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The Impact of Corporate Social Responsibility on Employee Satisfaction in the Pharmaceutical Industry

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Abstract - **CSR (Corporate Social Responsibility) is not treated as an optional add-on anymore, although a prerequisite for any business. The benefits that come with CSR depend largely on the responses of the stakeholders and workers in this case, are very critical. Pharmacy is one of the most vital industries in Vietnam. However, there are shortcomings and gaps amongst these pharmaceutical companies, particularly in the area of sustaining high quality retention of human capital. This paper helps in evaluating CSR's impact on satisfaction of employees in Vietnam's Pharmaceutical sector using Carroll's pyramid model (1991) as a foundational framework. The authors gathered the required dataset via online surveys, collecting 175 responses from pharmaceutical employees between 01/2025 and 02/2025. The PLS-SEM estimation of The PLS structural equation model was executed with SPSS and AMOS 20. From the findings, CSR positively impacts employee satisfaction, indicating that along with mediating variables were (i) Corporate Business Ethics and (ii) Philanthropic Responsibility. This study has filled in the gaps within the existing literature by providing some real-world evidence of CSR's usefulness to pharmaceutical companies.**

Keywords: **Human Resources, Employee Satisfaction, Pharmaceutical Enterprises, Corporate Social Responsibility.**

I. INTRODUCTION

Vietnam's pharmaceutical industry pegs at 2.982 according to one of Vietnam's WHO classification scales because medicines are exported with limited generics available. In this classification Vietnam is closer to the level 3 mark which indicates a domestic pharmaceutical industry paired with generic drug produced and basic prescription medications being offered. Generic drugs are mainly imported however.

The market share of domestically produced drugs accounts for about 46% in value and about 75% in quantity. Based on the statistics from DAV (Drug Administration of Vietnam), Vietnam's pharmaceutical market will reach 7.3 billion in 2022 and reach more than 6.9 billion USD in 2021, an increase of more than 2 times compared to 2015 (reaching 3.3 billion USD). According to Fitch solutions' forecast, Vietnam's pharmaceutical market in 2023 will reach 7.7 billion US dollars and surpass 16.1 billion US dollars in 2026.

Trends in the Pharmaceutical industry in the coming time:

- The race to build production facilities that meet EU-GMP standards is becoming increasingly competitive, with many enterprises investing in this effort, including Dược Hậu Giang, Imexpharm, Bidiphar, Traphaco, and Cửu Long Pharmaceutical (Hermansyah, 2023; Li & Huang, 2024). This development lays the foundation for expectations that domestically produced pharmaceuticals will be capable of participating in bidding for top-tier segments, gradually replacing imported medicines (Yang, 2024).

According to (Prime Minister, 2014), the strategy for developing the pharmaceutical market to 2030:

- Locally manufactured medicines attempt to satisfy around 80% of the consumption and 70% of the market value. Continue to seek achieving a goal of 20% for the production of the needed materials to make locally produced medicines.

- Vietnam is looking to transform into a considerable pharmaceutical manufacturing hub within the area, targeting an export value of domestically produced drugs at approximately 1 billion USD.

Statistics show that in the field of human resource training in the pharmaceutical industry, Vietnam owns 41 training institutions with a total of 37,000 pharmacy students. The number of graduates this year is 6,800 pharmacists. Compared to 10 years ago, the scale of training has increased 10 times[1]. Of the nearly 7,000 pharmacists who graduate each

[1] https://baodautu.vn/viet-nam-co-the-cung-ung-du-nguon-nhan-luc-cho-cac-doanh-nghiep-duoc-pham-toan-cau-d194467.html

year, an average of 15% of pharmacists work in the field of pharmaceutical technology.

Mr. Nguyen Hai Nam pointed out that Vietnam is training organic bachelors with 13 training institutions, with a scale of about 60-100 students/institutions graduating each year. It is estimated that a total of 800 Vietnamese bachelors of pharmaceutical chemistry are eligible to participate in research in the field of pharmaceutical chemistry.

