correct implementation of socially responsible principles within HR management will help the organization be considered acceptable from stakeholders’ point of view. Furthermore, it will have an impact on stakeholders’ perceptions regarding the institution’s ability to meet its needs and interests.

Third, the importance-performance map shows the variables’ performance, as well as their degree of importance. The IPMA specifically shows that the most important socially responsible HR management variable for achieving high legitimacy scores is related to diversity, opportunity, and no discrimination, followed by corporate volunteering and employee training. In contrast, the CSR elements with lower levels of relevance are the communication paths or relationship between managers and employees, as well as health, security, and social benefits policies.

Regarding the performance of different factors, the results show that the organizations under study are investing too much effort in improving CSR factors that are less relevant to achieving positive legitimacy assessments. On the one hand, resources destined to improve policies related to health, security and social benefits and those regarding the improvement of the relationship paths between managers and employees are excessive considering the relevance that they represent compared to the rest of the CSR policies. The efforts involved in the management of diversity, opportunities and no discrimination practices are recommended, since the results show that the management of this matter is appropriate. In the case of corporate volunteering, the commitment it receives is also optimal. On the other hand, practices related to the encouragement and development of employee training need to improve since the importance of this matter in the achievement of legitimacy is high, whereas the companies’ efforts to improve it are lower than recommended.

The information provided by the IPMA is critical and has relevant managerial implications, since managers will have information regarding best practices for allocating resources to socially responsible HR management policies in their aim to achieve high legitimacy assessments. Based on our results, company managers should reorganize their resource distribution to emphasize socially responsible HR management. These institutions should start by focusing more on increasing their internal stakeholders’ training possibilities.

Finally, our research presents some limitations that could be considered for future research inquiries within the field. First, to extrapolate the results to other enterprises, it may be useful to increase the number of companies under consideration. Even though the sample of 157 experts in the CSR field is representative enough for our purposes, the number of companies evaluated by these individuals is relatively low (30 companies); thus, the research could be improved by introducing a higher number of firms. Second, within this empirical analysis, the impact of several socially responsible HR practices on organizational legitimacy is studied; however, additional CSR policies can be introduced for further research. Third, the sample of the study was formed by 157 experts on CSR, without differentiating them according to the stakeholder group to which they belong. Future research efforts should follow a multigroup analysis and compare results by differentiating between internal and external stakeholders with the objective of understanding which CSR practices are more critical to each group.

**CRediT authorship contribution statement**

Cristina del-Castillo-Feito: Conceptualization, Formal analysis, Investigation, Methodology, Software, Validation, Visualization, Writing – original draft, Writing – review & editing. Alicia Blanco-González: Conceptualization, Data curation, Formal analysis, Methodology, Resources, Validation, Visualization, Writing – original draft, Writing – review & editing. Felipe Hernández-Perlines: Conceptualization, Formal analysis, Resources, Supervision, Validation, Visualization, Writing – original draft, Writing – review & editing.

**References**


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Felipe Hernández-Perlina. https://orcid.org/0000-0002-6409-5593. published co-author. Felipe Hernandez-Perlina is PhD in Economics and Business. He is a professor of Strategic Management in the Department of Business Administration at the University of Castilla La Mancha (Spain). He has been a visiting professor at universities in Italy, France, Mexico and the United States. His research has focused on agri-food cooperatives, family businesses and the tourism sector. His work has been published in journals such as Journal Business Research, R&D Management, European Journal of International Management, Psychology & Marketing, Frontiers in Psychology, Management Decision, European Journal of International Management, International Journal of Contemporary Hospitality Management and International Journal of Hospitality Management. In addition, he is guest editor of a special issue of International Journal of Hospitality and Research entitled New Family Business Models: Between the Business and the Family.