EMPLOYEE CSR PERCEPTIONS AND ORGANISATIONAL IDENTIFICATION: AN EXAMINATION OF NOVEL ANTECEDENTS, PROCESSES, AND BOUNDARY CONDITIONS

By

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AUTHOR’S DECLARATION

I declare that the work in this dissertation was carried out in accordance with the requirements of the University's Regulations and Code of Practice for Research Degree Programmes and that it has not been submitted for any other academic award. Except where indicated by specific reference in the text, the work is the candidate's own work. Work done in collaboration with, or with the assistance of, others, is indicated as such. Any views expressed in the dissertation are those of the author.

SIGNED: .......................................................... DATE: ..................20/3/2019............................
DEDICATION

To the memory of my beloved father Charles Lythreatis
ACKNOWLEDGEMENTS

I would like to start by expressing my sincere gratitude to my supervisor, Dr Ahmed Mostafa. You believed in me and without you I would not be where I am today. I owe you a lot. You have been more than a supervisor to me. You have been an amazing mentor, friend and brother. I have learned so much from you. I am very lucky to have had the chance to be your student and to work with you. You have always pushed me to become better. Even though I sometimes did not understand why you pushed me so hard, I now know that you’ve always had my best interest at heart. Thank you for being patient and so caring. Thank you for your great guidance. I am truly blessed to know you and for that I thank God!

I would also like to thank my other supervisor, Professor Xiaojun Wang. I always feel relieved and positive after meeting with you. Thank you for being so patient with me, for guiding me, and for always reminding me to take care of myself and my health. I think I’ve had the best two supervisors anyone could have asked for, and I would choose you two all over again!

I would also like to thank my family. Mom, thank you for sacrificing many things so that I would be able to pursue this PhD. I feel that you have faced my PhD struggles with me since you worry about me so much. I want to thank my siblings and their families for their support and unconditional love and for taking care of my mom while she constantly worries about me! I love you all very much.

I would also like to thank my friends at University of Bristol with whom I have shared some fun times…and common struggles. Thank you Ahmed Pirzada, Niels, Ellen, Xiaoting, Dario, Manuel, Anisha, Jelena, Isabelle, Juan Pablo, Diego, Efthymis, and Samuel for your support. I wish you all the very best in your futures.
The relationship between corporate social responsibility (CSR) perceptions of employees and organisational identification (OI) has received a lot of attention in the literature given the importance of the OI construct in influencing the effectiveness of an organisation. However, little is known about factors that play a role in this relationship. Also, although employee CSR perceptions have been associated with positive employee outcomes, mainly OI, there is not much known about what leads to the formation of these perceptions. Therefore, this research aims to examine moderators and mediators in the relationship between employee CSR perceptions and OI as well as determine antecedents of these CSR perceptions, thus, creating processes that lead to OI. A meta-analysis of the relationship between employee CSR perceptions and OI is conducted and shows that tenure and national context moderate this relationship. A systematic review on antecedents of CSR perceptions and a review on CSR in the context of this research, the MENA region, are also presented. Additionally, two studies where data is collected from employees in SMEs in three countries in the MENA region and analysed using structural equation modelling and PROCESS macro are conducted. The findings from the sequential mediation model of the first empirical study show that pride in membership mediates the relationship between employee CSR perceptions and OI and that participative leadership is an antecedent of internal CSR perceptions of employees. The findings from the moderated mediation model of the second empirical study show that moral meaningfulness strengthens the relationship between employee CSR perceptions and OI and that servant leadership is an antecedent of employee internal CSR perceptions. This research, therefore, offers several contributions to the CSR, OI, and leadership literatures. It has several practical implications for managers that aim to attain OI from employees considering its powerful influence on the organisation’s success.
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STATEMENT OF CONTRIBUTIONS

Chapter 5 titled “Participative leadership and organisational identification in SMEs in the MENA region: Testing the roles of CSR perceptions and pride in membership” was published in Journal of Business Ethics with joint authorship of my PhD supervisors: Dr Ahmed Mostafa and Professor Xiaojun Wang, as:


The author of this thesis acted as sole researcher in terms of data collection and analysis, and the corresponding author of the paper. The statement of contributions of the authors is as follows and this declaration is jointly authorised by the signature of the parties below:

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CHAPTER 1
INTRODUCTION

1.1 Research Background

The concept of corporate social responsibility (CSR) has beheld an amazing dominance and renaissance over the years. Almost every organisation is, to some extent, involved in CSR, either directly or indirectly. This concept is considered an important goal for many firms that are continuously pressured to identify how they apply ethical and social standards in their business operations. The topic continues to inspire and incite meaningful amount of research (Aguinis & Glavas, 2017). Even though the term “CSR” remains widely used and is dominant in research and business practices, complementary concepts are found in the literature, such as “sustainability”, “business ethics”, and “corporate citizenship” (Bansal & Song, 2017; Carroll & Shabana, 2010).

Because CSR is a very broad theme with multiple disciplines, there is no scholarly consensus for its definition and numerous interpretations of the concept can be found in the literature (Farooq, Farooq, & Jasimuddin, 2014). A frequent definition, nevertheless, is that CSR refers to doing social good that goes beyond making profit and abiding by the law (McWilliams & Siegel, 2001). This thesis recognises the complexity surrounding the definition of CSR and looks at it as any social activity of the firm directed towards its different stakeholders that marks a purpose which goes beyond self-seeking interests (Turker, 2009).

CSR has been divided into different types in research. A popular and dominant classification of CSR divides the concept into two categories: internal and external. Internal CSR refers to
the social responsibility activities that are directed towards internal stakeholders (i.e., employees) and to the way the company operates internally (Basil & Erlandson, 2008; Cornelius et al., 2008). This can include having safety policies, non-discrimination policies, and clear statements on working hours (Welford, 2006). Many features in internal CSR cover human resources management practices related to staff composition, equal treatment, benefits, training, fair wage distribution, working hours, education, and health and safety (Berber et al., 2014; Jamali, El Dirani, & Harwood, 2015; Kockar & Bisht, 2014). The second CSR category, external CSR, includes activities directed towards external stakeholders or to a cause distinct from the firm (Basil & Erlandson, 2008). This category pertains to matters such as environment protection, volunteerism, philanthropy, and sponsorship of social events (El-Akremi et al., 2015).

Most research on CSR involves the firm’s responsibilities towards the external stakeholders, and therefore, there is less attention given to internal CSR (Cornelius, 2018). The reviews of the literature in this thesis focus on both external and internal CSR to broadly cover the concept. However, the empirical studies of this thesis focus on internal CSR activities for two main reasons. The first reason is that the studies are applied in the context of the Middle East and North Africa (MENA) region. The concept of external CSR remains incomplete in this region (Jamali et al., 2017; Munro, 2013). Although the MENA countries are known for philanthropy, that is only one tool of external CSR (Ahmad et al., 2016; Jamali & Neville, 2011). These countries show low environmental CSR initiatives and awareness and without this environmental aspect of CSR, external CSR is not ideal to be interpreted in these nations (Baughn, Bodie, & McIntosh, 2007; Shehadi et al., 2013). Additionally, other forms of external CSR such as ethical consumerism are also usually not a set phenomenon in most developing nations (Newell & Muro, 2006). The firms do not essentially look beyond their internal core matters since they are not pressured by the public to act responsibly (Shehadi et al., 2013).
Nevertheless, looking at CSR in the MENA region is interesting since the concept of CSR is still relatively new in that region and it has not yet been given efficient focus (Jamali et al., 2017).

The second reason why the focus is mainly on internal CSR in this thesis is because the research considers CSR perceptions of employees, defined as the degree to which the employees view that their company supports and engages in CSR practices (Choi & Yu, 2014; Lee, Park, & Lee, 2013). Employees are believed to form stronger feelings and more elaborate perceptions from organisational actions directed towards them rather than from actions directed towards other social groups (De Roeck et al., 2014; El Akremi et al., 2015; Gond et al., 2010; Jones et al., 2018). Thus, it is useful to differentiate between internal and external CSR and test different underlying processes related to each in employee-focused micro-level CSR research (Jones et al., 2018). Many scholars have recently taken on this internal-external approach to study employee CSR perceptions and some have considered internal CSR separately (e.g., Farooq, Rupp, & Farooq, 2017; Hameed et al., 2016; Scheidler et al., 2018).

Most research on CSR ‘perceptions’ so far has explored consumers’ perceptions (e.g., Hameed et al., 2016; Kim & Park, 2009; Lee, Park, & Pae, 2008) and some authors believe that employees have somewhat been neglected as a key stakeholder group (Glavas, 2016; Hameed et al., 2016). In the literature, employees have been considered the most imperative stakeholders as they have substantial power with which to influence the company (Greenwood, 2007; Turker, 2009). Nevertheless, more recent research has shifted to the focus on CSR perceptions of employees (e.g., De Roeck, El Akremi, & Swaen, 2016; Islam et al., 2018; Kim et al., 2018). Aguilera et al. (2007) believe that among the different stakeholder groups, employees constitute the group that is the most critical to any discussion of the roots and consequences of CSR. Employee CSR perceptions have been found to have stronger effects at
the individual level than CSR engagement or involvement (El Akremi et al., 2015; Glavas & Godwin, 2013; Rupp et al., 2013; Shin, Hur, & Kang, 2016). These perceptions have been linked to several desirable employee attitudes and behaviours, such as organisational commitment, organisational citizenship behaviour, job satisfaction, and job performance (e.g., Hoffman & Newman, 2014; Newman et al., 2016; Turker, 2009). Employee CSR perceptions have also been linked to organisational identification (OI; e.g., Farooq et al., 2014a; Kim et al., 2010; Newman et al., 2016). Derived principally from social identity theory (Tajfel & Turner, 1979), OI is the vision of an individual’s oneness and belongingness to a specific organisation so that the membership to that organisation becomes a significant part of the individual’s self-definition (Ashforth & Mael, 1989). Several studies have looked specifically at the link between internal CSR perceptions and OI and found a positive relationship (e.g., De Roeck et al., 2014; Farooq et al., 2017).

1.2 Research Needs, Motivation and Objectives

This section will reveal several gaps and research needs in the literature. It will also explain the motivation and objectives of this thesis.

1.2.1 A Comprehensive Investigation of the Relationship between Employee CSR Perceptions & OI: Its Boundary Conditions and Mechanisms

Investigating the relationship between CSR perceptions of employees and OI is important since it can be considered a way to predict the attitudes and behaviours of employees (Farooq et al., 2014). Not only has CSR perceptions been associated with positive employee outcomes, but OI has also been positively linked to various desirable employee outcomes, such as organisational citizenship behaviour, job satisfaction, organisational commitment, task performance, and employee retention (e.g., Chen et al., 2013; Edwards & Peccei, 2010; Turker, 2009; Van Dick et al., 2004). Since OI is considered a prominent concept which influences the
behaviours and attitudes of employees, it has the power to affect the effectiveness of the company (Farooq et al., 2014; Olkkonen & Lipponen, 2006; Van Dick et al., 2004). When employees strongly identify with the organisation, they are more likely to behave in line with the company’s interests, and thus, contribute positively to the organisation’s success (Albert et al., 2000; Kreiner & Ashforth, 2004; Van Dick et al., 2007; Van Knippenberg & Sleebos, 2006). Therefore, the investigation of the relationship between CSR perceptions and OI is critical.

Even though the majority of the studies examining the relationship between employee CSR perceptions and OI have found a significant positive relationship (e.g., Edwards, 2016; Evans & Davis, 2014; Shin et al., 2016), some studies have found that not all types of CSR have a significant effect on OI (e.g., De Roeck & Delobbe, 2012; Farooq et al., 2014; Kim et al., 2010; Newman et al., 2016). Additionally, De Roeck, El Akremi, & Swaen (2016) found that perceptions of overall CSR (not a specific type of CSR) do not have a significant effect on OI. The exact nature of the association of employee CSR perceptions with OI still lacks a full understanding, especially since CSR research continues to mature with its multiple dimensions. Authors call for a comprehensive examination of the association of CSR perceptions of employees with OI (e.g., Bauman & Skitka, 2012; Farooq et al., 2014; Glavas & Godwin, 2013). One of the objectives of this thesis is to answer this need by meta-analytically covering the relationship between employee CSR perceptions and OI, taking into consideration the association of different types of CSR (i.e., external and internal) with OI.

Since the link between employee CSR perceptions and OI is important, so is exploring different processes in this linkage. Most studies looking at CSR perceptions and employee outcomes focus on the direct relationship between the two instead of on the underlying mechanisms and boundary conditions through which CSR perceptions impact employee outcomes (Hameed et
Only a few mediators have been tested in the affiliation of employee CSR perceptions with OI, such as external prestige (e.g., De Roeck et al., 2016). Also, only a few boundary conditions have been considered in this relationship, such as local orientation, individualism, and employees’ calling orientation (e.g., Farooq et al., 2017; Hameed et al., 2016). There is a need to find other factors that explain the link between employee CSR perceptions and OI and to look at this relationship from alternative lenses to extend this area of research (De Roeck et al., 2014; Hameed et al., 2016). The objective of this thesis is to address this need by looking at pride in membership (PIM) as a mediator in the relationship between employee internal CSR perceptions and OI, in reference to the social identity theory (Tajfel & Turner, 1979). By doing so, the thesis also aims to answer research calls to investigate PIM in terms of the CSR literature and to study how pride influences OI (e.g., Ayse, Imran, & Triant, 2015; De Roeck et al., 2014; Tracy & Robins, 2007). Moreover, the thesis aims to address the calls to find boundary conditions in the relationship between employee internal CSR perceptions and OI by examining moral meaningfulness, which is the value placed on ethics in one’s work life (May & Luth, 2013), as a moderator in this relationship, in reference to the deontic justice theory (Folger, 2001). By doing so, this thesis also aims to answer research calls to determine possible moderators in the relationship between CSR perceptions and OI that are specifically related to individual differences (Gond et al., 2017) and to investigate meaningfulness in terms of the CSR literature (Aguinis & Glavas, 2017). The research also addresses the need to find boundary conditions in the association of CSR perceptions with OI by testing organisational tenure and national context as moderators in this association.

1.2.2 Antecedents of Employee CSR Perceptions

Studies linking CSR perceptions and employee work outcomes have been very beneficial in contributing to both theory and practice but have resulted in the relative neglect of the study of
antecedents of CSR (Gond et al., 2017). Since employee CSR perceptions have been linked to several desirable employee outcomes, including OI, determining what leads to positive CSR perceptions of employees is essential (Afslar et al., 2018; Glavas, 2016). A few studies have focused on determining antecedents of employee CSR perceptions (only 15 studies to be precise as revealed by the systematic review of antecedents of employee CSR perceptions conducted in Chapter 3 of this thesis). Therefore, there is a need to ascertain further drivers of employee CSR perceptions and there have been calls to determine more perceived CSR antecedents (e.g., Campbell, 2007; Lee et al., 2013; Tian, Liu, & Fan, 2015). One of the objectives of this thesis is to address this need by examining participative leadership and servant leadership as antecedents of employee internal CSR perceptions, in reference to the social information processing theory (Salancik & Pfeffer, 1978) and the human resource frame (Bolman & Deal, 2008).

Participative leadership is a leadership style which favours discussion and consultation over direction (Amabile et al., 2004) and is relatively a newcomer on the prospect of leadership research (Martin, 2015). This leadership style has been associated with employee work outcomes such as organisational commitment, job satisfaction, job performance, organisational citizenship behaviour, and team innovation (e.g., Chen at al., 2011; Huang et al., 2010; Miao, Newman, & Huang, 2014), but has not yet been linked to CSR and OI. Research calls for the examination of potential mediators in the association of participative leadership with the different employee elements as this profoundly lacks investigation (e.g., Hassan et al., 2013; Miao et al., 2014). An objective of the thesis is to fulfil this need by examining that participative leadership leads to internal CSR perceptions of employees which, in turn, lead to OI through PIM. Similarly, servant leadership, where the leader is both a servant and a leader at the same time and serving others’ needs constitutes the main priority of leading (Greenleaf, 1997), is portrayed as a theory with substantial potential (Serrat, 2017). There is a potent need for
research that features the core ideas learned from the writings of the servant leadership style until now (Van Dierendonck & Patterson, 2015). In spite of mounting interest from scholars, critics still mark the absence of rigorous processes, theories, and different methodological techniques in the servant leadership literature (Eva et al., 2018; Van Dierendonck & Patterson, 2015). Thus, this thesis addresses this need by examining that servant leadership leads to employee internal CSR perceptions which, in turn, lead to OI, moderated by moral meaningfulness.

1.2.3 Research Questions

This research intends to meta-analytically quantify the relationship between employee CSR perceptions and OI as well as determine new mechanisms and boundary conditions in this relationship. The research also intends to determine novel antecedents of internal CSR perceptions of employees and new processes that lead to OI. Accordingly, the thesis will answer the following three main research questions:

1. What is the exact nature of the relationship between CSR perceptions and OI?
2. What are the mechanisms and boundary conditions that are involved in the relationship between employee CSR perceptions and OI?
3. What are the antecedents of employee internal CSR perceptions?

Three main studies were developed to fulfil the mentioned research objectives. In each study, more specific research questions were formulated, as shown in Table 1.1.
Table 1.1: Research Questions of the Studies

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<td>3. What is the role of organisational tenure as a moderator on the relationship between employee CSR perceptions and OI?</td>
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<td>Study 2: Participative Leadership and Organisational Identification in SMEs in the MENA Region: Testing the Roles of CSR Perceptions and Pride in Membership</td>
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<tr>
<td>1. What is the role of PIM as a mediator in the relationship between internal CSR perceptions and OI?</td>
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<td>2. What is the role of participative leadership in the development of internal CSR perceptions of employees?</td>
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<td>Study 3: Linking Servant Leadership, Internal CSR Perceptions, Moral Meaningfulness, and Organisational Identification: A Moderated Mediation Model</td>
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<td>1. What is the role of moral meaningfulness as a moderator on the relationship between internal CSR perceptions and OI?</td>
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<td>2. What is the role of servant leadership in the development of internal CSR perceptions of employees?</td>
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1.3 Research Methodology

This section will describe the methodological decisions made in developing this research, including the type of research, the research design, the data collection process, the sample, and the data analysis techniques of each study.

1.3.1 Type of Research

From a philosophical perspective, there are different research paradigms such as the positivist, postpositivist, constructivist, critical, and poststructuralist paradigms (Hatch, 2002). Pertaining to the positivist paradigm, the ontology is that there is one single reality to be captured which is independent of all people if the right tool to measure it exists. Its epistemology is that knowledge and truth can be deducted through scientific knowledge. The ontology of the postpositivist paradigm is that there is a reality but there are also different assumptions that can be created. Its epistemology is that researchers work towards capturing close approximations of reality. The ontology of the constructivist paradigm, however, is that there are multiple
realities constructed and reality is what researchers agree upon. Its epistemology is that knowledge is constructed via researchers’ understandings. The ontology of the critical or feminist paradigm is that there is a difference in the world in terms of gender, class, and race, while its epistemology is that knowledge is subjective and political. Finally, the ontology of the poststructuralist paradigm is that reality is created within an individual’s mind to give meaning to a meaningless world. Its epistemology is that there is no truth to be known (Hatch, 2002).

Therefore, the research philosophy of this thesis is positivism. This thesis relies on the hypothetico-deductive research approach and scientific evidence that involve the development of hypotheses using existing theory followed by assessments to prove the formulated hypotheses (McGrath & Johnson, 2003; Saunders et al., 2012). The research is quantitative and the nature of the research design is explanatory since it focuses on ascertaining and explaining relationships among variables (Saunders et al., 2012).

1.3.2 Research Design

Besides this introductory chapter and the conclusion chapter at the end of this thesis, the research is divided into five chapters. Figure 1.1 shows the main purpose of each chapter as well as the analysis method adopted. Chapter 2 serves two main objectives. It comprises the existing literature review on the essence of this research, the relationship between employee CSR perceptions and OI. It is also one of the main studies in this thesis as it studies the nature of this relationship meta-analytically and tests factors that play a moderating role in this association. Chapter 3 serves the purpose of providing a comprehensive review of the antecedents of CSR perceptions as this thesis also concentrates on the drivers of the CSR-OI link. Chapter 4 serves the objective of reviewing the existing literature on CSR in the context of this research, the MENA region. Chapters 5 and 6 are the second and third studies in this
thesis, respectively. They study a new mechanism and boundary condition in the relationship between internal CSR perceptions of employees and OI as well as determine antecedents of employee internal CSR perceptions, thus, creating frameworks that lead to OI. Therefore, the literature review of this thesis consists of the first part of Chapter 2 and Chapters 3 and 4. The conducted studies consist of the second part of Chapter 2 and the two empirical studies Chapters 5 and 6.
Figure 1.1: Research Design Diagram
While the main data collection methods and data analytic strategies will be outlined in the following subsections, more detail about the data collection and analysis methods will be further discussed in later chapters when specific methods are adopted in individual studies.

1.3.3 Data Collection and Sample
As was explained in the above subsection and will be explained later in this chapter (in section 1.5), this thesis includes, besides a systematic review of the antecedents of CSR perceptions and a review of the CSR literature in the MENA region, a meta-analysis on the relationship between employee CSR perceptions and OI and two empirical studies in which data was collected from small and medium-sized enterprises (SMEs) in the MENA region.

In the meta-analysis, data was collected by a three-step sampling technique to determine the literature to be used in the study (Margolis & Walsh, 2003; Wang, Dou, & Jia, 2016). The first step included searching the different databases, such as EBSCOhost and Google Scholar, for articles of all dates that study the relationship between employee CSR perceptions and OI. The second step involved a manual search for specific journals that have consistently been ranked as the journals of the highest quality and influence in the management field. The third step comprised of looking at the references used by reviews of research previously published on CSR in order to determine any studies that might have been missed in the first two steps (e.g., Aguinis & Glavas, 2012; Gond et al., 2017). The final sample included 60 effect-size observations reported in 29 studies.

Similarly, for the systematic review, data was collected from different databases, such as EBSCOhost, by searching for studies of all dates that have considered antecedents of CSR. Since the main focus of the review is on an employee-centric perspective, the final set of studies pertaining to antecedents of CSR perceptions of internal stakeholders consisted of only 15 studies.
For the review of the literature of CSR in the MENA region, different databases were used to collect articles that have looked at CSR in that region. These articles were then scanned to see the way and the extent that the authors had approached CSR in their studies.

In the first empirical study, data was collected through a questionnaire that consisted of existing scales in the literature. The sample for this study included employees working for SMEs in three countries in the MENA region. Five companies in the United Arab Emirates (U.A.E.), seven companies in Lebanon, and five companies in Tunisia participated in the survey. A total of 260 returned questionnaires from the U.A.E., 268 from Lebanon, and 212 from Tunisia were usable.

In the second empirical study, a two-wave and a three-wave survey data were collected through a questionnaire, which also consisted of items from existing scales in the literature. The sample for this study also included employees working for SMEs in the U.A.E, Lebanon, and Tunisia. Eight companies in the U.A.E., ten companies in Lebanon, and seven companies in Tunisia participated in the survey. Data was collected at two separate times from employees in the U.A.E. and Tunisia, and at three separate times from employees in Lebanon, with one month between consecutive waves. The final sample included 217 matched responses from the U.A.E., 229 matched responses from Lebanon, and 202 matched responses from Tunisia.