Pharmaceuticals is one of the most studied fields in Vietnam, but the country lacks qualified personnel in the area due to accessibility of appropriate clinical training centers. Vietnam's pharmaceutical sector, however, faces one of the largest gaps in advanced human resources. The recently trained and employed workforce to this sector is inadequate. Strategy 68 sets the target that Clinical Pharmacists comprise 30% of the total number of pharmacists, empirically, they comprise 3.78%.

The connection between employee contentment and shareholder responsibility in pharmaceutical enterprises is a study by (Leisinger, 2005), (Smith, 2008), (Bauman & Skitka, 2012), (Edmans, 2012), (Turcsanyi & Sisaye, 2013), (Droppert & Bennett, 2015), (Khaleel et al., 2017), (Min et al., 2017), (Mehralian et al., 2019), (Saxena et al., 2021). Relationship between legal responsibility and employee satisfaction in pharmaceutical enterprises (Mehralian et al., 2016), (Azab, 2016), (Sharabati, 2018), (Obeidat et al., 2018), (Altheeb & Al-Louzi, 2020), (Luu, 2020), (Galiakbarova et al., 2022), (Citra et al., 2024). Association of pharmaceutical companies' ethics as well as the satisfaction of employees:

(Kabir & Parvin, 2011), (Mehralian et al., 2016), (Sharabati, 2018), (Yang et al., 2019), (Saxena et al., 2021). Pharmaceutical companies and how their employees are satisfied in relation to corporate philanthropy:

(Droppert & Bennett, 2015), (Raub, 2017).

II. THEORETICAL OVERVIEW

The CSR theoretical framework (Carroll, 1991) affects various stakeholders like the business proprietors, corporate clients, staff, the societal community, competitors, suppliers, social action groups, and the general public. The basic content of the CSR framework is considered as follows:

Responsibilities to shareholders: Maximizing profits per share invested by shareholders; Committed to maximizing possible profits; Ensure to maintain a strong competitive position; Maintain high operational efficiency; Successful companies are considered in the profit criterion.

Liability: Comply with Government regulations and laws; Comply with ministerial and interdisciplinary regulations; is a model of law-abiding enterprises; a successful company is a legally compliant company; operations that meet the legal aspects.

Responsibility for business ethics: Organize business activities in accordance with expectations and standards, social ethics; Regularly improve and respect the moral, moral norms or wishes of society; prevent acts that violate the ethical standards that the company develops; Good company must be defined in terms of business ethics expectations; must recognize the integrity and ethical behavior of enterprises not only in compliance with laws and regulations (Das & Rajini, 2024).

Charitable responsibility: Carry out activities in accordance with the charitable and humanitarian expectations of society; support charitable programs; organize managers and employees to participate in volunteer programs in the local community; enthusiastically participate in and support charitable educational institutions.

A. Pharmaceutical Companies and How Shareholder Accountability Affects Employee Satisfaction within the Company

A shareholder is a person or legal entity who possesses a minimum of one share in a company. In this regard, a joint-stock company's core share is its charter capital, which is fragmented into numerous portions, being the minimum capital of any joint-stock company. In many studies, Research indicates a relationship between a company's responsibility towards shareholders and employees' contentment working in organization specifically, as follows:

According to (Edmans, 2012), the author has studied the impact on value at each level of the business, rather than employee level productivity, cost has an impact on job satisfaction (Edmans, 2012). Enterprise value is collected by the author from the use of future stock profit indicators, business characteristics, risk control, industry performance, and exception value. The database is listed in the top 100 workplaces in the United States, with stock values increasing between 2.3% and 3.8% per year between 194 and 2011. As a result, empirical research shows that job satisfaction has an impact on corporate value, and CSR has an impact on improving returns on stocks.

According to (Min et al., 2017), the authors investigated to clarify whether CSR actually brings financial value to pharmaceutical businesses. A database of 140 observations (20 pharmaceutical companies) was collected based on professional experience, including 45 research questions on the Likert scale conducted (Min et al., 2017). As a result, survey participants completely agreed that CSR brings value to investors and businesses through long-term investments. Managers need to use CSR to manage pharmaceutical human resources that are increasingly scarce.

Similarly, recent studies have also shown a positive or inverse correlation between corporate shareholder responsibility and employee satisfaction: (Leisinger, 2005), (Smith, 2008), (Bauman & Skitka, 2012), (Turcsanyi & Sisaye, 2013), (Droppert & Bennett, 2015), (Khaleel et al., 2017), (Mehralian et al., 2019), (Saxena et al., 2021).

Following the theory, the paper proposes the next hypothesis:

H1: In pharmaceutical companies, the factor of shareholder responsibility influences employee satisfaction positively.

B. The Connection between Legal Liability and Workers' Satisfaction in Pharmaceutical Companies

The legal liability that the enterprise is applied is criminal liability, administrative liability, or civil liability. An act of violating the law can simultaneously infringe on one or more objects, so the subject may bear one or more types of legal liability. However, if the subject has borne criminal liability, it is not subject to administrative responsibility and vice versa, because these are all types of responsibilities of the subject who violates the law before the state.

As highlighted by (Obeidat et al., 2018), determining the association between CSR activities and job satisfaction requires further analysis of workers currently working at pharmaceutical enterprises in Jordan. Using quantitative model research, with 302 survey forms gathered from 14 employees, supervisors, and managers of the pharmaceutical companies (Obeidat et al., 2018). In fact, CSR has an effect on job satisfaction through corporate legal responsibility, satisfaction is expressed through working conditions, life balance, empowerment, stability, and meaningful work.

According to (Luu, 2020), clarifying between employees' awareness of internal CSR practices within the context of a pharmaceutical company's performance, as moderated by industry employees, is internal behaviors. The database was collected by the author of 607 employees in a city in Vietnam, these influence employees' internal behavior (Luu, 2020).

Recent research has indicated that employees satisfaction is impacted by the CSR liability and its positive or negative relationship. Mehralian et al., (2016), (Azab, 2016), (Sharabati, 2018), (Altheeb & Al-Louzi, 2020), (Galiakbarova et al., 2022), (Citra et al., 2024).

Following the logic presented in the framework, the paper brings forward the next hypothesis:

H2 - Legal responsibility affects employee engagement in pharmaceutical companies in a positive way.

C. The Interplay of Ethics in Business and the Degree of Employee Contentment within Pharmaceutical Companies

Business ethics are the standards and practices formed on the fundamental principles of respect, fairness, and transparency that are used for guiding, evaluating, controlling, and regulating the behavior of business entities. Profit is one of the key parameters for the continuity of a business and also the yardstick for measuring its operational viability. The controversy surrounding the relevance of business ethics to an enterprise is well-known and there is no shortage of views about it. We will examine in the next parts the dimensions of business ethics influence on corporate governance activities.

Business ethics shapes the conduct of business subjects: Business ethics works together with the law to control activities of the enterprise within defined parameters of social ethics and legality. It also fulfills the function of influencing the behavior of business people of nurturing the moral sense of corporate leaders.

Business ethics aid in improving the quality of commerce: Positive recognition as ethical and morally upright by employees, the public and customers is what rewards a company that cares about business ethics. Additional social responsibility, operational efficiency, business social responsibility," as well as improvements in productivity, decision making, customer relations, and overall economic advantage.

Business ethics helps build employee commitment at a deep level: Employee dedication occurs when workers feel that their concerns and desires are harmonized with the direction of the business (Sadeghi, 2018). A corporate ethics policy enhances employee commitment, which is crucial in improving the firm's competitive scope. Employees regard the company's image positively and are therefore more likely to improve the company's customer service. Well serviced customers are more satisfied and recommend other customers to the firm.

Business ethics contributes satisfaction of customers, loyalty and trust: Ethical behavior directly impacts a customer's satisfaction, trust and loyalty toward a company's brand. There do exist and do business with us at our invitation other companies which automatically stand to lose disloyal customers or suffer a damaging reputation. These companies focus on winning good reputation and care about enhancing their standing in the eyes of the society because of the social responsibilities that they must fulfill.

Business ethics contribute to creating profits for businesses: Corporate citizenship refers to the business contribution of a firm to the society, including the carrying out of its business operations, social investment, humanistic programs and public policy devotion, the managing of economic relations, society, the environment and in general, how a corporation has regards to his/her committment to the stakeholders influences businesses.