1.3.4 Data Analytic Strategy

The meta-analysis was conducted using Stata. Meta-analysis is a useful technique of integrating empirical results of a particular relationship across several studies. It also helps in examining the existing state of knowledge of a specific topic considering the increasing number of online databases and journals (Stanley, 2001). Additionally, it has the ability to test the influence of different study characteristics on a specific relationship (Stanley, 2008).
In the first empirical study, structural equation modelling (SEM) was performed using Stata. This analysis method was chosen because of its strong capability to deal with latent variables and their observable indicators as well as provide the comparison of the model hypothesised to the empirical data by delivering the fit-statistics (Nachtigall et al., 2003). SEM is also recognised for simplifying mediation analysis since it tests different mediation hypotheses in only one analysis (MacKinnon, 2008).

In the second empirical study, PROCESS macro developed by Preacher & Hayes (2004) was used. The selection of this method is based on its strong ability to deal with both mediation and moderation as well as moderated mediation models (Hayes, 2017). This method has lately been replacing more traditional approaches to mediation such as Baron & Kenny’s (1986) mediation test and is able to deliver many capabilities of the SOBEL test in a single command (Deery, Walsh, & Zatzick, 2014; Preacher & Hayes, 2004).

1.4 Significance of the Research

The thesis makes several contributions to the literature. This section will highlight its contributions to the CSR, OI, and leadership literatures.

1.4.1 Contribution to CSR-OI Literature

The thesis contributes to the CSR and OI literature as it meta-analytically covers the relationship between employee CSR perceptions and OI. It is also, to the best of my knowledge, among the first meta-analyses that consider the micro level analysis of CSR. Although meta-analysis has become a broadly recognised technique in the management field (e.g., Joshi, Liao, & Roh, 2011; Judge & Ilies, 2002), meta-analyses on CSR and its outcomes are rare in the literature. To date, the meta-analyses that have been conducted concerning CSR and its consequences reflect only on the organisational level of analysis. Most of these analyses have
considered the relationship between CSR and corporate financial performance (e.g., Margolis, Elfenbein, & Walsh, 2007; Orlitzky et al., 2003; Quazi & Richardson, 2012; Wang et al., 2016). To add to this, the meta-analysis in this research investigates the curvilinear moderating effect of organisational tenure on the CSR-OI link. Although tenure has been linked to OI (Kreiner & Ashforth 2004; Stinglhamber et al. 2015), the literature lacks a three-way relationship between CSR perceptions, tenure, and OI. Moreover, the meta-analysis in this thesis considers how national context can influence the CSR and OI linkage. This is important as comparative research based on different national contexts is relatively lacking but called for in the CSR literature (Campbell, 2007; Quazi & Richardson, 2012; Visser, 2008; Wang et al., 2016).

Another way the research contributes to the CSR and OI literature is by testing different mechanisms and boundary conditions in the relationship between internal CSR perceptions of employees and OI (De Roeck et al., 2014; Hameed et al., 2016). By testing PIM as a mediator, the research also contributes to the psychology of emotions literature since it aims to demonstrate how employees’ PIM can be experienced and how it can affect their identification (Ayse et al., 2015; De Roeck et al., 2014). Additionally, by testing moral meaningfulness, which is a relatively new construct that has been overlooked to date, as a moderator in the CSR-OI relationship, this research contributes to the positive psychology literature as it identifies how positive principles within an institution (i.e., internal CSR) can lead to stronger individual experiences at work, such as OI, in the presence of an internal psychological component that strengthens this relationship (Seligman & Csikszentmihalyi, 2000). The examination of moral meaningfulness also makes a theoretical contribution to the deontic justice theory (Folger, 2001) by using it to explain the connection among novel variables.
1.4.2 Contribution to CSR & Leadership Literatures

This research makes a further contribution to the CSR literature because, unlike other existing reviews on CSR, it provides a review on antecedents of CSR with a detailed focus on the recent literature on the antecedents of CSR perceptions, particularly those of organisational employees. This thesis, therefore, expands prior micro-CSR research (e.g., Glavas, 2016; Rupp & Mallory, 2015; Turker, 2018). It offers extensions to help advance CSR models that have focused only on one side of the concept (i.e., its consequences). Another way that this research contributes to the CSR literature is by determining new antecedents of employee internal CSR perceptions (Campbell, 2007; Lee et al., 2013; Tian et al., 2015). It uniquely suggests that participative leadership and servant leadership are antecedents of employee internal CSR perceptions, thus also contributing to the leadership literature. The few studies that have associated leadership with CSR so far have mainly focused on the ethical, transformational, and transactional leadership styles (e.g., Groves & La Rocca, 2011; Tian et al., 2015; Zhu, Sun, & Leung, 2014). CSR can provide the perfect context for the servant leadership and participative leadership concepts, which are not commonly discussed in fields outside leadership, to mature, especially that critics note the absence of rigorous processes and theories pertaining to these leadership styles (Christensen, Mackey, & Whetten, 2014; Martin, 2015; Van Dierendonck & Patterson, 2015). The examination of participative and servant leadership styles as antecedents of internal CSR perceptions also makes a theoretical contribution to the social information processing theory (Salancik & Pfeffer, 1978) by using it in the employment context and in the connection of new constructs.

1.4.3 Contribution to Leadership-OI Literature

By looking at the processes that link participative and servant leadership styles to OI, this research contributes to the stream of literature that studies the association of different leadership styles with OI as well as to the stream of literature that has started to examine
participative leadership with various employee outcomes. The contribution to the OI literature here is seen through the exploration of novel designated processes that lead to increased OI (Gond et al., 2017). The contribution to the leadership literature and to the development of participative and servant leadership theories is marked through the provision of frameworks for these leadership theories to further grow (Christensen et al., 2014; Miao et al., 2014; Van Dierendonck, 2011).

1.4.4 Empirical Contribution

This research makes an empirical contribution to the CSR literature by looking at CSR perceptions in the context of SMEs in the MENA region. An evident shift to the involvement of SMEs in CSR can be found in the literature and it has helped expand the core of the CSR theory, especially since SMEs are considered a significant base for the attainment of a prosperous growth in the economy (e.g., Lee, Herold, & Yu, 2016; Sancho, Jorge, & Madueño, 2017). However, the empirical knowledge on CSR in SMEs in the MENA region is virtually non-existent (Jamali et al., 2017). The concept of CSR in the MENA countries is still relatively new and remains to be a growing phenomenon that has not yet been given efficient focus (Jamali et al., 2015). This thesis is therefore sited at the intersection of the fairly neglected aspect of CSR research, focusing on CSR in SMEs in the MENA region. Moreover, by testing models of servant leadership and participative leadership in three countries in the MENA region, this research also makes a valuable empirical contribution to the cross-cultural applicability of these leadership styles (Martin, 2015; Van Dierendonck et al., 2017).

1.5 Structure of the Thesis

Besides this introductory chapter, this thesis consists of six other chapters.

Chapter 2 is a meta-analysis of the relationship between CSR perceptions of employees and OI which reveals that there are variations in the CSR-OI link and proposes the existence of
mechanisms and boundary conditions worthy of investigation. It examines the curvilinear moderating effect of organisational tenure and the moderating effect of national context on the relationship between employee CSR perceptions and OI.

**Chapter 3** is a systematic review on the antecedents of employee CSR perceptions which reveals a clear need to determine further drivers of CSR perceptions. This review starts with a broad outlook at the articles that have determined drivers of CSR and subsequently provides a detailed focus on the recent literature that has determined antecedents of CSR perceptions, particularly those of organisational employees. The final sample consisted of 15 studies.

**Chapter 4** is a literature review that explores relevant work on CSR in the MENA region and shows the relative lack of empirical research pertaining to this concept in this area, both in terms of the antecedents and consequences of CSR. It provides an explanation of the current state of CSR understanding in the MENA countries and establishes the research context of this doctoral thesis.

**Chapter 5** is an empirical study that tests a sequential mediation model of the process linking participative leadership to OI. Drawing on social information processing theory and social identity theory, it proposes a novel antecedent of internal CSR perceptions (participative leadership) and tests a mechanism (PIM) in the relationship between employee internal CSR perceptions and OI.

**Chapter 6** of the thesis is another empirical study that tests a moderated mediation model of the process linking servant leadership to OI. Drawing on social information processing theory, the human resource frame, social identity theory, and deontic justice theory, it proposes another novel antecedent of internal CSR perceptions (servant leadership) and tests a moderator (moral meaningfulness) in the relationship between internal CSR perceptions of employees and OI.
Finally, **Chapter 7** provides a general discussion and conclusion of the thesis. It includes a summary of the main research findings, key contributions of the research, managerial implications, limitations and future research directions.
CHAPTER 2
THE RELATIONSHIP BETWEEN CSR PERCEPTIONS AND ORGANISATIONAL IDENTIFICATION:
A META-ANALYSIS

2.1 Introduction

The unceasing awareness of social responsibility continues to inspire and stimulate a meaningful amount of research. The subject of corporate social responsibility (CSR) has progressed immensely from being an ideology to becoming a reality that is identified as one of the most imperative goals for many companies that are constantly pressured to express how they apply social and ethical standards in their businesses (Aguinis & Glavas, 2012). Umpteen definitions of CSR can be found in the literature, but one frequently used definition refers to the concept as doing social good that goes beyond merely making profit and abiding by the law (McWilliams & Siegel, 2001). Although the term “CSR” remains to be widely used and is dominant in research and business practices, complementary concepts have emerged, such as “sustainability” and “business ethics” (Carroll & Shabana, 2010).

Research in CSR has shown that the concept is positively concomitant with several desirable outcomes, both at the macro and micro level. The macro level of analysis is prepotent in CSR research and has focused on organisational outcomes such as a firm’s financial performance (e.g., Soana, 2011; Surroca, Tribbo, & Waddock, 2010). The micro level, nevertheless, is less manifested in the CSR literature and has focused on individual outcomes such as organisational commitment and organisational identification (e.g., Kim et al., 2010; Turker, 2009a). It has
been argued that CSR perceptions held by employees are prominent and sufficient in determining individual responses as these perceptions may have a stronger influence on employees’ reactions than the actual behaviour of the company (Glavas & Godwin, 2013; Rupp et al., 2006; Shin et al., 2016). It has explicitly been contended that CSR perceptions of employees play a bigger role in influencing organisational identification (OI) than the reality of a firm’s engagement in CSR (Glavas & Godwin, 2013). OI refers to the vision of an individual’s oneness and belongingness to a specific organisation so that the membership of that organisation becomes a significant part of the individual’s self-definition (Ashforth & Mael, 1989).

The focus of this chapter is a meta-analysis of the relationship between employee CSR perceptions and OI. There are several reasons behind conducting this meta-analysis. First, exploring the association of CSR perceptions with OI can be considered a way to predict the attitudes and behaviours of employees (Farooq et al., 2014a; Van Knippenberg & Sleebos, 2006). OI has been positively linked to various desirable employee outcomes, such as organisational citizenship behaviour, task performance, job satisfaction, and organisational commitment (e.g., Edwards & Peccei, 2010; Turker, 2009a; Van Dick et al., 2004). When employees identify with the organisation, they are more likely to behave in line with the company’s interests and therefore contribute positively to the organisation’s success (Van Dick et al., 2007; Van Knippenberg & Sleebos, 2006). Hence, knowledge about what leads to increased OI is critical. Second, the use of meta-analysis to calculate the overall effect attributed to CSR perceptions is promising, considering the increasing number of articles that quantitatively explore the link between CSR perceptions of employees and OI. Third, while most studies have found a significant and positive link (e.g., Edwards, 2016; Evans & Davis, 2014; Shin et al., 2016), other studies have found that not all types of CSR have a significant effect on OI (e.g., De Roeck & Delobbe, 2012; Kim et al., 2010; Newman et al., 2016). The
exact nature of the association of CSR with OI still lacks a full understanding, especially that CSR research continues to grow with its multiple dimensions. For this reason, a comprehensive study is required to understand in what way perceived CSR and OI are related (Bauman & Skitka, 2012; Farooq et al., 2014a; Glavas & Godwin, 2013).

A few papers have provided reviews regarding the existing body of literature on CSR that have helped in demarcating a thorough picture of CSR (e.g., Aguinis & Glavas, 2012; Carroll & Shabana, 2010; Lee, 2008). Nevertheless, conducting a meta-analysis, which has become a broadly recognised technique in the management field (e.g., Joshi et al., 2011; Judge & Ilies, 2002), of the relationship between CSR perceptions and OI makes several contributions to the CSR and OI literature. Meta-analyses on CSR and its outcomes are rare. To date, the meta-analyses that have been conducted concerning CSR reflect on the organisational level of analysis. Most of these analyses have considered the relationship between CSR and financial performance (e.g., Margolis et al., 2007; Orlitzky et al., 2003; Wang et al., 2016). This chapter, however, examines the empirical findings of different studies in a meta-analytic framework that considers the micro level analysis of CSR. It also uses subgroup analyses to study the relationship between different types of CSR and OI and to investigate how specific study characteristics, organisational tenure and national context, may influence the relationships. Although tenure has been linked to OI (Kreiner & Ashforth 2004; Stinglhamber et al. 2015), the literature lacks a three-way relationship between CSR perceptions, organisational tenure, and OI (Hameed et al., 2013). This study will examine both linear and non-linear (i.e., curvilinear) moderating effects of organisational tenure on the CSR-OI link. Moreover, comparative research based on different national contexts is lacking but called for in the CSR literature (Campbell, 2007; Quazi & Richardson, 2012; Visser, 2008; Wang et al., 2016). This chapter will attempt to address this as a meta-analysis can aggregate empirical findings across different contexts (Wang et al., 2016).
2.2 Theory and Hypotheses

2.2.1 Types of CSR

The CSR literature is considered unevenly split as scholars look at CSR through diverse conceptual or disciplinary lenses (Aguinis & Glavas, 2012). As research in CSR is continuously growing and remains vastly fragmented, the concept has been changing in its meaning and term (Lee, 2008). For example, another term that has been widely used to refer to a company’s social responsibility is “corporate citizenship” (Carroll & Shabana, 2010; Maignan & Ferrell, 2000). Moreover, Turker (2009b) refers to CSR as the corporate activities that mark purposes beyond economic interests and intend to impact the different stakeholder groups. He divides CSR activities into four categories: CSR directed towards social and non-social stakeholders (i.e., community and environment), CSR directed towards employees, CSR directed towards customers, and CSR directed towards the government.

Aguinis & Glavas (2013) suggested a new conceptualisation to simplify the assorted research concerning CSR. They divided the concept into embedded and peripheral CSR. Embedded CSR refers to CSR activities that are integrated within a company’s daily routines, operations, and strategy and thus impact all employees. Conversely, peripheral CSR refers to CSR activities that are not incorporated within the company’s operations and strategy but are separate from the company, such as volunteering and philanthropy. A similar CSR classification is dominant in the literature. The classification divides CSR into two categories: internal and external CSR (Basil & Erlandson, 2008; Brammer, Williams, & Zinkin, 2007; Cornelius et al., 2008). Internal CSR comprises of the organisational activities related to the internal stakeholders (i.e., employees) and to the way that the company operates internally (Basil & Erlandson, 2008). These activities are directed towards the employees’ well-being, health, and safety. They represent actions that show concern for equal opportunities, justice, employees’ training, and work-life balance (Vives, 2006). Human resources management
(HRM) is a leading component of internal CSR (Kochar & Bisht, 2014). Two important dimensions of socially responsible HRM include employee oriented HRM, which is directed towards protecting employees and enhancing their welfare, and legal compliance HRM, which is the adoption of practices which assure that companies are compliant with legislation on minimum wage, working hours, child labour, health and safety, and equal employment opportunity (Newman et al., 2016; Shen & Zhu, 2011).

External CSR, nonetheless, comprises of the organisational activities directed towards external stakeholders or a cause that is distinct from the organisation (Brammer et al., 2007; Cornelius et al., 2008). This category is mainly concerned with matters such as philanthropy, environment protection, volunteering programmes, sponsorship of social events, and justice of the company towards external stakeholders (Dunford et al., 2015; El Akremi et al., 2015; Lamm, Tosti-Kharas, & King, 2015). Additionally, green HRM has been related to external CSR as it is believed to be a vital organisational tool in the implementation of a company’s green initiatives (Shen, Dumont, & Deng, 2016). An example of green HRM may be raising green awareness within the organisation to incite employee green behaviour which will assist the company in accomplishing its external green goals (Renwick, Redman, & Maguire, 2013). Many studies have adopted this internal-external CSR approach to study employee CSR perceptions, considering either both categories or only one of them (e.g., De Roeck et al., 2014; Hameed et al., 2016). Because of the dominance of this classification in CSR research, in addition to looking at studies that have considered a general overall CSR construct, this meta-analysis will also look at the studies that have classified CSR into internal and external CSR separately.

2.2.2 CSR Perceptions and OI

A significant amount of literature has accentuated the importance of exploring CSR perceptions as a strategic tool to enhance the relationships between an organisation and its relevant
stakeholders (Bhattacharya, Korschun, & Sen, 2009; Flammer & Luo, 2017). Some authors consider employees to be the most important stakeholder group because they possess the power to influence the organisation drastically (e.g., Greenwood, 2007; Turker, 2009a). The increasing number of studies linking CSR perceptions to employee outcomes, mainly OI, demonstrates the significance of employees as stakeholders (McWilliams & Siegel, 2001; Turker, 2009a). OI has been viewed as an illustrious component that influences the assorted attitudes and behaviours of employees, ultimately affecting the effectiveness of the company (Kreiner & Ashforth, 2004; Van Dick et al., 2004).

The existing literature reveals that the social identity theory (SIT; Tajfel & Turner, 1979) is considered one of the most dominant frames for explaining the relationship between employee CSR perceptions and OI (e.g., De Roeck et al., 2016; Gond et al., 2010; Kim et al., 2010). SIT explains that individuals acquire their social identity from their membership in different groups (Ashforth & Mael, 1989). They classify themselves into different social groups and perceive their membership in a specific group based on specific social factors (Tajfel & Turner, 1985). Membership in an organisation is the most significant factor of an employee’s social identity (Hogg & Terry, 2001). According to Ashforth & Mael (1989), OI is an explicit type of social identification where the employees define themselves in terms of their membership of a specific organisation. SIT forms the roots of OI by explaining that an individual has two motives for identifying with a certain group. The primary motive is the need for self-categorisation and the second motive is the need for self-enhancement (Tajfel & Turner, 1985). The former represents a reduction in uncertainty that the identification collectively offers and the latter pertains to the enhancement of the sense of self-esteem (Ashforth, Harrison, & Corley, 2008; Smidts, Pruyn, & Van Riel, 2001). Employees assess their self-esteem through the social status of their organisation (Tyler, 1999) and this may explain why they would identify with an organisation that has an identity which boosts their self-worth and self-concept and meets
their need for self-appreciation and self-enhancement (Tajfel & Turner, 1985). An organisation that displays ethical standards is more likely to be identified with, especially if these standards are in line with those of the employees’ (Bauman & Skitka, 2012; Gond et al., 2010). Turker (2009) asserts that when employees perceive that the organisation applies ethical, social, and environmental standards, their identification with the company will increase because they will value their organisational membership more.

Even though SIT has provided the theoretical basis for OI, social exchange theory (SET; Blau, 1964) has also been used to explain the relationship between employee CSR perceptions and OI (e.g., Newman et al., 2016). SET involves interactions that create obligations which are usually contingent on the behaviour of another person (Blau, 1964). These interactions can potentially generate high-quality affiliations (Cropanzano & Mitchell, 2005). When individuals feel that they are receiving positive treatment from another party and obtaining economic or socio-emotional resources, they are more likely to reciprocate (Gould-Williams, 2007). In an employment context, SET posits that when employees perceive fulfillment from their company, they feel an obligation to reciprocate the company. This reciprocation can take the form of investing psychologically in the organisation and ultimately experiencing certain valuable responses, such as OI (Cropanzano & Mitchell, 2005; He et al., 2014; Jones, 2010). Accordingly, if employees perceive fulfillment from the company’s CSR efforts, they are more likely to experience OI (Sheel & Vohra, 2016). In addition to this, several researchers have adopted both the SET and SIT together to attempt to explain the association of CSR perceptions with OI (e.g., Brammer et al., 2015; Gond et al., 2010; Newman et al., 2016).

Despite many studies and various theoretical frameworks that link employee CSR perceptions to OI, the literature regarding this association remains inconclusive (Bauman & Skitka, 2012; Farooq et al., 2014a; Glavas & Godwin, 2013). Although most studies have found a significant
and positive relationship between CSR perceptions of employees and OI (e.g., Edwards, 2016; Evans & Davis, 2014; Shin et al., 2016), several studies have found an insignificant relationship between the perceptions of several types of CSR and OI (e.g., Farooq et al., 2014a; Kim et al., 2010; Newman et al., 2016). For example, Farooq et al. (2014a) found that even though the perceptions of CSR directed towards the community, employees, and consumers are positively associated with OI, perceptions of CSR directed towards the environment do not have a significant effect on OI. Additionally, De Roeck & Deobbe (2012) reported that environmental CSR perceptions are not significantly associated with OI. Moreover, De Roeck et al. (2016) found that overall CSR perceptions (not a specific type of CSR) do not have a significant effect on OI. Nevertheless, in line with the SIT and SET (Blau, 1964; Tajfel & Turner, 1979) and with most of the existing literature, a positive and significant relationship between employee CSR perceptions and OI is expected to be found in this meta-analysis.

*Hypothesis 1:* CSR perceptions of employees will be positively related to OI.

### 2.2.3 Organisational Tenure as a Moderator

There is logic behind the belief that OI becomes stronger in the long-term once the individual has spent plenty of time with the company (Riketta, 2005). Employees may attain increasing benefits that come with seniority (Gibson & Klein, 1970). In addition to this, as time passes, the company’s goals and main qualities are intertwined in the individual’s self-concept (Dutton, Dukerich, & Harquail, 1994; Hameed et al., 2013). When employees spend a longer time with the company, a bigger part of their needs tends to be satisfied since they develop stronger connections within the company and hence are more likely to identify themselves with that firm (March & Simon, 1958). Moreover, Hameed et al. (2013) argue that when employees have a longer organisational tenure, feelings of prestige and respect become stronger and this may potentially increase their OI. The reasoning that organisational tenure strengthens OI can be
based on social capital theory (Bourdieu, 1986; Putnam, 1995). The theory refers to attributes of an effective social group that include interpersonal relationships, shared values and understanding, and a shared sense of identity. Individuals with a longer tenure are more likely to attain a greater amount of social capital (Szreter, 2000). These individuals tend to have formed stronger social links with people within the organisation (Slaughter, Ang, & Boh, 2007). Thus, it can be predicted that the relationship between CSR perceptions and OI will be stronger for individuals with a longer organisational tenure.

However, an opposite prediction can also be made concerning the linear moderating effect of organisational tenure on the CSR-OI link. It is believed that employees who have been with the company for a long time may develop stress, boredom, and unfavourable perceptions of their work environment as time passes, which may reduce their identification with the company (Hameed et al., 2013; Kass, Vodanovich, & Callender, 2001). These employees are also more likely to eventually undergo burnout and feel less driven to work (Wright & Bonett, 2002). When an individual begins to experience feelings of boredom and burnout, staying longer with the organisation tends to augment these feelings (Hameed et al., 2013). According to Super’s (1980) life-span, life-space approach to career development, individuals pass through different stages of career development over their life span. In their early-career days, they are keen to explore new things, learn a wide range of new skills, and build relationships inside and outside of work. They are also happy to progress to new levels of responsibilities. In their mid-career days, their main interests are to maintain their self-concepts, preserve their career successes that they obtained in earlier years, and acquire a healthier work-life balance (Williams & Savickas, 1990). In their late-career days, they tend to disengage themselves from their work environment. At this stage, they care more about personal life activities and family involvement rather than work activities. They might interpret a long tenure as a desecration of the psychological contract and consequently begin doubting their feelings of collective values and
identification with the company (Adler & Aranya, 1984). Thus, a longer organisational tenure might weaken OI as time passes.

Based on the above, this study assumes that the effect of organisational tenure is not always linear. There is some work in the literature which suggests that a non-linear (i.e., curvilinear) moderating effect is possible (e.g., Ng & Feldman, 2010; Peter & Hull, 1969). This meta-analysis contends that initially, as tenure increases, the effect of CSR perceptions on OI is strengthened, and after a specific level of tenure, referred to as the inflection point (i.e., medium tenure), this impact begins to weaken. Henceforth, the following hypothesis is developed:

*Hypothesis 2:* The relationship between CSR perceptions and OI will be stronger for employees with a longer organisational tenure till medium tenure and after that this association will be weakened.

**2.2.4 National Context as a Moderator**

Because efficient market supervision, media exposure, and diverse information channels exist in developed nations, stakeholders can easily and efficiently obtain accurate information about a company’s social behaviour (Wang et al., 2016). Responses to this available information can have positive outcomes. First, if the firm is revealed to be actively engaged in CSR to the public, external stakeholders may develop positive perceptions of the firm’s CSR efforts (Gond et al., 2010). Consequently, the internal stakeholders will feel proud to be members of an organisation that is known for its positive CSR standing (Jones, 2010). Second, because information about a firm is effortlessly available for the public in many developed nations, firms are constantly pressured to practise CSR, which will most likely result in CSR engagement and thus positive CSR perceptions of employees (Kim et al., 2010). This notion relates to the differentiation advantage in Porter’s sustainable competitive advantage model. Firms aim to be differentiated based on distinctive characteristics that help the firm create value.
in the eyes of the stakeholders. CSR is progressively being applied to show distinctive attributes and yield competitive differentiation opportunities for competitive positioning in a company’s communication channels (Becker-Olsen, Cudmore, & Hill, 2006). Hence, firms can pursue the advantages of showing CSR efforts and establish reinforcing relations with stakeholders (Porter & Kramer 2006). Stakeholders’ identification with an organisation emanates from people reckoning the distinctiveness of the characteristics of the organisation (Dutton et al., 1994; Van Knippenberg & Van Schie, 2000).

However, the situation is quite different in developing countries where CSR engagement is, generally, lax (Campbell, 2007; Gugler & Shi, 2009). With a lack of proper media exposure, information channels, and market supervision, any CSR efforts of a company may be left unnoticed. According to Arli & Lasmono (2010), stakeholders in developing nations, unlike in developed nations, are usually unaware of CSR initiatives. Additionally, firms in a developing context are generally not pressured to show any engagement in CSR, especially that many developing nations have a lot of ongoing corruption and lack of effective governmental regulations (Jamali & Karam, 2016; Wang et al., 2016). Many governments in the developing world are incapable of creating the kind of regulatory structures that could stimulate CSR. CSR in developing countries is less politically entrenched than in developed countries (Logsdon, Thomas, & Van Buren, 2006). For this reason, it can be easy for firms in a developing context to act irresponsibly without having to worry about potential risks. Thus, the level of economic development of a nation can influence the efforts of CSR (Fernando & Lawrence, 2015). Accordingly, the following hypothesis is proposed:

*Hypothesis 3a:* The relationship between CSR perceptions and OI will be stronger for firms in developed nations than for firms in developing nations.
According to Jamali (2014), developed nations look at CSR differently than developing nations because the concept of CSR is still relatively new in many developing nations. There is a difference in the ideas of what CSR should accomplish among developed and developing nations, which may be due to different intensity of CSR interest or dissimilar levels of CSR advocacy and awareness raising (Jamali, 2007). Even though there have been some effects from developed nations that pushes towards homogeneity of defining and practising CSR, the concept remains to be explained and practised differently in different contexts (Fernando & Lawrence, 2015). In a developing-national context, there are some unique CSR challenges and the understanding of a CSR agenda tends to be fairly limited (Gugler & Shi, 2009; Visser, 2008). In such a context, external CSR remains hard to define since it does not constitute a priority for businesses. Although philanthropy is common in many developing nations as it can be linked to religion, it is only one tool of external CSR (Jamali & Neville, 2011). The companies do not essentially look beyond their internal core matters since they are not pressured by the public to act responsibly (Shehadi et al., 2013). Nothing shifts the role of businesses towards accepting greater responsibility for environmental matters as the regulation of a company’s environmental effects is usually less strict in developing nations (Visser, 2008). Whereas in a developed-national context, external CSR is considered a given and often a top priority for businesses (Jamali, 2007). Fernando & Lawrence (2015) found that a developing country lacks environmental consciousness in comparison to a developed nation. Moreover, other forms of external CSR such as ethical consumerism is also usually not a set phenomenon in developing countries (Newell & Muro, 2006). Building on this reasoning, external CSR perceptions are expected to have a stronger effect on OI in a developed-national context.

**Hypothesis 3b:** The relationship between external CSR perceptions and OI will be stronger in a developed-national context compared to a developing-national context.
Internal CSR perceptions are, however, expected to have a stronger effect on OI in a developing-national context. An example of why internal CSR may have a stronger effect in developing countries can be explained by the boundary theory (Ashforth, Kreiner, & Fugate, 2000; Nippert-Eng, 1996). The theory deals with the flexibility of the boundary among domains and the capability of one domain to expand in order to satisfy the demands of another domain. It also deals with permeability, which represents the degree to which one domain can cross another. The theory can be applied to explain the importance that individuals allocate to their job and their home and the smoothness and fluency of moving between their different roles (Clark, 2000; Nippert-Eng, 1996). Boundary management can be viewed from both an individual and organisational perspective. The individual perspective deals with the strategies that people apply to coordinate between their family and work roles, while the organisational perspective deals with practices within the company that aid employees in addressing both family and work roles, like having a flexible work schedule to maintain a healthy work-life balance. These are all examples of internal CSR initiatives (Vives, 2006). When managers show support for family demands, they allow these demands to cross the work domain (Hammer et al., 2009). Family is exceptionally essential in every society. Nevertheless, in many developing nations, both the nuclear and extended family come as the top priority for individuals and the family is viewed as the foundation of society. Family and work roles are thoroughly interconnected. The duty towards the family is extremely important and influences the employment environment drastically (Budhwar & Debrah, 2013). An individual’s work is seen as an obligation for the service of the family. Work achievements are viewed as ways to satisfy family needs and improve the status of the family in society (Aycan, 2002). In many developing nations, the “family comes first” attitude is strongly applied in the work context as firms are expected to look after both their employees and their employees’ families. Some firms adopt practices which include providing health and educational services to employees’ families.
as well as contributing to their accommodation and helping them financially if necessary (Aycan, 2002; Frankel, 1997). Thus, the following hypothesis is proposed:

*Hypothesis 3c*: The relationship between internal CSR perceptions and OI will be stronger in a developing-national context compared to a developed-national context.

### 2.3 Method

Meta-analysis is used in this study to examine the overall effect size of employee CSR perceptions on OI (Hunter & Schmidt, 2004). It is a useful technique that serves a main purpose of integrating empirical results of a specific relationship across several studies. It also aids in evaluating the existing state of knowledge of a specific topic considering the increasing number of online databases and journals (Stanley, 2001). Moreover, it has the ability to test the influence of different study characteristics on a particular relationship (Stanley, 2008). Although meta-analysis was initially established in the medicine field, it has become an accepted technique in management studies as a way to overcome the ‘research practice gap’ (Rousseau, 2006).

#### 2.3.1 Data Collection

In order to guarantee the comprehensiveness and representativeness of the study database, a three-step sampling technique was performed to determine the literature to be used in the meta-analysis (Margolis & Walsh, 2003; Wang et al., 2016). The first step included searching the different databases, such as EBSCOhost and Google Scholar, for studies of all dates, using “corporate social responsibility” and “organisational identification” as the main search terms. The search was then expanded by adding other terms such as “corporate citizenship”, “sustainability”, and “employee-company identification”. The second step included a manual search for specific journals (*Academy of Management Journal, Academy of Management

Subsequently, as a meta-analysis follows a systematic quantitative approach, only the studies with empirical findings were selected. Additionally, only the studies looking at CSR perceptions of employees and not simply “CSR practices” were chosen. A large part of the CSR literature has focused on employees’ perceptions of CSR (e.g., Rupp et al., 2006; Turker, 2009b) which are defined as the extent to which employees view the company to support CSR (Choi & Yu, 2014; Shin et al., 2016). The studies that did not report the correlation between perceptions of CSR (or one of its types) and OI were excluded from the meta-analysis. When the retrieval process was completed, 60 effect-size observations reported in 29 studies were generated. The collection of studies used is provided at the end of this chapter.

2.3.2 Procedures

To conduct a meta-analysis, the results across the different studies ought to be comparable. In order to achieve comparability, the different estimates obtained from each study have to be represented on a common scale. For this reason, this study coded the correlations for all the
studies. The two most accepted effect size metrics are Cohen’s $d$ and the correlation coefficient $r$, of which $r$ is most generally used in the management field (Geyskens et al., 2009). Moreover, in order to work with unbiased estimates, Hunter & Schmidt’s (2004) procedure that corrects for measurement errors was followed. The correlation of each observation was corrected for measurement reliability using the following equation:

$$r_C = \frac{ES}{\sqrt{\alpha_{CSR} \times \sqrt{\alpha_{OI}}}}$$

where $r_C$ is the corrected correlation, $ES$ is the effect size ($r$), and $\alpha$ are the Cronbach’s alphas for CSR and OI.

Following Borenstein et al.’s (2009) guidelines, the corrected correlation for each observation was then transformed into a Fisher’s $Z$ score using the following equation:

$$Z = 0.5 \times \ln\left(\frac{1 + r_C}{1 - r_C}\right)$$

where $Z$ is the Fisher’s $Z$. The purpose of Fisher’s $Z$ score is to generate a conversion of the correlation for which the standard error would rely solely on the sample size (Hunter & Schmidt, 2004). The $Z$ coefficients were then averaged and weighted by the formula: $V_Z = \frac{1}{N-3}$ where $V_Z$ is the variance of the Fisher’s $Z$ and $N$ is the sample size.

Most management studies do not report standard errors. To make the best out of the available statistical information provided by the different authors, this study follows the recommendations offered by Borenstein et al. (2009). The standard error was obtained using the formula $SE_Z = \sqrt{V}_Z$ where $SE_Z$ is the standard error of the Fisher’s $Z$. Stata was then used to run the meta-analysis using the Fisher’s $Z$ score and the standard error of each observation.

To convert the summary Fisher’s $Z$ value back to a summary effect size (from Fisher’s $Z$ metric back to effect size units), the following formula was used: $ES = \frac{e^{2Z} - 1}{e^{2Z} + 1}$ where $e$ is the base of the natural logarithm (Borenstein et al., 2009).
Two general models, the random effects model and the fixed effects model, are used to conduct a meta-analysis. The fixed effects model assumes that the overall effect size is equal for all studies. This assumption may not be appropriate for real-world data and the kind of inferences that researchers wish to make since there is at least some variation in the study population parameters in all research domains (Hunter & Schmidt, 2004). Instead, this meta-analysis uses the random effects model which assumes that the population effect sizes can be different across different studies (Hedges & Vevea, 1998; Hunter & Schmidt, 2004).

2.4 Results

When all of the 60 effect sizes from the 29 studies were aggregated, a positive and significant pooled effect size of CSR perceptions on OI (ES=0.44, \( p < 0.01 \)) with a 95% confidence interval ranging from 0.391 to 0.485 was obtained. The contribution of each observation to the meta-analysis (its weight) is shown in the Forest plot in Figure 2.1. The boxes represent the estimated effects and the lines on the boxes represent the 95% confidence interval. Boxes on the vertical black line indicate that there is no effect on the outcome. The diamond-shaped box represents the significant overall effect estimate. The edges of the diamond do not cross the line of no effect.

Results show that the heterogeneity among the studies combined is high (\( I^2=93\% \)). Although many of the studies used Turkker’s (2009) popular scale to measure CSR perceptions and almost all studies (except one) used Mael & Ashforth’s (1992) scale to measure OI, this heterogeneity was expected considering the multiple types of CSR in the different studies. If \( I^2 \) was low, there would be very little variation among the studies and a fixed effect model would be more appropriate as the studies examined are considered to have been conducted under similar conditions and with similar subjects (Hunter & Schmidt, 2004). The high heterogeneity supports the decision to use a random effects model in this meta-analysis. The study will
attempt to address this heterogeneity by dividing CSR into two main types further down in this section.
Figure 2.1: Forest plot

NOTE: Weights are from random effects analysis
Overall (I-squared = 93.5%, p = 0.000)
To examine the curvilinear moderating effect of organisational tenure on the relationship between employee CSR perceptions and OI, the set of studies was separated into three categories that represent low tenure (less than 5 years), medium tenure (between 5 and 10 years), and high tenure (greater than 10 years). The division follows the work of Hameed et al. (2013) and Ng & Feldman (2011). This study adopts the subgroup analysis as the moderation approach. In a review of meta-analyses in the management field, Geyskens (2009) reported that the most common moderator analysis is subgroup analysis. The effect estimate of the studies with a tenure of less than 5 years (17 effect sizes) was compared to the effect estimate of the studies with a tenure between 5 and 10 years (23 effect sizes) and to the estimate of the studies with a tenure greater than 10 years (20 effect sizes).

Results revealed that the studies with a medium organisational tenure (ES=0.52, p < 0.01) displayed the strongest effect size, followed by the studies with a low tenure (ES=0.39, p < 0.01). The set of studies with a high organisational tenure displayed the smallest aggregated effect (ES=0.37, p< 0.01), although there is not any large difference between this effect size and that of the low tenure studies. These findings show that the effect of CSR perceptions on OI increased after a 5-year tenure but decreased after a 10-year tenure. This provides evidence to support Hypothesis 2 which states that the relationship between CSR perceptions and OI is stronger for employees with a longer organisational tenure till medium tenure and after that this association is weakened.

To investigate the moderating effect of national context on the relationship between employee CSR perceptions and OI, the set of studies was divided into two categories: studies based on data obtained from developed nations and studies based on data obtained from developing nations. The International Monetary Fund classification was followed for this division. The effect estimate of the studies from developed nations (29 effect sizes) was compared to the
effect estimate of the studies from developing nations (31 effect sizes). The analysis showed that studies obtained from data in developed nations (ES=0.46, p < 0.01) revealed a slightly stronger effect compared to the studies obtained from data in developing nations (ES=0.42, p < 0.01). This means that the effect of employee CSR perceptions on OI is slightly stronger for firms in a developed context, providing support for Hypothesis 3a.

The aggregation of CSR perceptions could be challenged on the basis of comparability among the different indicators of CSR which explains the high heterogeneity obtained. However, all these indicators make a contribution to CSR by showing the propensity of an organisation to do some social good and this is why several authors have conducted a meta-analysis with CSR as the independent variable (e.g., Margolis et al., 2007; Quazi & Richardson, 2012; Wang et al., 2016). In order to investigate heterogeneity, this study refers to both subgroup analyses and meta-regression.

A previous meta-analysis that explores the association of CSR with firm value implied that different types of CSR have differing effects on value (Orlitzky et al., 2003). Taking this into consideration and finding that some forms of CSR show an insignificant effect on OI in this study’s database, the meta-analytic set is divided into three groups: the observations that consider a broad term of CSR perceptions (13 effect sizes), the observations that consider external CSR perceptions (32 effect sizes), and the observations that consider internal CSR perceptions (15 effect sizes). This division follows the dominant CSR classification into external and internal CSR in the literature previously discussed. The results showed that the effect on OI is the largest when perceptions of broad CSR are considered (0.52, p < 0.01), followed by a slightly smaller effect size when internal CSR perceptions are considered (0.50, p < 0.01). The effect on OI when external CSR perceptions are considered is the smallest (0.37, p < 0.01). However, the three effect sizes are positive and significant. This provides evidence
to support Hypothesis 1 which states that employee CSR perceptions are positively related to OI.

Moreover, the moderating effects of national context on the association of external and internal CSR perceptions, separately, with OI were tested. The moderation analysis pertaining to the studies that considered external CSR perceptions revealed that the 14 effect sizes obtained from data in developed nations displayed a slightly stronger effect (ES=0.40, p < 0.01) compared to the 18 effect sizes obtained from data in developing nations (ES=0.36, p < 0.01), supporting Hypothesis 3b. Contrarily, the moderation analysis pertaining to the studies that looked at internal CSR revealed that the 10 effect sizes obtained from data in developing countries displayed a stronger effect of CSR perceptions on OI (ES=0.55, p < 0.01) than the 5 effect sizes obtained from data in developed countries (ES=0.38, p < 0.01), providing support for Hypothesis 3c which states that the relationship between internal CSR perceptions and OI is stronger in a developing-national context compared to a developed-national context.

2.4.1 Meta-regression

Since results show considerable heterogeneity across studies, it is important to examine if this heterogeneity can be explained by different study characteristics that may drive the overall effect. For this purpose, meta-regression, which examines whether specific covariates explain any of the existing heterogeneity, is performed (Thompson & Higgins, 2002). Through meta-regression, an outcome variable is predicted as a function of the values of one or more explanatory variables. Their coefficients can reflect possible distortions (bias) to results that might have been introduced by these variables (Gonzalez-Mule & Aguinis, 2018; Stanley & Jarrell, 1989). A standard meta-regression equation is: 

$$ES_i = \alpha + \sum_{k=1}^{k} \beta_k X_{ki} + \epsilon_i$$

where $ES$ is the effect size, $\alpha$ is the true effect, $\beta$ is the coefficient of the study characteristic, $X$ is the study characteristic, and $\epsilon$ is an error term.
In addition, it is useful to estimate a regression equation with precision as an independent variable, otherwise known as Egger’s test of the intercept (Egger et al., 1997). This test helps in assessing publication bias and is represented by the following equation:

\[ ES_i = \alpha + \beta \left( \frac{1}{SE_i} \right) + \varepsilon_i \]

where \( \frac{1}{SE} \) is the precision (inverse of standard error). A significant intercept designates the existence of publication bias.

This statistical equation quantifies the funnel plot and is considered a more reliable approach. The funnel plot, a graphical assessment of publication bias, is argued to be highly subjective and often leads to false interpretations (Borenstein et al., 2009; Homberg, McCarthy, & Tabvuma, 2015; Simmonds, 2015). Geysken et al. (2009) reported in their review of the meta-analyses conducted in management research that the majority of these studies failed to report a publication bias test. Although several statistical tests exist to investigate publication bias, Egger’s test of the intercept has been suggested as an advanced approach to publication bias analysis (Doucouliagos, 2005; Kepes et al., 2012; Stanley, 2008). Running Egger’s test on Stata, the results, represented in the first column of Table 2.1, show that the precision in this study is not significant. This indicates the absence of publication bias. Thus, precision is not included in the meta-regression model of this study.

For this meta-regression, the national context and length of organisational tenure were coded for the 60 effect sizes. The meta-regression model assesses whether developing nations and a tenure of more than 5 years have any distorting effects on the primary results of the studies. This division of tenure has long been used in official documents about national statistics (e.g., United States’ Bureau of Labor Statistics, 1981; Canada’s Perspectives on Labour and Income Catalogue, 1992). Because several estimates are taken from the same study, data dependency can be a problem and therefore weighted least squares models should be itemised. The meta-
regression in Stata takes this into account by automatically assigning higher weights to effect sizes with higher precision. The study characteristics are added one at a time to the model and subsequently combined together. As is shown in Table 2.1, the ‘developing nations’ and ‘tenure of more than 5 years’ dummies are not significant. Their coefficients are insignificant, indicating that no upward or downward bias of the effect of CSR perceptions on OI exists. The constant remains significant. This shows that these study characteristics do not distort the estimate for the effect of CSR perceptions on OI of the primary studies. Therefore, this analysis provides evidence for the existence of a genuine effect of employee CSR perceptions on OI.

Table 2.1: Results of Meta-regression of CSR Perceptions and OI

<table>
<thead>
<tr>
<th>Precision coefficient</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.0013</td>
<td>0.0264</td>
<td>0.0245</td>
<td>0.0264</td>
</tr>
<tr>
<td>(p=0.891)</td>
<td>(p=0.667)</td>
<td>(p=0.693)</td>
<td>(p=0.661)</td>
<td></td>
</tr>
<tr>
<td>Developing context coefficient</td>
<td>-0.0426</td>
<td>-0.04</td>
<td>-0.04</td>
<td></td>
</tr>
<tr>
<td>(p=0.637)</td>
<td>(p=0.661)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tenure (&gt; 5 years) coefficient</td>
<td>0.4498**</td>
<td>0.4575**</td>
<td>0.5084**</td>
<td>0.4932**</td>
</tr>
<tr>
<td>Constant</td>
<td>0.4498**</td>
<td>0.4575**</td>
<td>0.5084**</td>
<td>0.4932**</td>
</tr>
</tbody>
</table>

Note: ** (p < 0.01)

2.5 Discussion

A sufficient part of the literature has studied the relationship between CSR perceptions of employees and OI (e.g., De Roeck et al., 2014; Lamm et al., 2015). However, results have not been consistent across all studies, and there have been research calls to conduct a comprehensive study on the association of CSR with OI (e.g., Bauman & Skitka, 2012; Farooq et al., 2014a; Glavas & Godwin, 2013). The purpose of this study was to conduct a meta-analysis of the relationship between employee CSR perceptions and OI, thus examining CSR at a micro level of analysis. This chapter also tested the moderating effect of national context and the curvilinear moderating effect of organisational tenure on the CSR-OI link. Through these moderators, the study answered calls for comparative research based on contexts in the
CSR literature and determined a three-way relationship between CSR perceptions, tenure, and OI (Campbell, 2007; Hameed et al., 2013).

Findings revealed that when all 60 effect sizes from the 29 studies were aggregated, CSR perceptions of employees had a positive and significant effect on OI. When the studies were divided according to external and internal CSR, both groups had a positive and significant effect on OI. This provided support for the hypothesis which states that employee CSR perceptions are positively related to OI. Additionally, findings revealed that the effect of CSR perceptions on OI increased after a 5-year tenure (low tenure) but decreased after a 10-year tenure (high tenure), providing support for the hypothesis positing that the relationship between CSR perceptions and OI is stronger for employees with a longer organisational tenure till medium tenure and after that this relationship is weakened. Results also supported the hypothesis stating that the effect of employee CSR perceptions on OI is stronger for firms in a developed context than for those in a developing context. Moreover, the findings of this study revealed that for the effect of external CSR perceptions on OI, developed nations displayed stronger effects compared to developing nations. Results also revealed that for the effect of internal CSR perceptions on OI, developing nations displayed stronger effects compared to developed nations. These findings provided support for the hypotheses stating that the relationship between external CSR perceptions and OI is stronger in a developed-national context compared to a developing-national context, and that the relationship between internal CSR perceptions and OI is stronger in a developing-national context compared to a developed-national context. Unlike the case in developed nations, external CSR is not necessarily a priority for firms in some developing nations, especially that the concept of CSR is relatively new in many of these countries (Jamali, 2014; Jamali, 2017). Many companies in developing nations are not pressured to essentially consider matters that go beyond their main internal concerns (Jamali & Karam, 2016; Shehadi et al., 2013).
Finally, results showed that the study characteristics of national context and length of organisational tenure do not exhibit any distortion or bias effects on the results of the primary studies, thus supporting that a genuine effect of employee CSR perceptions on OI exists. The findings support the large part of literature that has reported a significant relationship between CSR perceptions and OI (e.g., Edwards, 2016; Evans & Davis, 2014; Shin et al., 2016). They also add power to the general empirical assessment of CSR’s capacity to impact OI. Moreover, the results provide additional support for the social identity theory and social exchange theory. These findings are consistent with the notion that identification is shaped by the employees’ perceptions of the organisation and its practices (Tajfel & Turner, 1979). They are also consistent with the notion that employees may perceive fulfillment from the company’s actions and therefore feel an obligation to reciprocate the company by experiencing certain psychological reactions such as OI (Blau, 1964; Cropanzano & Mitchell, 2005).