As noted by (Kabir & Parvin, 2011), they conducted a survey using the employee's experience, age, seniority, gender difference and attitude towards satisfaction as factors (Kabir & Parvin, 2011). The findings indicate that employee satisfaction is affected by salary, work efficiency, supervision, and interpersonal relations among coworkers.

As reported by (Mehralian et al., 2016) authoritative compilation of quality management is a multifunctional hard tool which is designed to create value for corporations. Scholars explain business CSR and as the holistic management of strategic business processes done in a balanced scorecard system (Mehralian et al., 2016). Using a structural model, the authors noted pharmaceutical

companies in Iran. The results bring to light that the association connecting CSR as well as performance is rather complex and does not appear to be a straightforward one.

More recent empirical analysis has shown that business ethics influence employee satisfaction (Sharabati 2018; Yang et al., 2019, Saxena et al., 2021).

Following the logic, the paper puts forward the next hypothesis:

H3: The component of CSR that is organizational ethics enhances employees' contentment working in pharmaceutical companies.

D. The Relationship between Corporate Philanthropy and Employee Satisfaction in Pharmaceutical Businesses

Corporate philanthropy is referred to as the giving of funds, resources, or time by a business to a relevant cause or charity to benefit society. Gift-giving activities can be in the form of financial donations or in-kind donations, among others.

According to (Droppert & Bennett, 2015), pharmaceutical businesses are under increasing social pressure, while business activities are changing, many pharmaceutical companies have had to implement CSR strategies for their businesses. Research conducted on multinational companies aims to have a broad theoretical framework (Droppert & Bennett, 2015). As a result, the CSR of each company has different results, affecting the organizational structure of management and the motivation to apply CSR, the common CSR activities are different pharmaceutical pricing, and the drug distribution layer in developing countries is also limited.

According to (Raub, 2017), corporate philanthropy is seen as a means of promoting employee satisfaction and engagement, empirical studies show that businesses do not always achieve this goal (Raub, 2017). The author conducted a field study with pharmaceutical employees at a pharmaceutical company, and the involvement of employees in philanthropic activities, and a commitment to higher behavioral attitudes. This shows that new insights into employee volunteering to encourage them to improve satisfaction, engagement, increased performance and other benefits.

H4: Philanthropy enhances employee satisfaction in pharmaceutical companies.

III. RESEARCH METHODS AND MODELS

Analyzing impact of CSR on employee satisfaction in the context of the Vietnam pharmaceutical industry framed within the (Carroll's, 1991) theory is the primary focus in this research. The author verifies the linear structure model in PLS-SEM with SPSS 20 as well as AMOS 20 (Arbuckle, 2011). Data had been acquired by the authors through online questionnaires from January to February 2025 and yielded 175 completed questionnaires from employees in the pharmaceutical sector. To achieve the greatest outcomes, the authors conduct the testing sequence which includes: Anderson & Gerbing, (1988) describes as Argon M orthogonal linear structure model analysis consisting of (i) Scale Test, where total alpha coefficient > 0.6 and corrected item – total correlation > 0.3; (ii) EFA: KMO evaluates measure appropriateness, 0.5 <= KMO <= 1, (Hair et al., 2006); (iii) CFA: Cmin/Df <= 5 (Bentler et al., 1980), TLI > 0.9 (Hu & Bentler, 1998) then CFI > 0.9 and NFI > 0.9 while (Bentler, 1980) also CFI > 0.9, then RMSEA < 0.05 (Browne & Cudeck, 1992); (iv) Equation: **SATI** = f (**SHAR, LEGA, MORA, CHAR)** Fig. 1 depicts framework of research.