### 2.6 Research Implications

By conducting a meta-analysis of the relationship between CSR perceptions and OI, this study benefits both researchers and managers. Researchers can benefit from this meta-analysis as it provides clear evidence that a positive association exists between employee CSR perceptions and OI and that this association holds across different national contexts. Managers can also benefit from this meta-analysis as the results suggest a way for them to achieve higher identification from their employees. This has been a central goal for many companies which acknowledge the positive outcomes that emerge from an increased OI (Kreiner & Ashforth, 2004; Van Dick et al., 2004). This study also helps managers recognise the prominence of focusing on achieving positive employee CSR perceptions. It helps them realise the importance of concentrating on both internal and external CSR in case their main focus has been on one CSR type so far. Practically, determining the curvilinear moderating effect of organisational
tenure on the CSR-OI link could also assist managers in identifying the inflection point when an employee’s identification is most likely to change.

2.7 Limitations and Future Research Directions

Although this study followed top recommendations for conducting a meta-analysis (Borenstein et al., 2009; Hunter & Schmidt, 2004; Stanley, 2008), it has some limitations. It did not take into consideration unpublished or working papers as it only considered published studies. Working with both published and unpublished studies can be useful since unpublished papers may include essential findings. Authors may be unwilling to submit studies that display results which run contrary to standard theories or studies with insignificant findings to journals as they believe that editors and reviewers might have a preference for significant findings (Homberg et al., 2015; Rost & Ehrmann, 2017). Future research can take this into account in order to check if the results change when working papers are included in the study database. Moreover, this meta-analysis only considered two study characteristics: national context and organisational tenure. Other characteristics can be involved in the study to see whether they have any effect on the results. Age is a study characteristic that has been linked to increased OI (Riketta, 2005). It would be interesting to examine a curvilinear moderating effect of age on the CSR-OI association. This meta-analysis did not consider this characteristic because many studies did not report it. Also, this study was unable to test for the effect of the scales used to measure CSR perceptions. This is due to the diversity of CSR scales in the studies considered for the meta-analysis. To add to this, a research extension can include testing different mechanisms in the CSR-OI link. Future research can also perform another meta-analysis of CSR that considers the micro level of analysis. While extensively searching the literature of CSR for this study, it was evident that, apart from OI, there are also enough studies to conduct a meta-analysis on the relationship between CSR and organisational commitment.
In spite of the existence of some limitations, this meta-analysis addresses a current enormous literature gap and builds a more comprehensible understanding of the overall relationship between CSR perceptions of employees and OI.

Table 2.2: List of the 29 Studies Used in the Meta-analysis

<table>
<thead>
<tr>
<th>No.</th>
<th>Study</th>
<th>CSR Type</th>
<th>Sample Size</th>
<th>Corrected correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Carmeli, Gilat, &amp; Waldman (2007)</td>
<td>Overall</td>
<td>161</td>
<td>0.50</td>
</tr>
<tr>
<td>2</td>
<td>Jacinto &amp; Carvalho (2009)</td>
<td>External</td>
<td>130</td>
<td>0.23</td>
</tr>
<tr>
<td></td>
<td></td>
<td>External</td>
<td>130</td>
<td>0.16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Internal</td>
<td>130</td>
<td>0.22</td>
</tr>
<tr>
<td>3</td>
<td>Jones (2010)</td>
<td>External</td>
<td>162</td>
<td>0.52</td>
</tr>
<tr>
<td>4</td>
<td>De Roeck &amp; Delobbe (2012)</td>
<td>External</td>
<td>155</td>
<td>0.45</td>
</tr>
<tr>
<td>5</td>
<td>Edwards &amp; Edwards (2013)</td>
<td>Overall</td>
<td>251</td>
<td>0.42</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Overall</td>
<td>251</td>
<td>0.62</td>
</tr>
<tr>
<td>6</td>
<td>De Roeck, Marique, Stinglhamber, &amp; Swaen (2014)</td>
<td>External</td>
<td>181</td>
<td>0.46</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Internal</td>
<td>181</td>
<td>0.53</td>
</tr>
<tr>
<td>7</td>
<td>Evans &amp; Davis (2014)</td>
<td>Overall</td>
<td>336</td>
<td>0.65</td>
</tr>
<tr>
<td>8</td>
<td>Farooq, Farooq, &amp; Jasimuddin (2014)</td>
<td>External</td>
<td>378</td>
<td>0.55</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Internal</td>
<td>378</td>
<td>0.58</td>
</tr>
<tr>
<td></td>
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<td>External</td>
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<td>0.21</td>
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<td>External</td>
<td>378</td>
<td>0.13</td>
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<td>Overall</td>
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CHAPTER 3
ANTECEDENTS OF EMPLOYEE CORPORATE SOCIAL RESPONSIBILITY (CSR) PERCEPTIONS:
A SYSTEMATIC REVIEW

3.1 Introduction

Chapter 2 meta-analytically showed a positive and significant relationship between corporate social responsibility (CSR) perceptions of employees and organisational identification (OI) as well as determined boundary conditions in this relationship. It also explained the importance of the CSR perceptions and OI concepts in terms of shaping desirable employee behaviours and attitudes that would affect the success of the organisation. However, it did not discuss what contributes to the formation of CSR perceptions that positively relate to employee work outcomes, including OI. This chapter serves the purpose of reviewing the literature regarding antecedents of CSR, with a focus on the drivers of employee CSR perceptions.

CSR is a concept that has witnessed a nonstop prominence over the years and has become a progressively dominant strategic matter in the world of business. It remains to be one of the most imperative trends brought up in both managerial and academic discussions (Lee & Yoon, 2018). CSR activities, which refer to doing social good that goes beyond making profit and abiding by the law (McWilliams & Siegel, 2001), are regarded as crucial elements of survival in today’s competitive and socially mindful market. The topic of CSR may present a challenge for scholars since the literature lacks a single commonly accepted definition of the concept (Farooq et al., 2014). Nevertheless, this situation also presents an opportunity for scholars to
look at CSR from multiple perspectives and in various contexts. The topic is no longer limited to the Western world as research on CSR can be found in numerous developing countries (Jamali & Karam, 2018). Further to this, after being originally studied in big corporations (e.g., Fortune 500), it is now common to study it in smaller firms (Ben Youssef et al., 2018). Because of its increasing eminence and interdisciplinary approach, academic journals still publish special issues dedicated to CSR today (e.g., Journal of Organizational Behavior, 2018; Journal of Business Ethics, 2018). The literature has displayed an expansion in the area and framework in which CSR has been studied, which has gone further than the ethics field and has gradually entered the psychological field. An example of this is the special issue call related to CSR in Personnel Psychology by Morgeson, Agunis, Waldman, & Siegel in 2011. Another state that expresses the dilation of CSR is the presence of a few reviews on the topic in the literature (e.g., Aguinis & Glavas, 2012; Glavas, 2016; Lee, 2008), some of which are recent (e.g., Gond, El Akremi, Swaen, & Babu, 2017; Jamali & Karam, 2018).

Most of the reviews conducted on CSR so far have dealt with providing a general summary of what research has been done on the concept, of the operationalisation of CSR, and of its salient association with positive outcomes (e.g., Aguinis & Glavas, 2012; Lee, 2008; Peloza & Shang, 2011). A lot of the research on CSR has concentrated on its consequences, both at a macro and micro level of analysis. For example, CSR has been positively linked to financial performance (Kim et al., 2018) and to OI (Afsar, Cheema, & Javed, 2018). Such studies have been very beneficial in contributing to both theory and practice but have resulted in the relative neglect of the study of antecedents of CSR (Gond et al., 2017). Antecedents pertain to factors that trigger or predict the range and type of CSR (Jamali & Karam, 2018). As this chapter will outline, there are several critical knowledge gaps in the literature in terms of determining antecedents of CSR. When CSR has been studied in regard to its drivers, it has been primarily drivers of CSR ‘engagement’. In a recent book chapter, Turker (2018) provides a short review
on the determinants of CSR engagement of firms. However, more recent research on the concept’s determinants have attempted to find antecedents of CSR ‘perceptions’ (e.g., Hussain & Attiq, 2017; Lythreatis et al., 2017). Perceived CSR refers to the extent that stakeholders view the firm to support and engage in CSR (Choi & Yu, 2014; Lee et al., 2013). There have been many calls in the literature to concentrate on perceptions of CSR (e.g., Aguilera et al., 2007; Glavas, 2016; Rupp et al., 2006). These perceptions are considered a prominent subject and have been found to have stronger effects at the individual level than CSR engagement or involvement (Glavas & Godwin, 2013; Rupp et al., 2006; Shin et al., 2016). It is already well-known in the literature that ‘employee CSR perceptions’ lead to desirable employee outcomes, such as organisational commitment and organisational citizenship behaviour (e.g., Newman et al., 2016; Turker, 2009a). For this reason, knowing what leads and contributes to the formation of employee CSR perceptions is important.

In contrast to other systematic reviews, this chapter is a review that provides a generic outlook on CSR drivers and a specific focus on the recent literature on antecedents of CSR perceptions, particularly those of the most important internal stakeholders, organisational employees (Bhattacharya & Korschun, 2008; Greenwood, 2007; Turker, 2009). Thus, its unique contribution lies in its detailed attention to employee CSR perceptions. This chapter expands prior micro-CSR research (e.g., Glavas, 2016; Rupp & Mallory, 2015; Turker, 2018) and provides plans for further research in this domain. By doing so, it benefits the CSR literature as well as the field of the antecedent, whether it be related to organisational psychology or general management. This review offers extensions to help advance CSR models that have only focused on one side of the concept (i.e., its consequences). Additionally, companies’ understanding of how employee CSR perceptions can be affected will have implications for the treatment of employees. Also, some contradictions in previous reviews of CSR, which will be highlighted, exist (e.g., Aguinis & Glavas, 2012 and Gond et al., 2017) and, hence, it would
be of use to conduct this review to settle these inconsistencies. Finally, this chapter sets to reveal if and how the recommendations of prior CSR reviews have been answered by scholars.

### 3.2 Scope of the Review

Due to the interdisciplinary nature of CSR, defining the scope of the review was complex. This chapter is based on information extracted from journal articles, books, and book chapters. It relies on studies from the fields of general management, CSR, ethics, organisational behaviour, leadership, and human resources. It also encompasses studies from other disciplines that have published work on CSR such as organisational psychology.

Concerning the literature search procedure, the focus was on the following specific journals: Academy of Management Journal, Academy of Management Review, Administrative Science Quarterly, Business Ethics Quarterly, Human Relations, Human Resource Management, Journal of Applied Psychology, Journal of Business Ethics, Journal of International Business Studies, Journal of Management, Journal of Management Studies, Journal of Organizational Behavior, Leadership Quarterly, MIT Sloan Management Review, Organization Science, Organization Studies, Organizational Behavior and Human Decision Processes, Personnel Psychology, Strategic Management Journal, and International Journal of Human Resource Management. These journals have consistently been evaluated as the journals of the highest quality and influence on the management field. Different databases, such as EBSCOhost, were used to search for studies of all dates, using “corporate social responsibility”, “CSR”, and “antecedents” as the main search terms. The search was then expanded by adding other terms such as “corporate citizenship”, “corporate social performance”, “drivers”, “determinants”, and “perceptions” (Aguinis & Glavas, 2012; Gond et al., 2017; Kolk & Van Tulder, 2010). “Sustainability” was also added as a keyword although this term has recently been differentiated from corporate responsibility as scholars have used the two terms
interchangeably (Bansal & Song, 2017). The search, only including research done in the English language, yielded 806 articles. The title and abstract of each article were manually read to decide whether or not to include it in the review. In some cases, the entire article had to be read to check if its inclusion was pertinent.

In conducting this review, the focus was on two streams of literature. First, the articles that offered predictors of CSR in all its forms, not only those of CSR perceptions, were targeted to summarise what has been done so far regarding the drivers of CSR. This returned a total of 402 articles. Second, the limited stream of research that considered antecedents of CSR perceptions was considered. The majority of articles that have looked at CSR perceptions have done so from the customers or consumers’ perspective. Since the main focus of this review is on an employee-centric perspective, the final set of studies pertaining to antecedents of CSR perceptions of internal stakeholders consisted of only 15 studies, discussed further in the review.

3.3 Antecedents of Multiple Forms of CSR

CSR antecedents have been considered from different perspectives and fields. Even though the main focus of this review is on antecedents of internal stakeholders’ CSR perceptions, it would not be complete with the exclusion of antecedents of other approaches to CSR as such studies have had tremendous contributions to the literature (Glavas, 2016). The main focus in this section will be on CSR engagement because it has been widely studied and has a supreme standing compared to other approaches to CSR.

3.3.1 Antecedents of CSR Engagement

It is evident from the literature that when it comes to drivers of CSR, what is dominant are the drivers of CSR engagement (e.g., Lee, Kim, & Kim, 2018; Yin, 2017). These antecedents are
greatly diverse and have been looked upon from both a conceptual and an empirical perspective (e.g., Berg et al., 2018; Li et al., 2018). They have also been considered at different levels of analysis. The division adopted by Aguinis & Glavas (2012) regarding the antecedents of CSR is still relevant and leading in the literature. According to these authors, previous studies had examined antecedents of why firms engage in CSR from an institutional level, an organisational level, and an individual level. The institutional and organisational levels are studied at the macro level, while the individual level is looked upon from the micro level. Aguinis & Glavas (2012) identified the studies from an institutional level of analysis to address one of the pillars of institutions by Scott (1995) that include either normative, cultural-cognitive, or regulative elements. At the organisational level of analysis, they also included research on individuals that is regarded conceptual at a macro level, such as board of directors and top management teams.

Scholars still adopt this division to model the scope and structure of their recent reviews (e.g., Jamali & Karam, 2018). Prior reviews on CSR state that although institutional and organisational levels had been widely studied, the individual level had received little attention (e.g., Agunis & Glavas, 2012; Glavas, 2016; Lee, 2008). Nevertheless, Gond et al. (2017, p. 237) found different results in their review stating that “Although prior reviews of the CSR field suggest that most studies focus on its organisational and institutional antecedents (e.g., Aguinis & Glavas, 2012), our analysis reveals greater attention paid to the predictors of CSR engagement at the individual level”. My review yielded, regarding CSR engagement drivers, more studies at the institutional level of analysis although, in the last couple of years, there have been added studies at the individual level.

At the institutional level of analysis, a large stream of literature has sought to reveal external factors as antecedents of CSR engagement. An example of such factors is external pressure
from customers (Vogel, 2005) or activist groups (David, Bloom, & Hillman, 2007; Den Hond & De Bakker, 2007) or other stakeholder pressure (Berg et al., 2018; Marquis, Glynn, & Davis, 2007). Social expectations, societal value, and societal culture have also been specified as antecedents for engaging in CSR (e.g., Ahenkora, Banahene, & Quartey, 2013; Lee et al., 2018). Additionally, normative obligations, legislation and government regulations have been found to be antecedents of CSR engagement (e.g., Chahal & Sharma, 2006; Dawkins & Lewis, 2003; Shnayder, Van Rijnsoever, & Hekkert, 2016). Li et al. (2018) found that witnessing competitors winning awards for their CSR engagement can motivate firms to engage intensively in CSR activities in the post-award period. Husted, Jamali, & Saffer (2012) reported that firms located in areas characterised by high levels of local CSR density engage more in CSR. Other drivers in this category include institutional pressures (Neubaum & Zahra, 2006), market positioning (Paine, 2003), and innovation and technology development (Zhang, Oo, & Lim, 2018). Public discretion, media attention, political embeddedness, and competitive advantage have also been identified as antecedents for engaging in CSR (e.g., Banerjee et al., 2003; Strike et al., 2006; Waldman et al., 2006; Yin, 2017; Zyglidopoulos et al., 2012).

At the organisational level, scholarly articles reveal internal forces such as firm values and ethics as drivers of CSR engagement (e.g., Joyner & Payne, 2002; Peters, Koufteros, & Berman, 2008). Organisational culture has also been considered an important driver (Chahal & Sharma, 2006; Yin, 2017). Some articles have found other characteristics at this level of analysis, such as individualism and uncertainty avoidance, as antecedents of CSR engagement (Peng, Dashdeleg, & Chih, 2014). Paine (2003) found that risk management, organisational functioning, and ethical assumptions explain why businesses engage in CSR. Moreover, authors have explored high family involvement as an antecedent in family firms (e.g., Marques, Presas, & Simon, 2014). CSR engagement is also attributed to other top management-related factors such as the board of directors’ characteristics (Godos-Diez et al., 2018), executive
incentives (Deckop, Merriman, & Gupta, 2006), CEO political ideologies (Chin, Hambrick, & Trevino, 2013), and CEO narcissism (Petrenko et al., 2016). Xie (2017) found that firms of CEOs who identify with top management are more likely to be involved in CSR activities.

At the individual level of analysis, some authors have found that supervisors’ commitment to CSR and their support for the concept are important antecedents of CSR engagement (e.g., Banerjee et al., 2003; Hemingway & Maclagan, 2004; Muller & Kolk, 2010; Yin, 2017). Other drivers at the individual level include encouragement from supervisors (Ramus & Steger, 2000), managerial humanistic attention (Hu, Chen, & Wang, 2018), personality traits (Mudrack, 2007), and employee psychological needs as well as their developmental needs (Aguilera et al., 2007). Additionally, Crilly, Schneider, & Zollo (2008) found individual values, affect, and cognition to be drivers of CSR.

3.3.2 Antecedents of Other Approaches to CSR

Although the vast majority of research studies regarding CSR drivers have considered those of CSR engagement, some scholars have looked at antecedents of other CSR-related subjects. Several studies aimed at identifying antecedents of CSR reporting, such as Young & Marais (2012) who explored determinants related to industry characteristics. Del Mar Miras-Rodriguez & Di Pietra (2018) explored drivers of CSR disclosure credibility and usefulness related to corporate governance mechanisms. Other scholars looked at antecedents of CSR skepticism which refers to the publics’ disposition to doubt a company’s CSR claims and actions (e.g., Rim & Kim, 2016; Skarmeas, Leonidou, & Saridakis, 2014). Also considered are drivers of CSR support related to value orientations (e.g., Ramasamy, Yeung, & Chen, 2013). Additionally, Srisuphaolarn (2013) concluded that social and religious values are powerful drivers of a CSR strategy. Hafenbradl & Waeger (2017) investigated antecedents of executives’ belief in the business case for CSR.
3.4 Previous Research Calls and How They Have Been Answered so Far

It is discernible that authors have responded to past calls to investigate antecedents of CSR and contributed to building a firmer CSR grounding in the literature (e.g., Aguilera et al., 2007; Chahal & Sharma, 2006; Rupp et al., 2006). From the above, it is also obvious that the focus of antecedents of CSR is no longer mainly on the institutional level of analysis as was mentioned in Lee’s (2008) review because more articles have since focused on the organisational and individual level of analyses (e.g., Hu et al., 2018; Yin, 2017). Through this, authors have also responded to Glavas (2016)’s calls for more studies at the individual level. For example, more studies at the individual level of analysis exist now by proposing that the leadership style of the supervisor is an antecedent of CSR. Lindgreen & Swaen (2010) stated that many aspects of antecedents of CSR had been left unexplored, such as leadership behaviours that shape responses within the company. These authors posited that empirical studies of CSR have largely overlooked the place of the company leader in the implementation of CSR initiatives and wondered what the effects of a leader’s style would have in respect to CSR. Some recent research has made an attempt to address this query as diverse leadership styles have been associated with CSR. For example, Du et al. (2013) found that transformational leadership leads to the engagement in institutional CSR practices. Furthermore, scholars have also addressed Galbreath & Shum’s (2012) call to advance the field of CSR by empirically examining both the internal and external drivers of CSR more closely (e.g., Berg et al., 2018; Godos-Díez et al., 2018).

In addition to this, a number of articles that differentiate between internal and external CSR activities when exploring their antecedents can be found in the literature (e.g., Yang & Habaragoda, 2018), and have thus considered Aguilera et al. (2007)’s recommendation to differentiate among types of CSR. To add to this, Aguinis & Glavas (2012) called researchers
to investigate sense-making in the context of CSR and some authors have adopted it to determine and better understand antecedents of CSR (e.g., Ahenkora et al., 2013). Moreover, Aguinis & Glavas (2012) stated that multilevel models were needed. Several scholars have since adopted a multilevel framework in their studies when exploring CSR antecedents (e.g., Vlachos, Panagopoulos, & Rapp, 2014).

Furthermore, Glavas (2016), Lee (2008), and Lingreen & Swaen (2010) asserted that CSR research ought to be studied in diverse institutional contexts and expanded to look beyond Western countries. Authors have since considered drivers of CSR in developing nations. For example, studies have contributed to the understanding of CSR antecedents in China (Ramasamy et al., 2013; Qu, 2009), in Thailand (Srisuphaolarn, 2013), and in India (Lakshman et al., 2014). Recently, more scholars have conducted their research in developing countries such as Malaysia (Ming et al., 2018), Sri Lanka (Yang & Habaragoda, 2018), and the Middle East and North Africa region (Lythreatis et al., 2017). Additionally, Glavas (2016), Lee (2008), and Lindgreen & Swaen (2010) explained in their reviews the importance and need to expand the empirical scope of CSR research because little was known about CSR in small to medium-sized enterprises (SMEs) since the vast majority of CSR research focused almost exclusively on large corporations. Although research on antecedents of CSR remains dominant for large corporations (e.g., Miska, Witt, & Stahl, 2016; Moyeen, 2018), articles have considered drivers of CSR in the context of SMEs (e.g., Lythreatis et al., 2017; Perry & Towers, 2009).

Aguinis & Glavas (2012)’s review showed that CSR research was almost absent from journals dedicated to micro organisational behaviour, micro HRM, and industrial-organisational psychology. For example, they found that Personnel Psychology and the Journal of Organizational Behavior had published only one article each on the topic. The current review shows that Personnel Psychology has since published several articles on CSR, mostly in 2013.
(Morgeson et al., 2013; Ormiston & Wong, 2013; Rupp et al., 2013). Journal of Organizational Behavior has also published some articles, mostly in 2017 (Gond et al., 2017; Vlachos et al., 2017). The latter has published specifically on antecedents of CSR (e.g., Vlachos et al., 2014).

Rupp et al. (2006) and Aguilera et al. (2007) called scholars to give attention to CSR ‘perceptions’ and specifically consider antecedents of these perceptions. This stream of literature has been progressing with time but is still not as developed as research on antecedents of CSR engagement.