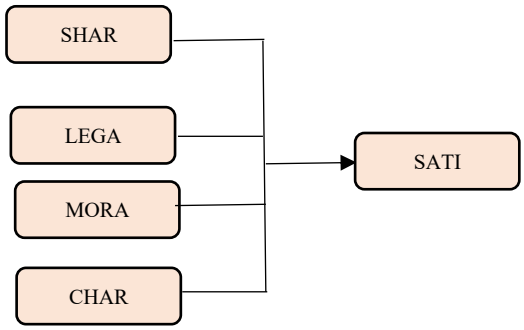

Fig. 1 Framework of Research

Source: Construction Author

Variables can be evaluated utilizing a 5-point Likert scale (Likert, 1932), one out of many possible responses that provide choices a respondent will select one and not multiple responses. Therefore, respondents who are fully dissatisfied will select 1, dissatisfied will select 2, neutral will select 3, satisfied will select 4, and fully satisfied will select 5. As approximated the linear form model was calculated based on size of sample from equation n=5*2i (here I denotes model's index). In compliance with what stated, calculation of the sample size n=50+8q (where q is the number of independent variables for the model). In this case, the sample size of 175 was set purely to meet the requirement. While entering survey data in the detail provided by the author in excel, the blank consists of the following statistics: if sorted by gender, 55 males (31.43%), 120 females (68.57%); sorted by age, 66 people aged 20-25 (accounting for 37.71%) to the age 25-30 years has 55 people (31.43%), followed by 22 from 30 to 40 (12.57%), 22 from 40-45 (12.57%), and 10 over 45 (5.72%). Analyzing the professional training qualifications, there are 15 people with intermediate level (accounting for 8.57%), 45 people with college level (accounting for 25.71%), and 109 with university degree (accounting for 62.29%), The remaining six are university level accounting which makes up 3.43%. By job position, there are three department heads (1.71%), nine heads (5.14%). Supervisors are 16 (9.14%) The rest are employees accounting for 84.01%. By years of experience, the 1-3 years classification has 102 (58.29%), 3-5 years have 45 (25.71%), 5-7 years has 21 (12%), and over 7 years has 7 (4%). Table I depicts the information:

TABLE I DESCRIPTIVE STATISTICAL ANALYSIS OF SURVEY PARTICIPANTS

No.	Sociodemographic Characteristics	Quantity	Percentage (%)
1	**Gender**		
	Male	55	31.43
	Female	120	68.57
2	**Age Group**		
	20-25 years old	66	37.71
	25-30 years old	55	31.43
	30-40 years old	22	12.57
	40-45 years old	22	12.57
	Above 45 years old	10	5.72
3	**Education Level**		
	Intermediate	15	8.57
	College	45	25.71
	University	109	62.29
	Postgraduate	6	3.43
4	**Job Position**		
	Department Head	3	1.71
	Team Leader	9	5.14
	Supervisor	16	9.14
	Employee	147	84.01
5	**Work Experience**		
	1-3 years	102	58.29
	3-5 years	45	25.71
	5-7 years	21	12.00
	More than 7 years	7	4.00

Source: Compiled from survey results.

Table I depicts a workforce structure skewed towards female employees, a predominantly young labor force under 25 years old, a majority with university-level education, and work experience primarily under three years.

Drawing from the foundational theories, the author designs the evaluation scale in the following manner shown in Table II.

TABLE II MEASUREMENT SCALE AND VARIABLES IN THE RESEARCH MODEL

No.	Code	Question	Source
I. Measurement Scale for Responsibility to Shareholders (SHAR)			
1	SHAR1	Maximizing earnings per share for shareholders' investment	(Bauman & Skitka, 2012), (Edmans, 2012),(Turcsanyi & Sisaye, 2013), (Droppert & Bennett, 2015), (Khaleel et al., 2017), (Min et al., 2017), (Mehralian et al., 2019), (Saxena et al., 2021)
2	SHAR2	Commitment to maximizing possible profits	
3	SHAR3	Ensuring a strong competitive position	
4	SHAR4	Maintaining high operational efficiency	
5	SHAR5	A company's success is measured by profitability	
II. Measurement Scale for Legal Responsibility (LEGA)			
6	LEGA1	Compliance with government regulations and laws	(Mehralian et al., 2016), (Azab, 2016), (Sharabati, 2018), (Obeidat et al., 2018),(Altheeb & Al-Louzi, 2020), (Luu, 2020), (Galiakbarova et al., 2022), (Citra et al., 2024)
7	LEGA2	Compliance with ministerial and interdepartmental regulations	
8	LEGA3	Being a model enterprise in legal compliance	
9	LEGA4	A successful company is one that complies legally	
10	LEGA5	Business operations meet legal requirements	
III. Measurement Scale for Business Ethics (MORA)			
11	MORA1	Conducting business in line with societal expectations and ethical standards	(Kabir & Parvin, 2011), (Mehralian et al., 2016),(Sharabati, 2018), (Yang et al., 2019), (Saxena et al., 2021)
12	MORA2	Constantly improving respect for ethical norms, morality, or societal expectations	
13	MORA3	Preventing actions that violate the company's ethical standards	
14	MORA4	A good company is defined by ethical business expectations	
15	MORA5	Integrity and ethical behavior should not be limited to legal compliance	
IV. Measurement Scale for Charity Activities (CHAR)			
16	CHAR1	Carrying out activities aligned with society's expectations for charity and humanitarian efforts	(Droppert & Bennett, 2015), (Raub, 2017)