3.5 Antecedents of CSR Perceptions

Scholars have predominantly approached the topic of antecedents of perceived CSR from the marketing field. Most studies that have looked at these antecedents have done so from a consumer perspective rather than an internal stakeholder perspective (e.g., Alhouti, Johnson, & Holloway, 2016; Perez & Bosque, 2013). For instance, some authors found the perceptions of quality of ethics statements and the perceptions of financial performance to be antecedents of perceived CSR of consumers (e.g., Stanaland, Lwin, & Murphy, 2011). Scholars also found that consumers’ perceptions of motives are drivers of their perceptions of CSR (Vlachos et al., 2009). Additionally, key findings from Chaudary et al.’s (2016) study revealed that perceived fit of culture along with CSR capability were determinants of perceptions of CSR within consumer minds. Cause-brand fit has also been reported to predict consumers’ CSR perceptions (Adiwijaya & Fauzan, 2012). Likewise, functional fit and brand credibility had positive effects on consumers’ CSR perceptions (Bigné, Currás-Pérez, & Aldás-Manzano, 2012). Moreover, Alhouti et al. (2016) found that the impact of CSR initiatives and favourable perceptions of reparation after a negative event were positively related to consumers’ perceptions of CSR activities. These different studies indubitably make contributions to the CSR literature and to the marketing field.
It is palpable from our search that a focus on consumer CSR perceptions has been and still is today dominant in the literature. Nonetheless, looking at CSR perceptions of internal stakeholders and their antecedents is also important because of the tremendous role that employees play in the success of a firm (Bhattacharya & Korschun, 2008; Turker, 2009a). CSR is a subject that employees generally feel passionate about (Glavas, 2016). Perceptions of CSR of employees are critical because they are known to shape their attitudes and behaviours towards the organisation (Aguilera et al., 2007; Glavas, 2016; Glavas & Kelley, 2014; Lee et al., 2013). These perceptions have been linked to several desirable employee outcomes such as organisational commitment, organisational identification, job performance, job satisfaction, and organisational citizenship behaviour (e.g., De Roeck et al., 2014; Hoffman & Newman, 2014; Ong et al., 2018). Studies on this topic are still expanding in the literature as authors continue to investigate the CSR-employee outcome relationship, introducing different moderators and mediators to understand this relationship better (e.g., Farooq, Rupp, & Farooq, 2017; Lythreatis et al., 2017). Therefore, looking at the drivers of CSR perceptions of employees is a vital way to advance micro-CSR research. This particular focus is essential, especially that scholars have previously explained and stressed the importance of concentrating on employee CSR perceptions (e.g., Aguilera et al., 2007; Glavas, 2016). In line with the key objective of this review, the article proceeds with a focus on the antecedents of CSR perceptions of internal stakeholders.

3.5.1 Antecedents of Internal Stakeholders’ CSR Perceptions

A relatively limited number of studies have shown efforts to ascertain antecedents of CSR perceptions of internal stakeholders. Such studies were not common in the literature prior to 2011. The majority of these studies are published in Journal of Business Ethics (seven studies). Surprisingly, the number of studies conducted in developing countries is equal to the number of studies conducted in developed countries, with one study that collected data from both
developing and developed nations. This division follows the classification of the international monetary fund. Moreover, none of these studies are conceptual in nature. They are all empirical papers undertaking a quantitative approach with one exception being a case study.

Most articles looking at employee CSR perception drivers are associated with the leadership field. Nevertheless, twelve variables, not related to leadership, were found to be antecedents of CSR perceptions of internal stakeholders. Lee, Park, & Lee (2013) found that perceived cultural fit, which is the perception of fit between CSR activities and corporate culture, and the perception of CSR capability, which refers to how well a firm can plan, implement, and evaluate CSR activities, are antecedents of employee CSR perceptions. Their ‘CSR perception’ construct comprised of environmental, philanthropic, and ethical CSR activities. Additionally, Panagopoulos, Rapp, & Vlachos (2016) explored antecedents from a meta-perception perspective. They found that employee–customer CSR intrinsic causal meta-attributions (i.e., what employees think that customers think about the organisation’s motives behind CSR programmes) and employee–customer corporate social performance meta-perceptions (i.e., what employees think that customers think about the organisation’s overall social performance) are antecedents of employees’ own CSR perceptions. According to these authors, the study of perceptions that people hold about the perceptions of others implies that employees’ CSR perceptions are likely to be affected by salient parties such as customers. Moreover, Vlachos, Panagopoulos, & Rapp (2014) found the manager’s CSR judgments and the manager’s in-role CSR-specific performance to be antecedents of employee CSR perceptions. Their ‘CSR perception’ construct consisted of the company’s external CSR which is believed to be a distinctive feature of employees’ more general justice perceptions (Aguilera et al., 2007, Vlachos et al., 2014).
In addition to this, Lakshman et al. (2014) determined that distributive justice and procedural justice in the implementation of downsizing are antecedents of CSR perceptions, while Tian, Liu, & Fan (2015) found that external stakeholder pressure was an antecedent. According to Godos-Diez, Fernandez-Gago, & Martinez-Campillo (2011), the manager’s profile leads to perceived role of ethics and social responsibility, which is contingent on whether his/her profile is closer to a steward model versus an agent model with self-serving interests. Additionally, Aldazabal et al. (2017) looked at antecedents of perceived commitment to ethics and social responsibility by individuals employed at a higher education institution (i.e., lecturers) and found that the university’s size and ownership play a role in shaping such perceptions.

3.5.1.1 Leadership Style as an Antecedent of CSR Perceptions

As mentioned earlier, in Lindgreen & Swaen’s (2010) review, it was projected that antecedents of CSR remained unexplored, mainly those related to leadership. A frequent question asked was if the style of the leader had effects with respect to CSR. Since then, research has attempted to address this issue, either directly or indirectly, for the majority of studies exploring antecedents of CSR perceptions have been considered from a leadership style perspective. Groves & La Rocca (2011) determined that transformational leadership is an antecedent of employee CSR perceptions. Nazir, Akram, & Arshad (2014) found that both transformational and transactional leadership styles were drivers of employees’ perceptions of institutional CSR. Lythreatis, Mostafa, & Wang (2017) identified participative leadership as an antecedent of employee CSR perceptions. Additionally, Puplampu & Dashwood (2011) found that organisational leadership, related to the manager’s decisions and choices, leads to the formation of such perceptions. It is also apparent from the literature that when it comes to the exploration of leadership styles as determinants of CSR perceptions, ethical leadership is dominant. Zhu, Sun, & Leung (2014), Hussain & Attiq (2017), and Tian et al. (2015) found that ethical leadership is an antecedent of CSR perceptions. Likewise, Shin (2012) and Wu et al. (2015)
determined CEO’s ethical leadership as an antecedent. The set of studies that have explored drivers of CSR perceptions from an internal stakeholder-centric standpoint are presented in Table 3.1.

Table 3.1: Studies on Antecedents of CSR Perceptions

<table>
<thead>
<tr>
<th>Authors</th>
<th>Year of publication</th>
<th>Antecedent of employee CSR perceptions</th>
<th>Nature of research method</th>
<th>Context of the study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aldazabal, Espinosa-Pike, &amp; Martin-Arroyuelo</td>
<td>2017</td>
<td>Size &amp; ownership</td>
<td>Quantitative</td>
<td>Spain</td>
</tr>
<tr>
<td>Godos-Díez, Fernández-Gago, &amp; Martínez-Campillo</td>
<td>2011</td>
<td>Manager’s profile</td>
<td>Quantitative</td>
<td>Spain</td>
</tr>
<tr>
<td>Groves &amp; La Rocca</td>
<td>2011</td>
<td>Transformational leadership</td>
<td>Quantitative</td>
<td>United States</td>
</tr>
<tr>
<td>Hussain &amp; Attiq</td>
<td>2017</td>
<td>Ethical leadership</td>
<td>Quantitative</td>
<td>Pakistan</td>
</tr>
<tr>
<td>Lakshman, Ramaswami, Alas, Kabongo, &amp; Pandian</td>
<td>2014</td>
<td>Distributive justice &amp; procedural justice in the implementation of downsizing</td>
<td>Quantitative</td>
<td>Estonia, India, France</td>
</tr>
<tr>
<td>Lee, Park, &amp; Lee</td>
<td>2013</td>
<td>Cultural fit &amp; CSR capability</td>
<td>Quantitative</td>
<td>Korea</td>
</tr>
<tr>
<td>Lythreatis, Mostafa, &amp; Wang</td>
<td>2017</td>
<td>Participative leadership</td>
<td>Quantitative</td>
<td>U.A.E., Lebanon, &amp; Tunisia</td>
</tr>
<tr>
<td>Nazir, Akram, &amp; Arshad</td>
<td>2014</td>
<td>Transactional &amp; transformational leadership</td>
<td>Quantitative</td>
<td>Pakistan</td>
</tr>
<tr>
<td>Panagopoulos, Rapp, &amp; Vlachos</td>
<td>2016</td>
<td>Employee–customer CSR intrinsic causal meta-attributions &amp; employee–customer CSP meta-perceptions</td>
<td>Quantitative</td>
<td>Greece</td>
</tr>
<tr>
<td>Puplampu &amp; Dashwood</td>
<td>2011</td>
<td>Organisational leadership</td>
<td>Qualitative</td>
<td>Ghana</td>
</tr>
<tr>
<td>Shin</td>
<td>2012</td>
<td>CEO ethical leadership</td>
<td>Quantitative</td>
<td>South Korea</td>
</tr>
<tr>
<td>Tian, Liu, &amp; Fan</td>
<td>2015</td>
<td>Ethical leadership &amp; external stakeholder pressure</td>
<td>Quantitative</td>
<td>China</td>
</tr>
<tr>
<td>Vlachos, Panagopoulos, &amp; Rapp</td>
<td>2014</td>
<td>Manager’s CSR judgments &amp; manager’s perceived in-role CSR-specific performance</td>
<td>Quantitative</td>
<td>Europe</td>
</tr>
<tr>
<td>Wu, Kwan, Yim, Chiu, &amp; He</td>
<td>2015</td>
<td>CEO ethical leadership</td>
<td>Quantitative</td>
<td>China</td>
</tr>
<tr>
<td>Zhu, Sun, &amp; Leung</td>
<td>2014</td>
<td>Ethical leadership</td>
<td>Quantitative</td>
<td>China</td>
</tr>
</tbody>
</table>
3.5.1.2 Theories and Scales

In order to link the various drivers to CSR perceptions, different theories have been used. For example, Groves & La Rocca (2011) and Shin (2012) used social learning theory (Bandura, 1977) to explain the association of transformational leadership and ethical leadership with CSR perceptions. Wu et al. (2015) used both the social learning theory and upper echelons theory (Hambrick & Mason, 1984) to link ethical leadership to CSR. Lythreatis et al. (2017) adopted the social information processing theory (Salancik & Pfeffer, 1978) to associate their proposed antecedent with employee CSR perceptions. Panagopoulos et al. (2016) used both the social information processing theory and interpersonal attributions theory (Weiner, 1974) to link meta-attributions to CSR perceptions of employees. In addition, Nazir et al. (2014) and Zhu et al. (2014) applied stakeholder theory (Freeman, 1984) to explain the association of transformational, transactional, and ethical leadership styles with CSR.

In terms of the scale used to measure CSR perceptions, Maignan & Ferrell’s (2001) and Turker’s (2009b) scales have been accepted in the literature as good measures of employee CSR perceptions (Gond et al., 2017). The studies considered in this review demonstrate various scales to measure the CSR perceptions construct. For example, while Lythreatis et al. (2017) used Maignan & Ferrell’s (2001) scale, Hussain & Attiq (2017), Wu et al. (2015), and Tian et al. (2015) used Turker’s (2009b) scale. Other studies adopted multiple scales combined (e.g., Lee et al., 2013; Panagopoulos et al., 2016; Vlachos et al. 2014). Additionally, Groves & La Rocca (2011), Zhu et al. (2014), and Godos-Diez et al. (2011) used the scale developed by Singhapakdi et al. (1996).

3.5.1.3 Moderators and Mediators in the Antecedent-CSR Perceptions Link

Among the studies that have explored antecedents of employee CSR perceptions, four studies reveal moderators within the link, while one study shows both a moderator and a mediator in
the relationship. Vlachos et al. (2014) found that the relationship between the manager’s CSR judgments and employee CSR perceptions is positively moderated by the manager’s implementation of a deliberate strategy and negatively moderated by the manager’s directive leadership. Tian et al. (2015) reported that ethical leadership moderates the relationship between external stakeholder pressure and CSR such that a low level of ethical leadership strengthens the relationship. Likewise, Lakshman et al. (2014) found power distance to be a moderator in the relationship between justice in the implementation of downsizing and perceptions of CSR, and Hussain & Attiq (2017) reported ethical climate to positively moderate the relationship between ethical leadership and CSR. In the link between CEO ethical leadership and CSR, Wu et al. (2015) tested the mediating role of organisational ethical culture and the moderating roles of CEO founder status and firm size. They found that ethical leadership positively relates to CSR through ethical culture, and that CEO founder status strengthens while firm size weakens this relationship.

3.6 Discussion and Research Directions

Many findings are inferred from this review of the literature. Most importantly, it reveals a relative clear lack of studies exploring antecedents of employee CSR perceptions, despite the existing acknowledgement that these perceptions are important (Aguilera et al., 2007; Rupp et al., 2006) and that this construct yields positive outcomes in the literature (e.g., Afsar et al., 2018; Ong et al., 2018). This is lucidly an underresearched topic. For this reason, researchers should aim at ascertaining further determinants of employee CSR perceptions. This will help in the development of an understanding of the formation of perception at the individual level which will advance both the CSR and psychology literature. Every study that will be added to the list of drivers of employee CSR perceptions will contribute to the
completeness of the CSR frameworks that have, until now, majorly focused on only one side of CSR models, the CSR-employee outcomes side.

Furthermore, the review of the literature shows that there is a clear imbalance in terms of the fields of the antecedents of CSR perceptions. The vast majority of articles that have looked at these antecedents have done so from the leadership field. Considering the prominence and nonstop growth of leadership, studies in this field will never cease to disappoint with the benefits and contributions that they bring to management research. The various antecedents related to leadership have led the way in promoting the theme of the intersection between CSR and leadership. Combining these two fields shows how each can strengthen the other (Christensen et al., 2014). The importance of their linkage is emphasised through the continuance of journals to publish special issues on this intersection (e.g., Journal of Business Ethics, 2018). Additionally, it is clear that ethical leadership takes the lead in this connection, which does not come as a surprise considering the role of ethics that is highlighted in CSR. In terms of emerging leadership styles, researchers have seized the opportunities to connect ethical and participative styles with CSR perceptions and contributed to both the leadership and CSR fields (e.g., Hussain & Attiq, 2017; Lythreatis et al., 2017). Nevertheless, studies looking at servant leadership and CSR are lacking in the literature and this remains to be a major gap and a junction for scholars to make contributions. Servant leadership has been distinguished from other leadership styles by some distinctive characteristics and may thus offer unique contributions (Van Dierendonck, 2011). This style of leadership has gained a lot of recent attention in terms of its connection to employee outcomes (e.g., Farrington & Lillah, 2018; Li et al., 2018), hence showing its significant impact and standing in the literature. Moreover, another emerging leadership style, responsible leadership, could also be a possible antecedent of employee CSR perceptions. These two constructs have been discussed together.
because of their similar characteristics (Gond et al., 2011; Szekely & Knirsch, 2005), but a relationship between them is yet to be confirmed.

Nonetheless, since most articles that examine drivers of employee CSR perceptions address leadership, there is very little research adopting other fields as antecedents. Allowing for factors from other fields to act as possible drivers is also relevant and should be taken into consideration. It will support the growth of CSR theory and advance it even further as well as contribute to the field of the antecedent considered. CSR has integrated other fields and is a context within which multiple disciplines, such as organisational psychology, can be applied (Glavas, Willness, & Jones, 2017). Hence, not only can researchers from other fields help CSR, but CSR can also help researchers from other fields examine new and intriguing frameworks within the context of CSR (Aguinis & Glavas, 2013, Glavas, 2016).

The theoretical connections that have been used to explain the relationship between CSR perceptions and antecedents, while still underdeveloped, provide unique and explicit contributions to existing theory. Several scholars have taken theories, not formerly accustomed to being tested in an employment context, and applied them to their study’s context of employment, such as the social information processing theory (e.g., Lythreatis et al., 2017; Vlachos et al., 2014). Additionally, with ethical leadership being the style most often linked to CSR perceptions, scholars that have looked at this link have done so through three different theories (stakeholder theory, social learning theory, and upper echelons theory). Each theory has been applied in either only one or two of such studies which is fairly not enough to ensure an impact to the theory. Using these theories in more than one study that explores this link will advance the theory and provide support for the prior study.

The review of the literature also reveals how limited the exploration of boundary conditions and mechanisms in the antecedent-CSR perceptions link is. Not only should researchers
examine more determinants of perceptions of CSR, but they ought to test different moderators and mediators in those relationships. These should be tested on novel antecedent-CSR links as well as on existing relationships that have been studied but did not consider the presence of boundary conditions and mechanisms in order to advance the linkage and create new processes. The role of the degree of importance of CSR in the eyes of employees has been emphasised in the literature (e.g., Turker, 2009a) and could, for example, be tested as a factor that strengthens or weakens the association between ethical leadership and employee CSR perceptions. Moreover, since Panagolopolous et al. (2016) explored what employees think customers think about their company’s motives of CSR programmes and overall social performance and how these thoughts are related to employee CSR perceptions, feelings of pride can be tested here as a mediator to see whether these thoughts instill pride in employees which, in turn, results in positive perceptions.

Further to this, while reviewing the literature on drivers of CSR perceptions, it became clear that there was not much diversity in the nature of the designs used for the studies. Only one study used a qualitative approach. Additionally, while most articles adopted single level models, very few used a multilevel nature of the design (e.g., Vlachos et al., 2014). Multilevel modelling allows to test the importance of levels in developing perceptions of CSR and improving the understanding of CSR drivers, in comparison to single level models (Steele, 2008). Therefore, it would be useful for empirical studies to adopt a multilevel modelling technique. Also, several studies used Turker (2009b)’s scale to study employee CSR perceptions. This scale differentiates between perceptions of CSR directed towards social stakeholder groups and those of CSR directed towards non-social stakeholder groups (e.g., customers). However, it does not distinguish among perceptions of several groups (Gond et al., 2017). A more comprehensive scale regarding perceptions of corporate responsibility of stakeholders has been been developed by El Akremi et al. (2015) and could, therefore, be more
useful. Finally, the articles that have investigated antecedents of CSR perceptions are cross-sectional in nature. Longitudinal studies of this should also be implemented as they will allow researchers to trace individual changes over a period of time and induce better causal inferences (Menard, 2002).

### 3.7 Concluding Remarks

With the aim of reviewing the literature on antecedents of CSR, it was evident that a prominent imbalance between antecedents of CSR engagement and those of CSR perceptions exists. The limited research on antecedents of employee CSR perceptions is unfortunate because understanding and insights to how employees form favourable or unfavourable CSR perceptions are critical information for managers who attempt to successfully manage their employees’ perceptions with a target of achieving desirable employee outcomes. Nevertheless, this stream of literature only emerged in recent years and is therefore expected to further grow in the future.

Taking this relative lack of research on drivers of CSR perceptions of employees into consideration, the empirical studies in this thesis will attempt to ascertain novel antecedents of employee CSR perceptions that can ultimately lead to OI. Chapter 5 will look at participative leadership as a determinant of internal CSR perceptions of employees, while Chapter 6 will look at servant leadership as a determinant of these perceptions. In the next chapter, CSR in the research context of these empirical studies will be discussed.
CHAPTER 4

CSR RESEARCH IN THE MENA REGION: WHAT WE KNOW SO FAR & WHAT NEEDS TO BE DONE

4.1 Introduction

Upon hearing the expression “CSR in the MENA countries”, several thoughts, both positive and negative, may cross the mind. One may think of Dubai making news’ headlines for its corporate social responsibility (CSR) initiatives. One may think of oil-rich nations known for their Arab philanthropy that is emphasised in their religion. Yet, one may also think of corruption, conflicts, and war zones. Some things that may never cross the mind are environment protection or proper CSR reporting. There is no dubiety that CSR in the Middle East and North Africa (MENA) region is apprehended differently than it is in Western countries. Contrary to developed nations, CSR is not yet a fully recognised and established phenomenon in the MENA region (Jamali, 2017).

There is a lot of confusion regarding CSR in the MENA nations that has to do with the development of the concept in the region. CSR is still relatively new in these countries and seems to remain in its infancy and early stages of development (Jamali & Karam, 2018; Shehadi et al., 2013). Its growth may, nonetheless, depend on the development of the nation itself. For example, Mandura et al. (2012) believe that the stage of development of the CSR concept among Saudi firms is reflective of the nation’s early stage of a private sector development. It is no jolt that different nations in the MENA area are in different stages of development (Mallin, 2009). Despite the fact that the diverse countries of the region differ in their political and
economic stability (Ararat, 2006), two things are evident. First, CSR in that region is patently lagging behind CSR in developed nations (Vinke & El-Khatib, 2015). Second, CSR has its unique and peculiar flavours and meanings across the MENA region (Jamali & Sidani, 2012). It does not fit the customary Western perspective of CSR as it has distinctive origins and diagnostic terms that do not emulate the typical understanding, theory, and practice in the West (Fleming, 2012; Sidani, 2012). Conventionally, people in developed and developing nations have different notions of what CSR ought to accomplish (Shehadi et al., 2013). MENA nations also face idiosyncratic CSR agenda challenges that are distinct from those faced in developed nations. The advocacy and awareness raising of CSR is quite limited in the region where interest in the concept happens to be much lower than that in developed nations (Jamali, 2007). It is not astounding that CSR may plainly have different sides and understanding in different societal contexts (Jamali, 2017; Halme, Roome, & Dobers, 2009).

This chapter presents an explanation for the current state of CSR understanding in the MENA region, taking into account both the factors that hinder and promote the development of the concept in the region. The chapter also highlights the exceptional lack of empirical research on CSR in the MENA area and provides recommendations for distinguished empirical research in the region, both in terms of the antecedents and the consequences of CSR.

4.2 Drivers of CSR in the MENA Region

One way to look at how the demonstration of CSR in Middle Eastern and North African countries is different from its manifestation in developed nations is to consider the diverse drivers for CSR in these countries. This can be done by contemplating factors such as culture, traditions, religion, and political reforms (Visser, 2008). Culture constitutes one of the most consequential drivers in understanding CSR in that area (Munro, 2013). It offers the exegesis of the meaning of CSR in the different countries of the region. CSR in the MENA region builds
on traditions and values of philanthropic giving that are deeply entrenched in the culture across the region (Sidani, 2012). Philanthropy is derived from the Greek words *phil* *len* (which means love) and *anthropos* (which means human). Therefore, philanthropy means love of humankind and aims at the enhancement of the social welfare (Ararat, 2006). Arab philanthropy is engrained in strong religious and cultural traditions that accentuate compassion for the fellow human being. ‘Helping by giving’ is a big part of the region’s culture and there are different Arabic terms that express such action. For example, *Zakat* is the third pillar in Islam and it constitutes a requirement for all believers to contribute to charity and support the weaker members of society (Brammer et al., 2007). Other terms that refer to Arab philanthropy are *Mabarra* which means acts of kindness, *Takaful Insani* which means humanitarian solidarity, *Sadaqah* which refers to voluntary giving of all types, and *Waqf* which implies Islamic endowment. The conception of philanthropy does not have a single accepted Arabic translation but is instead expressed through various terms across the region. Many people do not put a label on their philanthropic actions, and just say “‘li-llah” which means “for God” (Ibrahim & Sherif, 2008). This cardinal tradition of voluntary giving is uniquely special to these religious Middle Eastern and North African countries.