17	CHAR2	Supporting charitable arts programs and encouraging management and employees to participate in local community volunteer activities	
18	CHAR3	Actively participating in and supporting nonprofit educational institutions	
19	CHAR4	Voluntarily supporting projects to improve the quality of life in local communities	
20	CHAR5	Supporting volunteer educational programs	
V. Measurement Scale for Employee Satisfaction (SATI)			
21	SATI1	Level of job satisfaction	Expert interviews
22	SATI2	If another organization offered better pay and conditions, would you switch jobs?	
23	SATI3	Desire to stay long-term with the company	
24	SATI4	Family life is closely tied to long-term engagement with the company	

Source: As described by the authors using the previously established frameworks.

The model was assumed to have 5 scales along with 24 variables of observation.

IV. Regression Model Review and Discussion of Results

* In this paper, the assessment of scale reliability has been done with the Cronbach alpha coefficient which is considered the most critical in evaluating trust. The reliability analysis result criterion for the variable making up the scale has alpha >0.7 and item-total correlation coefficient C > 0.3. Moreover, the nature of the observations SHAR5, LEGA5, MORA4, MORA5 is also taken into account from the scales. The last scales fulfill all the criteria set, requirements can be interpreted from Table III.

TABLE III FINDINGS ON SCALE EVALUATION FOR SPECIFIED VARIABLES IN SEM

Statistics of Item total					
Variance	**Mean With Scale If Item Removed**	**Variance With Scale If Item Removed**	**Total Correlation With Corrected Item**	**Cross Product of Correlation Dimension**	**Alpha of Cronbach's Coefficient on Scaled Data with Item Removed**
SHAR1	10.58	4.181	.718	.572	.852
SHAR2	10.20	5.168	.692	.495	.856
SHAR3	10.37	4.511	.829	.692	.801
SHAR4	10.45	4.704	.714	.532	.845
The Cronbach's Alpha value of **0.874** is greater than **0.7**, meeting the reliability testing requirement.					
LEGA1	11.07	2.862	.503	.307	.655
LEGA2	11.34	2.568	.470	.249	.681
LEGA3	11.28	2.473	.508	.357	.656
LEGA4	10.95	3.004	.585	.411	.629
The Cronbach's Alpha value of **0.716** is greater than **0.7**, meeting the reliability testing requirement.					
MORA1	7.67	3.122	.628	.504	.738
MORA2	7.50	3.346	.541	.344	.830
MORA3	7.49	2.934	.770	.606	.589
The Cronbach's Alpha value of **0.798** is greater than **0.7**, meeting the reliability testing requirement.					
CHAR1	15.13	10.128	.644	.557	.746
CHAR2	15.09	9.780	.673	.550	.735
CHAR3	15.25	10.359	.349	.154	.863
CHAR4	14.90	10.319	.728	.580	.728
CHAR5	14.96	10.312	.666	.524	.742
The Cronbach's Alpha value of **0.801** is greater than **0.7**, meeting the reliability testing requirement.					
SATI1	12.08	3.639	.684	.508	.795
SATI2	11.98	3.978	.678	.480	.796
SATI3	11.95	3.900	.699	.513	.786
SATI4	11.91	4.179	.639	.447	.812
The Cronbach's Alpha value of **0.840** is greater than **0.7**, meeting the reliability testing requirement.					

Source: SPSS 20 data

*** Discovery factor Scrutinization:** In this instance 175 is the sample size which falls below 350. The Absolute Value Selection Study computes to 0.3. FLC (Factor Loading coefficients) set above the lower basic 0.3 mark; Cumulative coefficient Verification of extracted variance, %Cumulatve coeff = 66.71% > 50%. As such offer the results of EFA. Synthesis of the model's scrutinization of discovery factor shown in Table IV.