In a study by Jamali & Mirshak (2007), the considered companies in Lebanon were found to conform to a philanthropic form of CSR. They deduced that the understanding of CSR in Lebanon is fastened in voluntary action, and that the legal, economic, and ethical components are not given much thought. In another study, Jamali et al. (2009a) found high degrees of philanthropic CSR orientation compared to strategic CSR orientation in Lebanon, Syria, and Jordan. Additionally, Kirat (2015) found that firms in Qatar gross in CSR activities that focus on philanthropy while deserting other imperative CSR facets. Mandura et al. (2012) also reported that Saudi Arabian companies are inclined towards being seen as philanthropic rather than strategic. Noamene & Elouadi (2015) found that philanthropy stands out as the most
powerful aspect of CSR perceptions in Tunisia. CSR in the MENA region is, therefore, largely understood as the philanthropic contributions of business firms. Business people in these nations, where religion and culture are strongly intertwined, remain committed to a religious framework of CSR that does not mirror CSR that is promoted in other parts of the world (Munro, 2013; Selvik, 2013).

4.3 Fallibility of External CSR in the MENA Region

What is lucid so far about CSR in the MENA region is that there is a clash over the term CSR and that CSR is impelled by a divine revelation (Mallin, 2009; Shehadi et al., 2013). Nevertheless, philanthropy is only one tool of external CSR (i.e., CSR activities directed towards external stakeholders or a cause distinct from the firm; Basil & Erlandson, 2008). What about the other constituents included in the theory of CSR? What about a firm’s responsible actions towards the environment? It is in developing nations that environmental catastrophes are generally most intensely felt in the world. However, most of the scholarly research on CSR in developing nations centres around the social theme (i.e., community) rather than the ethical or environmental theme (Visser, 2008). Among the very few studies that have considered the environmental aspect of CSR in the MENA region, Baughn et al. (2007) found that Middle Eastern countries displayed significantly lower environmental CSR than social CSR. The situation of environmental CSR may be, nonetheless, slightly different in the United Arab Emirates (U.A.E.) from other countries in the region. The nation has some explicit environmental laws that companies ought to abide by for the purpose of obtaining a license to operate and remain in business (Karataş-Özkan et al., 2014). In a region that usually makes news’ headlines for political uproars and wars, the UAE represents some political and economic stability that is seldom observed in the MENA area. This has granted the U.A.E. the opportunity to become a place where major businesses and multinational companies have
willingly and mirthfully established their offices. With both global and local companies operating in the country, the concept of CSR has had the chance to grow in this nation’s hastily expanding economy and to become a part of the business environment (Katsioloudes & Brodtkorb, 2007). Despite this, the institutional environment in the U.A.E. still offers limited pressure for firms to follow all kinds of CSR practices (Karataş-Özkan et al., 2014). Contrary to developed nations where citizens expect firms to focus on environmental issues, in the MENA countries, if citizens expect any engagement of firms in CSR, it would be the kind of CSR that addresses national problems such as reducing poverty and supporting charities (Shehadi et al., 2013).

Managers in the MENA region are aware of environment protection matters, but their devotion to protect the environment is still very low. Only few of the companies in the region record their environmental performance (Jahamani, 2013). For example, Abdulla Al-Naimi et al. (2012) found that companies in Qatar disclose information related to their human resources or product development or community involvement, but they do not disclose environmental issues in their annual reports. Managers in the MENA nations struggle, in general, to associate matters related to the environment with profitability or any long-term business goal. Many business leaders rate issues such as water conservation, waste management, and climate change as insignificant. Therefore, although corporate philanthropy is well-established in the MENA region, the definition of CSR in the region remains incomplete. Without the environmental aspect of CSR, external CSR is hard to define in that area (Shehadi et al., 2013).

4.4 Factors That Hinder and Help CSR

It is eminent to realise that the perpetual corruption and lack of effective governmental regulations in some countries in the MENA region remain to hinder the evolvement of CSR in the area as well as its disclosure (Ararat, 2006; Jamali & Karam, 2016). In some countries of
the region, firms feel obliged to step in and take care of issues that ought to be the government’s responsibility, such as health care, housing, and education (Ararat, 2006; Visser, 2008). This can inhibit companies from focusing on other important types of CSR activities. Moreover, because of the ongoing corruption, many firms in the MENA region do not feel obligated to report any CSR activity. In contrast to developed countries, firms in the region are not generally pressured by the public to show any of their CSR efforts (Ali, Frynas, & Mahmood, 2017; Jamali & Karam, 2016). Disclosure of CSR in Middle Eastern and North African nations has mostly been researched in the context of Islamic banks in the literature (e.g., Alamer et al., 2015; Farook et al., 2011; Haniffa & Hudaib, 2007; Mallin et al., 2014; Wilson, 2002). The results pertaining to CSR reporting, however, were not satisfying. For example, Naser et al. (2006) found that in Qatar the average level of CSR disclosure was only about 13% and the average amount of CSR disclosure was barely 25 sentences. Additionally, Kirat (2015) found that firms in Qatar do not execute any assessment before or after they engage in CSR and therefore do not report any CSR activities.

In addition to this, it is important to note how the Arab Spring might have brought an evolution of CSR to the area. According to Avina (2013), the different firms in the MENA region, following the Arab Spring, now need to prove themselves more and aim at establishing trustworthy relations with their various stakeholders. One way this could be achieved is by heightening and accenting their CSR efforts. Post Arab Spring, instead of focusing solely on philanthropic actions, some companies have displayed certain CSR efforts that are related to showing support for societal and democratic transitions and other efforts that are associated with manifesting support for some important national socio-economic challenges such as employment enhancement. Moreover, there have been new organisations created which aim at retaining the consecration of liberty, democracy, and human rights across the region (Jamali & Sidani, 2012).
4.5 Empirical Research on CSR in the MENA Region

To summarise all of the above, it is apt to state that what is known so far from the literature on CSR in the MENA region is that CSR is looked at differently in this region than it is in developed nations, taking on a more philanthropic approach with neglect of the environmental aspect. This has resulted in an incomplete and fragmentary definition of CSR in the area. Therefore, from this existing literature, it is obvious that CSR in the MENA remains poorly explored. The scholarly work has indeed covered the lack of a systematic approach to CSR and the lack of understanding and practising a comprehensive manner of the concept in the MENA, but what about empirical studies that show why CSR is important for the region in the first place? There are very few empirical papers that have tested for a relationship between CSR and positive outcomes in the region. Among these rare articles, Rettab, Brik, & Mellahi (2009) linked CSR to organisational performance in the U.A.E. The results revealed that CSR has a positive association with the three variables that the authors considered to measure organisational performance: financial performance, corporate reputation, and employee commitment.

Another study that has linked CSR to desirable outcomes in the MENA region has only considered the internal aspect of CSR. Internal CSR refers to the activities that are directed towards internal stakeholders (i.e., employees) and to the way the company operates internally. These activities pertain to the health, well-being, and safety of employees (Basil & Erlandson, 2008). They also relate to activities that exhibit concern for employees’ training, equal opportunities, and work–life balance (Vives 2006). The focus on internal CSR can be considered a suitable approach to CSR in the MENA region since, as mentioned earlier, external CSR remains hard to define and construe in this area (Shehadi et al., 2013). Moreover, differentiating between external and internal CSR is also useful since many companies tend to
overlook important internal human resource matters while focusing on serving the community (Cornelius et al., 2008). Al-bdour et al. (2010) linked internal CSR to organisational commitment in the banking sector in Jordan. They found a positive relationship between internal CSR and both affective and normative commitment of employees, but not between CSR and continuance commitment. On one hand, these two aforementioned empirical studies help in demarcating a picture of CSR and its positive consequences in the MENA region. On the other hand, one may wonder about other important employee outcomes that might be related to CSR.

4.6 Recommendations for Empirical Research on CSR in the MENA Region

4.6.1 Consequences of CSR

Organisational identification (OI) is a motif that is perceived as a remarkably important employee-related outcome. OI refers to the vision of an individual’s oneness and belongingness to a specific organisation so that the membership of that organisation becomes a significant part of the individual’s self-definition (Ashforth & Mael, 1989). It is believed to influence the assorted attitudes and behaviours of employees, ultimately impacting the effectiveness of the firm (Kreiner & Ashforth, 2004; Van Dick et al., 2004). For example, OI has been positively linked to various desirable employee outcomes, such as organisational citizenship behaviour, task performance, job satisfaction, and organisational commitment (e.g., Chen et al., 2013; Edwards & Peccei, 2010; Turker, 2009; Van Dick et al., 2004). When employees identify with the organisation, they are more likely to behave in line with the company’s interests and therefore contribute positively to the organisation’s success (Van Dick et al., 2007; Van Knippenberg & Sleebos, 2006). Hence, given the benefits derived from attaining increased OI, knowledge about what leads to OI is critical. The impact of CSR on OI has been studied abundantly in the West (e.g., Brammer et al., 2015; De Roeck et al., 2014; De Roeck et al., 2016; Evans & Davis, 2014). The findings of most of these studies have found a positive
relationship between CSR and OI (e.g., De Roeck & Delobbe, 2012; Edwards, 2016; Korschun, Bhattacharya, & Swain, 2014). Nevertheless, it is also important to study this relationship in the MENA region as this context has some unique attributes (Kabasakal & Dastmalchian, 2001). According to Dobers & Halme (2009), a lot of the CSR research from a developed national context may not be applicable for a developing national context. Because the MENA region is viewed as a religious area, looking at the CSR-OI link in this specific region is intriguing. Weaver & Agle (2002) illustrated that the extent of importance that religion plays in identification can differ from one person to another from a different religion.

In addition to examining a relationship between CSR and OI in the MENA context, it would be interesting to investigate different factors that may play a role in this association (De Roeck et al., 2014). The relationship might not be direct and there may be specific variables that strengthen or weaken this association (El Akremi et al., 2015). Although some mediators and moderators have been tested in this relationship (e.g., Akdoğan et al., 2016; Brammer et al., 2015), the MENA has peerless attributes and for this reason new findings may emerge for this specific association (Halliday, 2003). In a recent systematic review on CSR, Gond et al. (2017) note the need for attention that concentrates on the boundary conditions surrounding CSR, particularly conditions that relate to differences in people. Arab individuals have some unique characteristics that tend to distinguish them from other individuals from different cultures (Sue, 1990). For instance, linking pride to the CSR and OI literature is important (Ayse et al., 2015; De Roeck et al., 2014; Tracy & Robins, 2007). Arabs are generally known for their pride (Al-Kandari & Gaither, 2011), and it is thus enthralling to see how this factor can play a role in the CSR-OI relationship in the MENA region.
4.6.2 Antecedents of CSR

Since CSR has been concomitant with positive consequences in the available CSR literature (e.g., Surroca et al., 2010, Turker, 2009), it is prominent to explore what leads to CSR. With its distinctive characteristics, the MENA region can be considered a place where novel antecedents of CSR can be found. To elaborate on this, the increased curiosity in the link between leadership and CSR can be considered. The few studies that have associated leadership with CSR have mainly focused on the ethical, transformational, and transactional leadership styles (e.g. Groves and La Rocca 2011; Tian et al. 2015; Zhu et al. 2014). However, additional studies on leadership styles and their relationship with CSR are imperative as leadership remains to be an utmost construct that can benefit from further investigation (Martin, 2015).

The MENA region can be regarded as a special place to look at different leadership styles that have emerged in the literature, such as participative and servant leadership. It has long been believed that Arab managers are, in general, more likely to adopt a participative leadership style (e.g. Al-Jafary & Hollingsworth, 1983; Ali et al., 1997; Suliman & Thomas, 2014). Because the cultures in the Middle Eastern and North African countries are considered collective cultures, leadership styles that conserve and reinforce consensus are preferred (Ali et al., 1997). Moreover, this region can provide the best context to study the link between servant leadership and CSR. A lot of the servant leadership’s philosophy dates back to religious scriptures, especially since the concept of service is taught by all major religions (Lanctot & Irving, 2010; Sendjaya, Sarros, & Santora, 2008). The MENA countries are mainly characterised by Islamic religious beliefs (Johnston & Humphries, 2016) and Prophet Muhammad’s behaviour has long been studied in an attempt to understand the leadership behaviour that leaders ought to mimic. Gonaim (2016) found that the Prophet’s style can be described as servant leadership. Additionally, Sarayrah (2004) observed the Arab culture in the
light of servant leadership characteristics and claimed that Arabs, in general, display servant leadership behaviour.

4.6.3 Context of CSR in the MENA Region

It is noteworthy to mark that CSR may be perceived differently in large firms than in small to medium sized enterprises (SMEs). Generally, big companies aim to be recognised for their CSR practices; either the high-profile companies that are known as international brands or the large companies that aspire to achieve a global status. Smaller firms, however, may suffer lower economies of scale in which they incur higher CSR-related costs in comparison to larger companies (Karataş-Özkan et al., 2014). SMEs comprise more than 90% of the world’s companies, prompting almost 60% of employment worldwide (Ndiaye et al., 2018). These enterprises are considered a vital foundation to achieve a blooming growth in the economy. They employ and foster new entrepreneurial skills and create systematic capabilities in order to elevate both innovation and competition (Jamali, Zanhour, & Keshishian, 2009). Taking into consideration their importance for the economy, it is essential to understand their potential distinctions and contributions with regard to CSR (Inyang, 2013). In the MENA region, the majority of the operating firms are SMEs and family-owned businesses. These firms make up a significant base of the MENA’s economy, constituting 75% of the private sector economy and employing 70% of the labour force (Jamali, Lund-Thomsen, & Jeppesen, 2015). For this reason, firms in the MENA region can be reflected upon for the additional research needed on CSR in SMEs and that is important to expanding the core of the CSR theory (Spence 2016; Vázquez-Carrasco & López-Pérez, 2013).

4.7 Conclusion and Further Recommendations

What has been made clear from this chapter is that CSR in the MENA region is confusing and in deficient supply compared to the developed world. Firms do not feel motivated or pressured
to engage in different types of CSR or to report any of their CSR initiatives. Although it is evident that achieving a more complete definition of the concept in the region will take some time, Arab managers have the ability to meet well-established Western standards of CSR. However, for this to occur, CSR initiatives should be clearly introduced, integrated, and communicated throughout the firm. A conscious and organised re-orientation on the part of business actors is needed. The process of CSR development in the MENA will continue to be driven by culture and religion, but also by globalisation and democratisation (Ararat, 2006; Karam & Jamali, 2013; Mandurah et al., 2012). Additionally, in order to improve CSR performance in the Middle Eastern and North African countries and take it to the next level, the concept should be enforced by law in all of the region’s countries. A better and wider CSR reporting agenda is needed. Companies ought to be evaluated not only on the basis of their economic performance but also on the form and level of their corporate citizenship. This will assist in defining the concept in the area more broadly to comprise environmental matters. In order to address some common and complex environmental challenges such as obtaining clean water and air and reserving what is left of green spaces and trees in some countries like Lebanon, it would be useful for companies to form different partnerships. Addressing such matters fall beyond the scope of a single sector in the country (Jamali, 2014).

From a research perspective, it is sound to affirm that CSR in the MENA region is profoundly under-researched. This is unfortunate since this region can represent an opportunity to improve the knowledge and understanding of CSR as it possesses some unique forces that may potentially drive or hinder CSR (Vinke & El-Khatib, 2012). Because of these peculiar and distinctive attributes of the MENA context, it is possible to test for novel antecedents and consequences of CSR in the region. Articles about CSR in the MENA region need to move from solely exploring CSR generally in the area to empirically examining CSR in relation to other variables such as the different leadership styles previously discussed (i.e., participative
and servant leadership) and different desirable employee outcomes like OI. Studies should also
test for different factors that may play a role in the relationships between CSR and its
antecedents and consequences. A final suggestion to take CSR to an even further level is to test
these different relationships in various countries across the region to see if empirical findings
hold. Although the countries in the region share an Arab culture and similar religious beliefs,
they differ in terms of development, nature, and stability (Mallin, 2009).

Chapters 5 and 6 attempt to address these ideas that emerged from reviewing the literature.
These chapters look at CSR empirically in the context of SMEs in three MENA countries; the
U.A.E., Lebanon, and Tunisia. They study the relationship between internal CSR perceptions
and OI in the MENA region as well as determine factors that may play a role in this
relationship. Additionally, they test participative and servant leadership styles as antecedents
of employee internal CSR perceptions.
CHAPTER 5
PARTICIPATIVE LEADERSHIP AND
ORGANISATIONAL IDENTIFICATION IN SMEs IN
THE MENA REGION: TESTING THE ROLES OF CSR
PERCEPTIONS AND PRIDE IN MEMBERSHIP

An earlier version of this chapter was published as:


5.1 Introduction

The leader-follower relationship is one of the most central discussions in the corporate world today. A good leader is essential to attain good results out of employees and enhance their emotional aspects positively (Choudhary et al., 2013). Limited number of studies have explored the role that leadership plays on employees’ organisational identification (OI). Those studies have mainly concerted on transformational and transactional leadership (e.g., Epitropaki & Martin, 2005; Zhu et al., 2012). Participative leadership, however, is relatively a newcomer on the prospect of leadership research (Martin, 2015). This style of leadership that favours consultation and discussion over direction (Amabile et al., 2004) has proven to be positively related to desirable employee outcomes such as organisational commitment, job satisfaction, job performance, organisational citizenship behaviour, and team innovation (e.g., Chen at al.,
OI is the vision of a member’s belongingness to an organisation so that the membership to that organisation converts into a substantial portion of the person’s self-definition (Ashforth & Mael, 1989). Moreover, research calls for the examination of potential mediators in the affiliation of participative leadership with the different employee elements as this profoundly lacks examination (e.g., Hassan et al., 2013; Miao et al., 2014). This study intends to address these gaps by investigating how participative leadership possibly leads to increased OI. This study’s sequential mediation model tested in the Middle East and North Africa (MENA) region proposes that participative leadership instigates positive internal corporate social responsibility (CSR) perceptions that lead to OI through pride in membership (PIM).

CSR refers to the endorsement of virtuous causes and philanthropy in a company’s business practices, which mirror its ethical and moral position (Kotler & Lee, 2005). Perceived CSR of employees is defined as the degree to which the employees view whether or not the company is involved in CSR practices (Choi & Yu, 2014). The way an organisation’s CSR activities are perceived by employees is believed to be significant in understanding these activities’ effects at the individual level (Shin et al., 2016). A few studies have focused on determining antecedents of CSR perceptions such as the employees’ perceived fit between corporate culture and the company’s CSR activities and the manager’s perceived in-role CSR-specific performance (Lee et al., 2013; Vlachos et al., 2014). There have been calls for ascertaining further perceived CSR antecedents (e.g., Lee et al., 2013; Tian et al., 2015). Therefore, by examining the relationship between participative leadership and CSR perceptions in reference to the social information processing theory (Salancik & Pfeffer, 1978), this study is among the first studies to propose that participative leadership is an antecedent of positive employee CSR perceptions. Moreover, in spite of the augmented curiosity in the link between leadership and CSR, startlingly little research which explores this intersection exists (Strand, 2011). The few
studies that have linked leadership to CSR have mainly concentrated on the ethical, transformational, and transactional leadership styles (e.g., Groves & La Rocca, 2011; Tian et al., 2015; Zhu et al., 2014). Nevertheless, additional studies on leadership styles and their relationship with CSR are essential as leadership remains to be a paramount construct which lacks investigation (Martin, 2015).

Furthermore, several studies have explored the association of CSR with OI (e.g., Carmeli et al., 2007; De Roeck & Delobbe, 2012; Jacinto & Carvalho, 2009; Kim et al., 2010). The findings of most of the studies designate that CSR perceptions intensify employees’ OI (e.g., Carmeli et al., 2007; Jacinto & Carvalho, 2009). Still, De Roeck et al. (2014) call future research to find potential mechanisms in the relationship between CSR perceptions and OI. They also recommend researchers to investigate PIM in terms of the CSR literature. PIM expresses how much individuals feel a sense of self-respect as a consequence of their membership in an organisation (Jones, 2010). Moreover, there have been calls to study how pride influences OI (e.g., Ayse et al., 2015; Tracy & Robins, 2007). This study answers these research calls by testing the possible mediating effect of PIM on the relationship between internal CSR perceptions and OI in reference to the social identity theory (Tajfel & Turner, 1979).

In addition to this, there has been a recent shift of interest to CSR in developing nations, predominantly in the MENA region (Jamali, 2017). The term MENA refers to the region spreading from Morocco to Iran, covering all the Middle Eastern and North African countries. Developing countries often have some unique CSR agenda challenges that are relatively distinct than those tackled in the developed nations (Visser, 2008), mainly since the concept of CSR has newly appeared in many developing countries, including the MENA region (Jamali, 2015; Shehadi et al., 2013). Research on the extent and nature of CSR in developing nations is
increasing. However, an area that has received relatively less attention is the role of small to medium-sized enterprises (SMEs) in CSR in the developing countries (Jamali et al., 2017). SMEs, enterprises with less than 250 employees (Hall et al., 2009), constitute more than 90% of the world’s companies, prompting almost 60% of employment worldwide (Ndiaye et al., 2018). More attention is needed to understand the SMEs’ potential distinctions and contributions with regard to CSR in the developing world (Inyang, 2013; Jamali et al., 2017).

This study intends to address these literature gaps by testing the proposed model in SMEs in the MENA region.

This study contributes to the literature in several ways. First, the theoretically grounded framework established in this study contributes to the leadership literature as it explores the link between participative leadership and OI (Hassan et al., 2013; Miao et al., 2014). Second, by testing the relationship between participative leadership and internal CSR perceptions, this study contributes to the CSR literature because it seeks to determine a possible new antecedent of employee CSR perceptions (Strand, 2011; Tian et al., 2015). Third, by testing the mediating effect of PIM on the relationship between CSR perceptions and OI, this study contributes to the psychology of emotions literature because it aims to show how the employees’ PIM can be experienced and how it can affect their identification (Ayse et al., 2015; De Roeck et al., 2014). Finally, by testing the model in the context of SMEs in the MENA region, the study makes an empirical contribution to the CSR literature because it looks at CSR in SMEs in the developing world, which is relevant to expanding the core of the CSR theory (Inyang, 2013; Jamali et al., 2017; Spence, 2016; Vázquez-Carrasco & López-Pérez, 2013). It also focuses on the freshly shifted attention to CSR in the MENA region, where most companies are SMEs (Jamali et al., 2015b).
5.2 Theoretical Framework

5.2.1 Participative Leadership and Internal CSR Perceptions

Several scholars argue that the most humanistic approach to leadership is the participative style (e.g., Amabile et al., 2004; Jong & Hartog, 2007). Under a participative leadership style, the leader meets with the employees to confer about the company’s issues prior to making some decisions (Chen & Tjosvold, 2006). A participative leader, instead of making autocratic decisions, modestly encourages the involvement of employees in both decision-making and problem-solving (Miao et al., 2013). It has long been addressed by a number of scholars that the participation of employees in some decisions is deserving of empirical focus as their participation is projected to be a great value to both the company and its employees (e.g., Chen & Tjosvold, 2006; Kaufman, 2001). Although participative leadership can be considered one of the slower types of decision-making, when a decision is made collectively, harmony is created within the company and both the morale of the employees and the support they feel within the organisation are improved (Muindi, 2011). Somech (2005) believes that the process of open communication inaugurated in participative leadership can assist in lowering the hurdles present among organisational members. It settles conflicts by building cohesive teamwork as it increases the understanding of the business as well as the acceptance of the decisions made (Sorenson, 2000). Bryman (2013) affirms that participative leadership supposedly creates happier and more productive employees because they feel that they have a say and, hence, some kind of control over certain events within the company.

Strand (2011) asserts that the role that participative leadership can play in CSR propounds a promise for research. CSR goes further than seeking self-interest or profit and abiding by the law (Aguilera et al., 2007) as it focuses around doing some social good (McWilliams & Siegel, 2001). It has been pondered as the fundamental activity in the formation of stakeholder relationships (Bhattacharya et al., 2009). It can be separated into two categories. The first
category is external CSR, which comprises of activities related to a cause distinct from the enterprise, directed towards external stakeholders. This can take the form of getting involved in a social project such as sponsoring an event or making donations to a charity organisation. The second category is internal CSR which comprises of activities related to employees and to the way the enterprise operates internally (Basil & Erlandson, 2008). These activities are directly associated with the psychological and physical work environment (Turker, 2009), and relate to the well-being, health, and safety of employees (Vives, 2006). This can take the form of providing safety policies or having a well-grounded code of ethics (Basil & Erlandson, 2008). They are also expressed as activities that show concern for employees’ training, equal opportunities, and work-life balance (Vives, 2006). Examples include having non-discrimination work policies and a clear statement on working hours (Welford, 2005).

Since the concept of CSR is cross-disciplinary in nature (Lockett et al., 2006), the human resource aspect is a key theme of CSR (Berber et al., 2014). Under this aspect, significant features of internal CSR comprise of human resource management (HRM) practices related to staff composition, training, equal treatment, working hours, fair wage distribution, education, benefits, and health and safety. HRM is a foremost component of internal CSR as companies ought to operate responsibly in all of their human resource functions, from the recruitment stage till retention. For this reason, an overlapping between HRM practices and internal CSR activities exists (Kochar & Bisht, 2014). Jamali et al. (2015a, b) agree that for CSR to accomplish its intended purposes, it should be approached as a prearranged tactic which is entrenched within the enterprise and translated into managerial practices, including HRM practices. Vuonisjarvi (2006) also mentions several groups of CSR activities related to HRM such as values and ethics, training and staff development, employee involvement, equal opportunities, and work-life balance. Therefore, strong connections between CSR and HRM exist as internal CSR requires a dependence on HRM (Gond et al., 2011).
According to Cornelius et al. (2008) and Jones et al. (2018), differentiating between external and internal CSR is useful since many enterprises tend to overlook important internal human resource matters while concentrating on serving the community. Most research on CSR involves a company’s responsibilities towards external stakeholders, and thus, there is less attention directed towards internal CSR (Cornelius, 2018; Rok, 2009). This study focuses on the internal CSR activities, excluding the external CSR of the enterprises. The reason for this focus, besides that the study considers employee perceptions, is that even though in many regions of the world the external facet of CSR is a given, in the MENA region, external CSR remains hard to define, especially that the concept of CSR has freshly emerged in that region (Jamali, 2015; Munro, 2013).

The proposed association of participative leadership with internal CSR perceptions of employees is supported by the social information processing (SIP) theory (Salancik & Pfeffer, 1978). The SIP theory states that people build their perceptions on the basis of information cues and social factors beyond the impact of individual personalities (Salancik & Pfeffer, 1978). In the employment context, employees obtain information from the nature of their work environment, which helps them put pieces together and develop their perceptions (Zafar, 2013). Boekhorst (2015) believes that the significant sources of social information usually stem from people with a high status or power. According to Zafar (2013), leadership forms the work context of employees in significant ways as it can offer important cues that direct the employees’ thinking. The SIP theory explains that the perceptions of work characteristics are not fixed but rather affected by the informational relationships that an individual is embedded in (Salancik & Pfeffer, 1978). Boekhorst (2015) asserts that because leaders serve as a prominent source of social information, they are particularly influential in determining employee perceptions of internal organisational practices. Referring to Lord & Maher (2002), encoding and retrieving information are two important stages of information processing and
have important implications for leadership. When an individual encodes information, it is simplified and transferred from the short-term memory to the long-term memory. In the retrieval phase, an individual recalls the information from the long-term memory and makes a judgment. When interactions among the leader and the employees take place, the employees encode and interpret certain social cues. The interpretations direct the employees’ perceptions of their leader and his/her intentions and behaviours which, in turn, will affect their perceptions of the organisational practices (Zhang, Wang, & Fleenor, 2011).

Bryman (2013) considers a participative leadership style to purportedly generate positive emotions for employees since they feel that they are heard within the organisation. Dodge (1991) emphasises that emotion is simply pertinent to processing information in a certain way. Therefore, by experiencing positive emotions with participative leadership, the employees would process the information positively and develop positive perceptions of the internal organisational practices, including internal CSR. Additionally, when employees participate in the decision-making process, they are more probable to feel confident that their interests are being expressed in the actions of the company (Chen & Hung-Baesecke, 2014). The involvement of employees will enable them to invest in the things that they consider important and that would ultimately benefit them (Stawiski, Deal, & Gentry, 2010). According to Kolk et al. (2010), participative leadership can initiate trickle-up effects of internal CSR activities as participative leaders may consequently discourse the expectations and interests of the employees in their business actions, amplifying their positive perceptions regarding the organisation’s practices. Therefore, based on all the above, participative leadership is expected to lead to positive internal CSR perceptions of employees.

*Hypothesis 1*: Participative leadership is positively related to internal CSR perceptions of employees.
5.2.2 CSR Perceptions and Pride in Membership

An organisational culture that promotes CSR can manifest in employee emotions such as pride (Onkila, 2015). Employees are more likely to be proud of their membership in an enterprise when it demonstrates CSR initiatives, predominantly ones directed towards them (Stawiski et al., 2010). Although the concept of pride has been given plenty of focus in research, PIM, recognised as significant in controlling daily social actions, remains to lack attention (Helm, 2013; Yilmaz, Ali, & Flouris, 2015).

The proposed relationship between internal CSR perceptions and PIM is supported by the social identity theory (SIT; Tajfel & Turner, 1979). The theory explains the process by which people perceive and categorise themselves. It states that individuals categorise themselves into diverse social categories and view their membership in a specific category on the basis of specific social factors (Tajfel & Turner, 1986). The theory is known to form the roots of pride (Blader & Tyler, 2009). According to SIT, the group to which individuals belong is a major source of confidence and pride (Tajfel & Turner, 1979). The distinguishing character of a specific company can be shown through its CSR initiatives which partly identify it (Sen & Bhattacharya, 2001), and the importance of these initiatives in the eyes of the employees promotes PIM (Arnett, Laverie, & McLane, 2002). When the company reveals values significant to employees, they are more likely to feel proud of their membership (Reade, 2001). According to De Roeck et al. (2014) and Gond et al. (2010), employees develop stronger feelings from internal CSR actions than from the CSR actions directed towards the diverse social groups. However, how people feel about their organisational membership is not solely shaped by the individual’s own perceptions of the organisation but also by how people external to the organisation perceive it (Brown et al., 2006; Peterson, 2004).
Companies that show socially responsible behaviour towards their employees often receive positive feedback from people outside the organisation for their good treatment of employees (Gond et al., 2010). Several studies have revealed that the leading factor pertaining to rating a company’s CSR by the public is built upon their perceptions of whether or not its employees are treated fairly (Googins, Mirvis, & Rochlin, 2007; Rok, 2009). Employees will feel proud to be members of an organisation acknowledged for its reputation of being socially responsible towards them (Gond et al., 2010). Nevertheless, membership in companies that have poor reputations in regard to the treatment of employees may result in negative employee emotions, changing pride into uneasiness and embarrassment (Dutton et al., 1994). Thus, pride originates from both self-appraisals and the opinions of outsiders (Verbeke, Belschak, & Bagozzi, 2004).

In addition to this, the group-value model (Lind & Tyler, 1988), a model based on SIT (Tajfel & Turner, 1986), can further explain the connection between internal CSR perceptions of employees and PIM. The model addresses that when people perceive that high-quality treatment and fair procedures exist within the organisation, positive feelings such as pride and respect, which contribute to their sense of self-worth, are developed (Tyler, Degoey, & Smith, 1996). The perceptions of unbiased organisational procedures that show justice make the employees feel more valued by the organisation and constitute major indicators of whether people can take pride in their membership to a certain group (Sousa & Vala, 2002). This indicates that employees’ positive perceptions of internal CSR are expected to lead to positive emotions such as pride. Hence, from all of the above, the following hypothesis is proposed:

**Hypothesis 2**: Internal CSR perceptions are positively related to PIM.

From Hypotheses 1 and 2, it is expected that internal CSR perceptions play a mediating role in the relationship between participative leadership and PIM, and thus, the next hypothesis is formulated:
Hypothesis 3: The relationship between participative leadership and PIM is mediated by internal CSR perceptions.

5.2.3 Pride in Membership and Organisational Identification

Tracy & Robins (2007) claim that pride is a key emotion because it results in important everyday consequences. It has been suggested to contribute to several imperative concepts, particularly to OI (Sousa & Vala, 2002). When individuals feel a strong identification with their company, the company is believed to be more effective and more capable of attaining its goals (Pratt, 1998; Van Dick et al., 2007). Therefore, exploring how PIM is connected to OI is important (Smidts et al., 2001).

OI is recognised as the fundamental psychological process underlying the social identity theory as it is considered an explicit form of social identification (Ashforth & Mael, 1989). According to SIT, social identification is associated with several affective components such as pride, self-esteem, and self-concept (Tajfel & Turner, 1986). Feelings that are derived from organisational membership, such as pride, have long been incorporated in the operationalisation of OI. The SIT explains that employees’ OI is increased when PIM is boosted as this ultimately satisfies the employees’ need for belongingness (De Roeck & Delobbe, 2012). Additionally, when employees feel proud of their organisational membership, they are motivated to identify with the company in order to enhance other feelings, such as self-worth (Ashforth & Mael, 1989).

The group-value model (Lind & Tyler, 1988) also suggests that respect and pride contribute to the formation of identification in order to, consequently, develop self-worth feelings. This study builds on the theoretical framework of Blader & Tyler (2009) and Tyler & Blader (2000) who argue that because respect and pride are related to feelings of self-worth and self-esteem, they are essential in the formation of strong employee identification with the company.
According to Hogg & Terry (2001), experiencing PIM can result in employees acting in accordance with the company’s values and goals. Therefore, when employees experience PIM, they are more probable to internalise the company’s values and goals as their own (Van Knippenberg, 2000). This internalisation defines OI (Ekwutosi & Moses, 2013). Thus, pride directly helps employees achieve identification with their organisation (Blader & Tyler, 2009). Additionally, since pride shows people’s judgments regarding the status of a group (Ines, 2012), the pride that employees obtain by working at a company acknowledged for its internal CSR strengthens their self-esteem and emboldens them to identify with the organisation (Dutton et al., 1994). Hence, the perceptions regarding the company practices allow for employees to indirectly identify with the company by boosting their PIM (Bergami & Bagozzi, 2000), and thus, the following two hypotheses are developed:

**Hypothesis 4**: PIM is positively related to OI.

**Hypothesis 5**: The relationship between internal CSR perceptions of employees and OI is mediated by PIM.

Based on the above hypotheses, the subsequent conceptual model (Figure 5.1) is developed:

![Conceptual Model](image)

**Figure 5.1: Conceptual Model**

### 5.3 Context of the Study

The sequential mediation model proposed in this study is tested in the MENA region. Three countries from that region were selected for the study as they represent three different case
studies. The first country, United Arab Emirates (U.A.E.), is located in the Middle East and is one of the Arabian Gulf countries. The second country, Lebanon, is situated in the Middle East on the eastern shore of the Mediterranean Sea. The third country, Tunisia, is located in North Africa, adjoining the Mediterranean Sea. Although the workplaces of these three countries are influenced by similar religious values and an Arab culture, the nature and stability of the workplace differ from one country to the other. Unlike Lebanon and Tunisia, the nature of the U.A.E.’s workplace is dominated by expatriates that comprise almost 90% of the country’s population (Baker & Ghaleb, 2018; UN, 2016). This mixed employee population is uniquely distinct from the homogeneous population in other nations (Lasrado & Bagchi, 2011). Employee salaries in this oil-rich country are higher than other MENA nations, especially because, unlike Lebanon and Tunisia, the U.A.E. has a tax-free regime (Mercer, 2014). Nonetheless, Lebanon, instead of being a destination for expatriates, has become a destination for refugees as the Syrian war displaced over 1.1 million Syrians to Lebanon, which intensely shifted the Lebanese labour market (Habib, 2015). Low salaries have driven hundreds of thousands of Lebanese to become self-initiated expatriates in the U.A.E. (Jamali, Sidani, & Safieddine, 2005). With low salaries and limited expatriates, Tunisia’s workplace is the most unstable among the three following the Arab Spring of 2011, a revolution which, until today, is changing the country’s workplace laws and policies (Breuer et al., 2015; Sghari, 2018).

It has long been believed that Arab managers in the MENA region are, in general, inclined towards consultation and the adoption of a participative leadership style (e.g., Al-Jafary & Hollingsworth, 1983; Ali at al., 1997; Suliman & Thomas, 2014). Because the cultures in the MENA countries are considered collective cultures, leadership styles that preserve and strengthen consensus are preferred (Ali et al., 1997).
In developing nations like the MENA countries, CSR has not yet been given efficient focus (Jamali et al., 2015). While the concept was initially considered largely in developed nations, there has been a shifting interest to CSR in developing nations like the MENA region (Jamali et al., 2015b). Because the concept of CSR is relatively new in many developing nations, these countries look at CSR differently than the developed countries (Jamali, 2017; Visser, 2008). Companies in the MENA region seldom arrange for their CSR initiatives to address environmental problems like reducing pollution or finding better solutions for their garbage disposals. As a result of this, compared to internal CSR, external CSR has less impact on the society in that region. Companies in the MENA do not essentially look beyond core internal concerns (Shehadi et al., 2013). Moreover, there is a difference in the notions of what CSR ought to achieve among the developed and developing nations which emerges from dissimilar intensity of CSR interest and different levels of CSR awareness raising and advocacy (Jamali, 2007).

The companies considered for this study are SMEs. The existing literature looks at SMEs as a significant base for the attainment of a blooming growth in the economy. These enterprises are considered a vivacity that employ and foster fresh entrepreneurial skills and create systemic effective capabilities which function to raise both innovation and competition (Jamali et al., 2009b). Nevertheless, little is known about CSR in SMEs in developing countries (Inyang, 2013; Jamali et al., 2017; Spence, 2016).

5.4 Method

5.4.1 Participants and Procedure

As mentioned before, data for this study was collected from employees working for SMEs in the U.A.E., Lebanon, and Tunisia. All of the selected enterprises operate in the services and trading sectors. Five companies in the U.A.E., seven companies in Lebanon, and five
companies in Tunisia participated in the study. Access to the participating SMEs was obtained through personal contacts. The employees were asked to complete a questionnaire accompanied with a cover letter that explained the objectives of the study, clarified the voluntary nature of participation, and assured confidentiality of the responses. In the U.A.E., the questionnaire was forwarded by the supervisors to their subordinates through internal email. Supervisors at the designated enterprises in Lebanon and Tunisia distributed the questionnaires by hand to the subordinates. In every company, a file box was placed where the respondents had the chance to anonymously place the questionnaire upon completion. The boxes were then collected by a person assigned by the researchers.

In the U.A.E., a total of 260 usable questionnaires out of the 475 questionnaires forwarded were returned, yielding a response rate of 54.74%. Of the 260 respondents, 56.54% were males. The majority of the participants were between the ages of 31 and 40 years (32.31%) and between the ages of 41 and 50 years (31.92%). Moreover, 66.92% of the respondents reported that their highest level of education was a Bachelor’s degree. Most of the participants reported a tenure between 5 and 10 years (36.54%).

In Lebanon, a total of 268 usable questionnaires out of the 420 questionnaires distributed were returned, yielding a response rate of 63.81%. Of the 268 respondents, 60.07% were males. The majority of the participants were between the ages of 18 and 30 years (27.24%) and between the ages of 31 and 40 years (27.99%). Additionally, 81.72% of the respondents reported a Bachelor’s degree as their highest level of education. Most of the participants reported a tenure of less than 5 years (39.93%).

Finally, in Tunisia, a total of 212 usable questionnaires out of the 415 questionnaires distributed were returned for a 51.08% response rate. Of the 212 respondents, 58.02% were males. The majority of the participants were between the ages of 31 and 40 years (32.08%). Moreover,
77.83% of the respondents reported that their highest level of education was a Bachelor’s degree. Most of the participants reported a tenure of less than 5 years (41.04%).

5.4.2 Measures

In the U.A.E. and Lebanon, the questionnaire was provided in English since it is a language regularly spoken in these two countries (Diab, 2006; Randall & Samimi, 2010). However, following Brislin’s (1980) recommendations on the back-translation process, the English questionnaire was translated into French before it was distributed to employees in Tunisia since French is one of the two commonly spoken languages in that country (Stevens, 1983). The initial translation was done by a professional translator. The translated questionnaire was then back-translated into English by a bilingual academic. Only minor differences were found when the two English versions of the questionnaire were compared. The questionnaire was then pretested by three professionals who were not involved in the study.

The questionnaire items (presented in Table 5.4 at the end of this chapter) were measured on a Likert Scale with response options ranging from (1) ‘strongly disagree’ to (7) ‘strongly agree’.

**Participative leadership:** A 6-item scale developed by Arnold et al. (2000) was used to measure participative leadership. Sample items include ‘My supervisor listens to my ideas and suggestions’ and ‘My supervisor gives all work members a chance to voice their opinions’. The participants were asked to refer to their direct supervisor. The scale’s alpha reliability of the studies in the U.A.E., Lebanon, and Tunisia is 0.91, 0.95, and 0.91, respectively.

**Internal CSR:** An 8-item scale selected from Maignan & Ferrell’s (2001) scale derived from Carroll’s (1979) CSR classification was used to measure perceptions of internal CSR. Carroll’s classification is believed in the literature to be useful in looking at how CSR is displayed in a developing nation context (Visser, 2008). Maignan & Ferrell (2001) came up with several items to measure the economic, legal, ethical, and discretionary responsibilities of businesses.
proposed by Carroll (1979). Advice to use this scale was offered after contacting several managers in the three considered countries. In order to operationalise the internal CSR definition from the existing scale, it was essential to identify the company activities which typify the economic, legal, ethical, and discretionary CSR towards the employees. The selected items were then compared to another popular CSR scale (Turker, 2009b) that includes items which specifically measure the perceptions of CSR activities directed towards employees. Sample items include ‘My company has internal policies that prevent discrimination in the employees’ compensation and promotion’ and ‘My company supports employees who want to acquire additional education’. The alpha reliability of the scale of the studies in the U.A.E., Lebanon, and Tunisia is 0.91, 0.90, and 0.90, respectively.

Organisational identification: A 6-item scale adapted by Homburg et al. (2009) from Mael & Ashforth’s (1992) scale was used to measure OI. Sample items include ‘When someone criticises this company, it feels like a personal insult’ and ‘When I talk about this company, I usually say “we” rather than “they”’. The scale’s alpha reliability of the studies in the U.A.E., Lebanon, and Tunisia is 0.88, 0.92, and 0.91, respectively.

Pride in membership: A 4-item scale was used to measure PIM. The items in this scale were developed by Cable & Turban (2003) and Helm (2013). Sample items include ‘I am proud to identify myself personally with this company’ and ‘I am proud when others associate me with this company’. The alpha reliability of the scale of the studies in the U.A.E., Lebanon, and Tunisia is 0.84, 0.91, and 0.89, respectively.

Control variables: The control variables consist of gender, age, level of education, and tenure. Gender has previously been linked to pride in the workplace (Magee, 2015) and to OI (Aryee & Luk, 1996). Pride and OI have also been found to change with age (Magee, 2015; Bergmann et al., 2016). Moreover, education and organisational tenure have been proven to have an effect.
on pride (Kraemer & Gouthier, 2014; O’Reilly & Chatman, 1986) and to be significantly related to OI (Kreiner & Ashforth, 2004; Stinglhamber et al., 2015).

5.4.3 Data Analytic Strategy

Structural equation modelling (SEM) was performed using the Stata 14 software in order to test the proposed hypotheses. The selection of this method is based on SEM’s strong competency to deal with latent variables and their observable indicators as well as provide the comparison of the model hypothesised to the empirical data by delivering the fit-statistics (Nachtigall et al., 2003). SEM is also known for simplifying mediation analysis because it tests different mediation hypotheses in only one analysis (MacKinnon, 2008).

The two-step approach suggested by Anderson & Gerbing (1988) was followed. The measurement model that specifies the relation between the observed items and their corresponding constructs was first analysed in order to deliver a confirmatory analysis of both the convergent and discriminant validities (Campbell & Fiske, 1959). Subsequently, the structural model that specifies the causal relations of one construct to the other constructs was analysed in order to assess the nomological validity (Cronbach & Meehl, 1955; Zabkar, 2000).

5.5 Results

5.5.1 Validity Analysis

Subset-item parcelling was applied in order to attain a better subject-parameter-ratio (Matsunaga, 2008). The items with the highest and lowest factor loadings were averaged and then treated as indicators of their respective construct (Little et al., 2002). CSR was formed of four parcels, participative leadership and OI were formed of three parcels, and PIM ended up with two parcels.

Confirmatory factor analysis (CFA) was applied to test how well the observed variables represent their underlying construct (Suhr, 2006). The Comparative Fit Index (CFI), the
Tucker-Lewis Index (TLI), the Standardized Root Mean Squared Residual (SRMR), and the Root Mean Square Error Approximation (RMSEA) were used to test the goodness of fit of the model to data. A CFI value > 0.90, a TLI value > 0.80, a SRMR value < 0.08, and a RMSEA value < 0.10 have been suggested (Byrne, 2010; Hu & Bentler, 1999; Kline, 2005; MacCallum et al., 1996). Results of the CFA conducted showed that the measurement model has an adequate fit to data from the three countries: $\chi^2/df = 3.50$, CFI = 0.92, TLI = 0.88, SRMR = 0.03, and RMSEA = 0.09 for the U.AE.; $\chi^2/df = 3.11$, CFI = 0.95, TLI = 0.93, SRMR = 0.03, and RMSEA = 0.08 for Lebanon; and $\chi^2/df = 2.82$, CFI = 0.93, TLI = 0.90, SRMR = 0.05, and RMSEA = 0.09 for Tunisia.

In addition to this, the CFA results revealed that the composite reliability scores of the variables ranged between 0.80 and 0.96, exceeding the recommended threshold value of 0.70 (Nunnally & Bernstein, 1994). Also, following Fornell & Larcker’s (1981) guidelines, the average variance extracted (AVE) for each variable exceeded 0.5, ranging between 0.66 and 0.89. Thus, convergent validity is supported.