TABLE IV SYNTHESIS OF THE MODEL'S SCRUTINIZATION OF DISCOVERY FACTOR

Bartlett's Test and KMO					
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.					.781
Bartlett's Test of Sphericity		Approx. Chi-Square			2995.184
		df			190
		Sig.			.000
Pattern Matrix[a]					
Variance	Component				
	1	2	3	4	5
SATI2	.853				
SATI1	.851				
SATI3	.802				
SATI4	.716				
SHAR3		.908			
SHAR1		.871			
SHAR4		.833			
SHAR2		.825			
LEGA4			.784		
LEGA1			.744		
LEGA3			.735		
LEGA2			.680		
MORA3				.904	
MORA1				.829	
MORA2				.785	
CHAR3					.762
CHAR5					.659
CHAR4					.615
CHAR2					.578
CHAR1					.456
Extraction Method: Principal Component Analysis. Rotation Method: Promax with Kaiser Normalization.					
a. Rotation converged in 6 iterations.					

Source: SPSS 20 statistics

* Each questionnaire should satisfy the empirical model validation requirements simultaneously fulfilling all of the following conditions: (i) Cmin/df; (ii) TLI; (iii) CFI; (iv) NFI; (v) RMSEA. Results of Model Regression Estimation shown in Fig. 2.

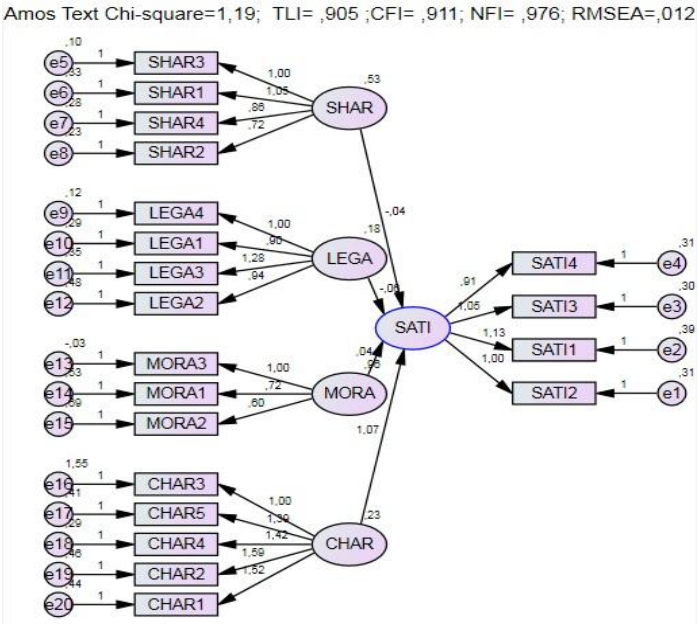

Fig. 2 Results of Model Regression Estimation

Source: AMOS 20 statistics

As noted in Table V, the framework functions utilizinf real information as it completed the necessary needs.

TABLE V MEASUREMENT AND MODEL FIT TESTING

No.	Measurement and Testing	Symbol	Reference Value	Model Value
1	Chi-square adjusted by degrees of freedom (Cmin/df)	x2/d.f (Cmin/df)	$x^{2/d.f} <= 5$ Cmin/df<=5	1,19
2	Tucker-Lewis Index (TLI)	TLI	TL>0,90	0,905
3	Comparative Fit Index (CFI)	CFI	CFI > 0.90 (closer to 1 is better)	0,911
4	Normal Fit Index (NFI)	NFI	NFI close to 1 is ideal	0,976
5	Root Mean Square Error of Approximation (RMSEA)	RMSEA	RMSEA < 0.05 is acceptable	0,012

Source: Author of statistics on the AMOS 20 appendix

Table VI illustrates acceptance of the H3 and H4 hypotheses, elements incorporated in framework are important and there are accepted hypotheses. Reject H1 and H2 as p-value more than 0.05.

TABLE VI OUTCOMES OF HYPOTHESIS

Hypothesis	Impact			Estimate	S.E.	C.R.	P	Label
H1	SATI	<---	SHAR	-0,04	0,028	-1,407	0,159	Rejected
H2	SATI	<---	LEGA	-0,059	0,052	-1,129	0,259	Rejected
H3	SATI	<---	MORA	0,039	0,02	1,973	0,048	Accepted
H4	SATI	<---	CHAR	1,074	0,179	5,986	***	Accepted

Source: Statistics on AMOS 20 software

Based on study's finding, we have determined that for pharmaceutical companies, the Business Ethics Responsibility Factor significantly influences employee satisfaction, demonstrated with p-value lesser to 0.05. This finding supports the work of (Kabir & Parvin, 2011), (Mehralian et al., 2016), (Sharabati, 2018), (Yang et al., 2019), (Saxena et al., 2021) wherein it also positively affects employee satisfaction in pharmaceutical companies with the same significance p-value less to 0.05. Outcomes align with (Droppert & Bennett, 2015), (Raub, 2017).

However, the shareholder responsibility factor and the legal liability factor do not have an important connection with employee satisfaction, unlike the research of (Leisinger, 2005), (Smith, 2008), (Bauman & Skitka, 2012), (Edmans, 2012), (Turcsanyi & Sisaye, 2013), (Droppert & Bennett, 2015), (Khaleel et al., 2017), (Min et al., 2017), (Mehralian et al., 2019), (Saxena et al., 2021) and studies of (Mehralian et al., 2016), (Azab, 2016), (Sharabati, 2018), (Obeidat et al., 2018),(Altheeb & Al-Louzi, 2020), (Luu, 2020), (Galiakbarova et al., 2022), (Citra et al., 2024).

V. POLICY CONSEQUENCES FOR MANAGERS OF PHARMACEUTICAL COMPANIES

Considering the outcomes from the regression model, the author suggests further steps for helping managers in the pharmaceutical industry as far as satisfying their employees is concerned in the following ways:

First, the *element of responsibility for business ethics of enterprises*. Overall, making a decision on any issue is a complex process. The processes by which business ethics issues are solved can be approached from different angles. One possible angle is that EDM (Ethical Decision Making) processes is a subfield of psychology.

The second approach focuses Regard the individual or organizational behavior concerning ethical problems and study their processes of making decisions is the area of research.

Process of EDM in business

a) **The "Inputs":** In decisions related to ethical issues, ethical issues act as "triggers" for the decision-making process. Direct inputs include (i) factors related to the psychophysiological characteristics of decision-makers (ii) the factor related to the decision-making situation.

b) **Making Decisions of an Individual:** Decisions between individuals about an issue in the same situation may vary widely, or a person's decision may change entirely due to a change or adjustment in a certain element in the process This approach can be described as follows:

- Someone, when acting
- For some reason
- To aim for something
- Will do it in some way

In order to have some kind of impact (to someone, to something). Applying this approach to the examination of the decision-making procedure involving ethical dilemmas, the framework of questions is called the Ethics Algorithm.

c) **"Outputs" and their Effects:** Feedback as described above offers another set of interfaces and therefore

becomes feedback relevant variables or outputs for each feedback cycle, which in turn form part of another decision making processes model. Behavior is captured within the output of a decision's context. The measurable effects of the processes performed lie in the actions taken (behavior) in relation to the stated goals and targets.

Second, the *element of charity activities*. Corporate philanthropy does not bring direct benefits in business, but does provide indirect benefits. Enterprises can make charitable contributions in cash or in kind, the time of employees, expertise, techniques, or certain assets of the enterprise.

This elaborate and comprehensive study shows that the CSR framework plays an important role in meeting employee satisfaction, thereby drawing values of global significance. The article has identified 2 factors, namely (i) the business ethics responsibility of enterprises and (ii) the responsibility of charitable activities that have an impact on retaining employees and meeting their satisfaction. The new findings show that pharmaceutical businesses need to strengthen philanthropic activities, build business ethics goals, and discuss the company's mission; encourage the development of teamwork. The limitation of the study is that it does not clearly classify the size of pharmaceutical enterprises, or the geographical classification of the region in which pharmaceutical enterprises do business.

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