Tables 5.1, 5.2, and 5.3 show the correlation matrices for the three samples. The bold numbers in the matrices’ diagonals represent the square roots of the AVEs of the constructs. Discriminant validity is achieved if the square root of the AVE of a construct is greater than the correlations between this construct and other constructs (Fornell & Larcker, 1981). In the three matrices, these square roots are larger than the correlations between the given construct and other constructs. This supports the discriminant validity of the scales used.
Table 5.1: Correlations among study variables in the U.A.E. sample

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<tbody>
<tr>
<td>1. Gender</td>
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<tr>
<td>2. Age</td>
<td>-0.29**</td>
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<tr>
<td>3. Education</td>
<td>0.08</td>
<td>-0.19**</td>
<td></td>
<td></td>
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<tr>
<td>4. Tenure</td>
<td>-0.19**</td>
<td>0.71**</td>
<td>-0.24**</td>
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<tr>
<td>5. PL</td>
<td>0.06</td>
<td>0.06</td>
<td>0.09</td>
<td>0.07</td>
<td>0.88</td>
<td>(0.91)</td>
<td></td>
<td></td>
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<tr>
<td>6. CSR</td>
<td>0.11</td>
<td>0.01</td>
<td>0.20**</td>
<td>-0.12</td>
<td>0.52**</td>
<td></td>
<td>0.85</td>
<td>(0.91)</td>
</tr>
<tr>
<td>7. PIM</td>
<td>0.19**</td>
<td>0.08</td>
<td>0.19**</td>
<td>-0.05</td>
<td>0.55**</td>
<td>0.68**</td>
<td>0.82</td>
<td>(0.80)</td>
</tr>
<tr>
<td>8. OI</td>
<td>0.09</td>
<td>0.09</td>
<td>0.16*</td>
<td>0.11</td>
<td>0.66**</td>
<td>0.73**</td>
<td>0.81**</td>
<td>0.84</td>
</tr>
</tbody>
</table>

Note. n = 260. All statistical significance tests were based on two-tailed tests. *p < 0.05. **p < 0.01.
The number in bold is the square root of the AVE. The number in brackets is the composite reliability. PL = participative leadership CSR = corporate social responsibility PIM = pride in membership OI = organisational identification.

Table 5.2: Correlations among study variables in the Lebanese sample

<table>
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<td>1. Gender</td>
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<tr>
<td>2. Age</td>
<td>-0.09</td>
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<tr>
<td>3. Education</td>
<td>-0.01</td>
<td>-0.24**</td>
<td></td>
<td></td>
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<tr>
<td>4. Tenure</td>
<td>-0.06</td>
<td>0.82**</td>
<td>-0.31**</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>5. PL</td>
<td>-0.05</td>
<td>0.03</td>
<td>0.12</td>
<td>-0.10</td>
<td>0.94</td>
<td>(0.96)</td>
<td></td>
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<tr>
<td>6. CSR</td>
<td>0.08</td>
<td>-0.1</td>
<td>0.07</td>
<td>-0.22**</td>
<td>0.50**</td>
<td></td>
<td>0.83</td>
<td>(0.90)</td>
</tr>
<tr>
<td>7. PIM</td>
<td>-0.003</td>
<td>-0.09</td>
<td>0.12*</td>
<td>-0.26**</td>
<td>0.63**</td>
<td>0.55**</td>
<td>0.95</td>
<td>(0.95)</td>
</tr>
<tr>
<td>8. OI</td>
<td>0.01</td>
<td>-0.41</td>
<td>0.11</td>
<td>-0.12*</td>
<td>0.78**</td>
<td>0.62**</td>
<td>0.72**</td>
<td>0.90</td>
</tr>
</tbody>
</table>

Note. n = 268. All statistical significance tests were based on two-tailed tests. *p < 0.05. **p < 0.01.
The number in bold is the square root of the AVE. The number in brackets is the composite reliability. PL = participative leadership CSR = corporate social responsibility PIM = pride in membership OI = organisational identification.

Table 5.3: Correlations among study variables in the Tunisian sample

<table>
<thead>
<tr>
<th></th>
<th>1</th>
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<tbody>
<tr>
<td>1. Gender</td>
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<tr>
<td>2. Age</td>
<td>-0.09</td>
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<td></td>
</tr>
<tr>
<td>3. Education</td>
<td>0.02</td>
<td>-0.18**</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>4. Tenure</td>
<td>-0.03</td>
<td>0.70**</td>
<td>-0.27**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. PL</td>
<td>-0.09</td>
<td>0.01</td>
<td>0.07</td>
<td>-0.11</td>
<td>0.88</td>
<td>(0.91)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. CSR</td>
<td>0.08</td>
<td>-0.23**</td>
<td>0.06</td>
<td>-0.21**</td>
<td>0.35**</td>
<td></td>
<td>0.83</td>
<td>(0.90)</td>
</tr>
<tr>
<td>7. PIM</td>
<td>-0.03</td>
<td>0.01</td>
<td>0.08</td>
<td>-0.12</td>
<td>0.62**</td>
<td>0.38**</td>
<td>0.87</td>
<td>(0.86)</td>
</tr>
<tr>
<td>8. OI</td>
<td>-0.05</td>
<td>-0.10</td>
<td>0.08</td>
<td>-0.07</td>
<td>0.74**</td>
<td>0.58**</td>
<td>0.58**</td>
<td>0.88</td>
</tr>
</tbody>
</table>

Note. n = 212. All statistical significance tests were based on two-tailed tests. *p < 0.05. **p < 0.01.
The number in bold is the square root of the AVE. The number in brackets is the composite reliability. PL = participative leadership CSR = corporate social responsibility PIM = pride in membership OI = organisational identification.

5.5.2 Common Method Bias

In order to address the common method bias problem, remedies recommended by Podsakoff et al. (2003) were followed. While the data was being collected, obscurity and confidentiality of the responses were assured to the respondents in order to reduce evaluation apprehension and social desirability. Moreover, the potential impact of common method bias was statistically tested using Harman’s single factor test. The fit statistics of the single-factor model were: χ²/df
= 4.47, GFI = 0.72, CFI = 0.78, SRMR = 0.33, and RMSEA = 0.12 for the U.AE.; $\chi^2/df = 3.84$, GFI = 0.75, CFI = 0.85, SRMR = 0.40, and RMSEA = 0.10 for Lebanon; and $\chi^2/df = 3.00$, GFI = 0.75, CFI = 0.83, SRMR = 0.13, and RMSEA = 0.10 for Tunisia. These indicate a poor model fit for the three countries, suggesting that common method bias is not a significant issue in this research. For further confirmation, since the tendency of people to show themselves positively or in a ‘socially desirable’ manner while completing questionnaires is often assumed to be a cause of common method variance, the partial correlation procedure was applied by partialling out social desirability. This statistical procedure requires that the researcher controls the effects of common method variance (by controlling for social desirability) and then compares the differences in the partial correlations among the different variables (Posdakoff et al., 2003). Socially desirable responding was measured by a 4-item scale developed by Donavan et al. (2004). The inspections of the partial correlations after controlling for social desirability suggested that there is a slight change in the strength of some of the correlations. For the U.A.E., the correlations only faintly changed among the variables. For example, the correlation between internal CSR perceptions and OI increased by 0.01. Similarly, for Lebanon and Tunisia, the correlations among the different variables slightly changed. This means that controlling for social desirability responding had a very little effect on the strength of the relationships among the variables, signifying that the probability for common method bias in the study’s data is low.

5.5.3 Hypotheses Testing

Estimation through Maximum Likelihood was performed to test the proposed hypotheses. Figure 2, which represents the partial sequential mediation model, shows the results of the SEM analysis for the U.A.E., Lebanon, and Tunisia, respectively. As is shown, the path from participative leadership to internal CSR perceptions ($\beta = 0.52, p < .01$ for the U.AE.; $\beta = 0.50, p < .01$ for Lebanon; $\beta = 0.35, p < .01$ for Tunisia) is positive and significant. This provides
evidence that supports Hypothesis 1 which states that participative leadership is positively related to internal CSR perceptions of employees. Similarly, the path from internal CSR perceptions to PIM ($\beta = 0.51$ for the U.A.E./0.28 for Lebanon/0.21 for Tunisia; $p < .01$) and the path from PIM to OI ($\beta = 0.51$, $p < .01$ for the U.A.E.; $\beta = 0.31$, $p < .01$ for Lebanon; $\beta = 0.14$, $p < .05$ for Tunisia) are positive and significant. This presents support for Hypothesis 2 which posits that CSR perceptions are positively related to PIM and for Hypothesis 4 which suggests that PIM is positively related to OI. Taken together, the SEM findings in Figure 5.2 provide evidence that there is some mediation, supporting Hypotheses 3 and 5 which posit that the relationship between participative leadership and PIM is mediated by internal CSR perceptions of employees and that the relationship between internal CSR perceptions and OI is mediated by PIM.

5.5.4 Mediation Analysis

A comparison between an alternate model, which only allows for full mediation, and the partial mediation model (as depicted in Figure 5.2) was made. The fully mediated model showed the following model fit: For the U.A.E., $\chi^2 (91) = 361.68$, $\chi^2/df = 3.97$, CFI = 0.89, TLI = 0.86,
SRMR = 0.09, and RMSEA = 0.11; for Lebanon, $\chi^2(91) = 453.08$, $\chi^2/df = 4.98$, CFI = 0.89, TLI = 0.86, SRMR = 0.14, and RMSEA = 0.12; and for Tunisia, $\chi^2(91) = 409.98$, $\chi^2/df = 4.51$, CFI = 0.84, TLI = 0.80, SRMR = 0.17, and RMSEA = 0.13. The partial mediation model showed a better fit to the data from the U.A.E., Lebanon, and Tunisia, respectively: $\chi^2 (88) = 306.44/278.76/247.75$; $\chi^2/df = 3.48/3.16/2.81$; CFI = 0.91/0.94/0.92; TLI = 0.89/0.93/0.90; SRMR = 0.06/0.06/0.07; and RMSEA = 0.09/0.09/0.09. The difference in fit was statistically significant: $\Delta \chi^2 (3) = 55.24/174.32/162.23$, $p < .01$ for the U.A.E., Lebanon, and Tunisia, respectively.

Additionally, bootstrapping was used to cross-validate the mediation results of the SEM. Following the guidelines recommended by Shrout & Bolger (2002), 5,000 bootstrap samples were created for each country. The indirect effects of participative leadership on PIM and the indirect effects of internal CSR perceptions on OI were estimated with the bias-corrected percentile method (Efron & Tibshirani, 1993). The outcomes from the bootstrap sample from the U.A.E. reveal that the indirect effect of participative leadership on PIM via internal CSR perceptions is 0.27, obtained by multiplying the path coefficients of participative leadership to CSR ($\beta = 0.52$) and CSR to PIM ($\beta = 0.51$). This indirect effect is significant with a $p < .01$ and a corresponding 95 % confidence interval (CI) ranging between the values 0.10 and 0.36. Moreover, the indirect effect of internal CSR perceptions on OI via PIM for the U.A.E. is 0.26, obtained by multiplying the path coefficients of CSR to PIM ($\beta = 0.51$) and PIM to OI ($\beta = 0.51$). This effect is significant with a $p < .01$ and a 95 % CI ranging from values 0.08 to 0.48. Similarly, the results from the Lebanese bootstrap sample show that the indirect effect of participative leadership on PIM via internal CSR perceptions is 0.14 ($\beta_{PL\rightarrow CSR} = 0.50 \times \beta_{CSR\rightarrow PIM} = 0.28$). This indirect effect is significant ($p < .01$) with a 95 % CI ranging between the values 0.04 and 0.24. The indirect effect of internal CSR perceptions on OI via PIM for Lebanon is 0.09 ($\beta_{CSR\rightarrow PIM} = 0.28 \times \beta_{PIM\rightarrow OI} = 0.31$). This effect is significant ($p < .01$) with a
95 % CI ranging from values 0.03 to 0.20. Applying the same procedures, the results from the bootstrap sample from Tunisia show that the indirect effect of participative leadership on PIM via internal CSR perceptions is 0.07 ($\beta_{PL\rightarrow CSR} = 0.35 * \beta_{CSR\rightarrow PIM} = 0.21$). It is significant with a $p < .01$ and a bootstrapped 95 % CI ranging between values 0.01 and 0.25. Lastly, the indirect effect of internal CSR perceptions on OI via PIM for Tunisia is 0.03 ($\beta_{CSR\rightarrow PIM} = 0.21 * \beta_{PIM\rightarrow OI} = 0.14$), and is significant with a $p < .1$. Therefore, the presented outcomes provide support for the results of the mediation hypotheses.

5.6 Discussion

Despite the heightening importance of the impact that participative leadership can have on employees, this leadership style has not been linked to OI. Also, mechanisms through which participative leadership can lead to desirable employee outcomes lack examination (Hassan et al., 2013; Miao et al., 2014). The purpose of this study was to determine whether and how participative leadership leads to higher OI. Findings showed that participative leadership eventually generates OI. Results supported the hypothesis which signifies that participative leadership leads to positive internal CSR perceptions of employees. Results also provided support for the hypotheses suggesting that positive internal CSR perceptions lead to PIM which, in turn, leads to OI. Additionally, evidence was provided for the hypotheses indicating that internal CSR perceptions mediate the relationship between participative leadership and PIM, and that PIM mediates the relationship between internal CSR perceptions and OI. Nevertheless, the mediation relationships were found to be partial. This suggests that there are other mediators worthy of investigation. For example, high levels of trust in the leader may play a mediating role in the relationship between participative leadership and PIM since participative leadership may demonstrate that the leader has respect, concern, and confidence in the employees (Dirks & Ferrin, 2002; Miao et al., 2013). Other mechanisms may also be
involved in the relationship between CSR and OI, such as the degree of importance of an individual’s job to his/her self-image since it is believed that employees identify with the organisation when they view their job to be important to their self-image (Katrinli et al., 2009).

The studied relationships are the strongest for the U.A.E., followed by Lebanon and then Tunisia. The leaders in the U.A.E. are believed to have to put in added effort to communicate and listen to their subordinates’ needs since handling the current workplace diversity has become a priority for many enterprises in the U.A.E. (Al-Jenaibi, 2012). A special type of relationship based on mutual respect and trust is believed to be emerging between the diverse employees and the leaders in the companies in the U.A.E. in order to successfully generate positive work outcomes (Suliman & Al-Kathairi, 2012). Moreover, Lebanon’s different religious and political parties have made tolerance and understanding special elements for positive coexistence in the workplace (Jamali et al., 2005). Both the U.A.E. and Lebanon, compared to other Arab countries, are more open to developed nations and understand the importance of achieving positive employee outcomes (Jamali et al., 2005; Lasrado & Bagchi, 2011). Tunisia, nevertheless, is still considered somewhat reserved, and its workplace constitutes a fragile setting where many standards and rules are only partially effective in the eyes of the employees (Stanton, 2015).

The finding that participative leadership leads to positive internal CSR perceptions of employees provides support for the social information processing theory. This finding is consistent with the notion that employees develop their perceptions of internal organisational practices by collecting information cues from their work environment and that their leader serves as a significant source of that information (Salancik & Pfeffer, 1978). Additionally, the finding contributes to the social information processing theory by expanding the understanding of this theory in an employment context. This finding also helps expand the core of the CSR
theory by determining that participative leadership is an antecedent of CSR perceptions and by looking at CSR in the context of SMEs in developing nations as this is relevant but lacking (Jamali et al., 2015; Spence, 2016). Furthermore, the findings that internal CSR perceptions lead to PIM, that PIM leads to OI, and that PIM plays a mediating role in the relationship between internal CSR perceptions and OI provide support for the social identity theory. These findings are consistent with the notion that identification is shaped by the employees’ perceptions of the organisation and its practices which instil feelings of pride in the employees (Tajfel & Turner, 1979).

5.7 Conclusion

In an attempt to explain the process linking participative leadership to OI, determine a novel antecedent of CSR perceptions, and test a mediator in the CSR-OI link, a sequential mediation model was formulated and tested in SMEs in the MENA region. The results provided evidence that participative leadership leads to positive internal CSR perceptions of employees which lead to PIM that, in turn, results in OI. Furthermore, internal CSR perceptions mediated the relationship between participative leadership and PIM, and PIM mediated the relationship between internal CSR perceptions and OI in the U.A.E., Lebanon, and Tunisia.

The results of this study open a window for company leaders who seek higher OI from their employees. It is well known that employees who highly identify with their company display positive attitudes and behaviours in the workplace which help the company achieve its goals and be more effective (Pratt, 1998; Van Dick et al., 2007). Therefore, managers can adopt a more participative approach while interacting with their subordinates in order to foster a positive psychological state of employees where they feel proud of their membership in the organisation and thus identify with it. In addition to this, because positive perceptions of
internal CSR in the sequel lead to increased OI, some alteration in the HRM practices can benefit both the company and the employees (Fajana et al., 2011). For example, incorporating internal policies that prevent discrimination in the employees’ promotion and compensation if they are not already present or supporting employees who want to acquire additional education will be of value to the employees. Such practices, viewed as elements to measure internal CSR, will also reinforce the employees’ positive perceptions of the company’s internal CSR, eventually increasing their OI and thus benefiting the company (Gond et al., 2010; Turker, 2009).

Despite careful considerations, the current study has some limitations. First, due to the context of the study, the external aspect of CSR was not reflected on since the MENA region still lacks initiatives that align with the diverse stakeholders’ needs (Shehadi et al., 2013). Future research can test this study’s sequential mediation model in other geographical regions where external CSR perceptions can also be taken into consideration. Further, as mentioned earlier, the findings of the study revealed partial mediation relationships, and therefore, one research extension is to test other mechanisms in the relationship between participative leadership and PIM and the relationship between CSR and OI, such as high levels of trust in the leader and the degree of importance of the job to the individual’s self-image. To add to this, since this study was only cross-sectional, future research can follow it up with a longitudinal study to track and describe individual changes over time (Menard, 2002). In spite of these limitations, this study provided intriguing findings that address current literature gaps and improve the knowledge in respect to the process which leads to higher OI.
Table 5.4: Items of the Questionnaire

<table>
<thead>
<tr>
<th>Item</th>
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<tr>
<td><strong>Items used to measure participative leadership:</strong></td>
</tr>
<tr>
<td>1. My supervisor encourages me to express my ideas and suggestions.</td>
</tr>
<tr>
<td>2. My supervisor listens to my ideas and suggestions.</td>
</tr>
<tr>
<td>3. My supervisor uses our suggestions to make decisions that affect us.</td>
</tr>
<tr>
<td>4. My supervisor gives all work members a chance to voice their opinions.</td>
</tr>
<tr>
<td>5. My supervisor considers my ideas when he/she disagrees with them.</td>
</tr>
<tr>
<td>6. My supervisor makes decisions based only on his/her ideas.</td>
</tr>
<tr>
<td><em>(Arnold et al. 2000)</em></td>
</tr>
<tr>
<td><strong>Items used to measure internal CSR perceptions:</strong></td>
</tr>
<tr>
<td>1. My company closely monitors the employees’ productivity.</td>
</tr>
<tr>
<td>2. My company seeks to comply with all laws in hiring and giving employees benefits.</td>
</tr>
<tr>
<td>3. My company has programmes that encourage the diversity of its workforce (in terms of age, gender, or race).</td>
</tr>
<tr>
<td>4. My company has internal policies that prevent discrimination in the employees’ compensation and promotion.</td>
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<tr>
<td>5. My company has a comprehensive code of conduct.</td>
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<tr>
<td>6. My company supports employees who want to acquire additional education.</td>
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<tr>
<td>7. My company encourages employees to join civic organisations that support the community.</td>
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<tr>
<td>8. My company has flexible policies which enable the employees to better coordinate work and personal life.</td>
</tr>
<tr>
<td><em>(Maignan &amp; Ferrell 2001)</em></td>
</tr>
<tr>
<td><strong>Items used to measure organisational identification:</strong></td>
</tr>
<tr>
<td>1. When someone criticises this company, it feels like a personal insult.</td>
</tr>
<tr>
<td>2. I am very interested in what others think about this company.</td>
</tr>
<tr>
<td>3. When I talk about this company, I usually say ‘we’ rather than ‘they’.</td>
</tr>
<tr>
<td>4. This company's success is my success.</td>
</tr>
<tr>
<td>5. When someone praises this company, it feels like a personal compliment.</td>
</tr>
<tr>
<td>6. If a story in the media criticises this company, I would feel embarrassed.</td>
</tr>
<tr>
<td><em>(Mael &amp; Ashforth 1992)</em></td>
</tr>
<tr>
<td><strong>Items used to measure pride in membership:</strong></td>
</tr>
<tr>
<td>1. I am proud to be part of my company.</td>
</tr>
<tr>
<td>2. I am proud to tell others that I work for this firm.</td>
</tr>
<tr>
<td>3. I am proud to identify myself personally with this firm.</td>
</tr>
<tr>
<td>4. I am proud when others associate me with this company.</td>
</tr>
<tr>
<td><em>(Cable &amp; Turban 2003; Helm 2013)</em></td>
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CHAPTER 6
LINKING SERVANT LEADERSHIP, INTERNAL CSR PERCEPTIONS, MORAL MEANINGFULNESS, AND ORGANISATIONAL IDENTIFICATION:
A MODERATED MEDIATION MODEL

6.1 Introduction

The perpetual shift from traditional to modern leadership styles in organisations has resulted in a relationship between leaders and followers that can be described as one that is less intimidating and more supportive (Van Dierendonck & Nuijten, 2011). Servant leadership is one of the emergent theories today succeeding prior academic emphasis on other leadership styles such as transformational, transactional, and charismatic leadership (e.g., Eisenbeiss et al., 2008; Pieterse et al., 2010; Walter & Bruch, 2009). Servant leaders are both servants and leaders at the same time and view serving others and being attentive to their needs as their main priority (Greenleaf, 1977). Although the roots of servant leadership theory can easily be traced back to different centuries, this leadership style is considered an enthralling field of study for leadership scholars and management researchers and is portrayed as a theory with substantial potential (Serrat, 2017). According to Eva et al. (2018, p. 114), “An overwhelming majority of servant leadership studies provide loose descriptions of what, why, and how servant leaders behave towards their followers as they do.” There is a potent need for more academic research that features the core ideas learned from the writings of this leadership style until now. In spite of mounting interest from scholars, critics still mark the absence of rigorous processes, theories,
and different methodological techniques in the servant leadership literature (Eva et al., 2018; Van Dierendonck & Patterson, 2015).

There has been a special interest in the literature that explores the association of different leadership styles with organisational identification (OI), which refers to the extent to which an individual defines himself/herself in terms of an organisation (Mael & Ashforth, 1992). This association has mostly focused on transformational and transactional leadership styles (e.g., Epitropaki & Martin, 2005; Zhu et al., 2012). This study contributes to this stream of literature by exploring a novel underlying process of the relationship between servant leadership and OI. Looking at different ways to link servant leadership and OI is important because although this leadership style shares similar characteristics with other leadership theories, such as transformational and participative leadership, it still holds a unique position. It distinctively stipulates a combination of the motivation to be a leader and the need to serve others. It is also the most overt leadership style that accentuates the significance of followers’ growth and development without essentially being associated with organisational outcomes (Walumbwa, Hartnell, & Oke, 2010).

OI has been viewed as an illustrious component in the literature that positively influences the assorted attitudes and behaviours of employees, ultimately affecting the effectiveness of the company (Kreiner & Ashforth, 2004). It has been linked to desirable employee outcomes such as organisational commitment, organisational citizenship behaviour, task performance and job satisfaction (e.g., Edwards & Peccei, 2010; Turker, 2009a; Van Dick et al., 2004). For this reason, examining different processes that lead to OI is salient. This study proposes that servant leadership leads to OI by eliciting positive internal corporate social responsibility (CSR) perceptions of employees that, in turn, lead to OI, moderated by moral meaningfulness. The
proposed moderated mediation model is tested in small to medium enterprises (SMEs) in three countries in the Middle East and North Africa (MENA) region.

Research shows that there is a palpable incessant interest in the link between leadership and internal CSR. Internal CSR refers to the social responsibility activities that are directed towards the internal stakeholders and are related to how the firm operates internally (Basil & Erlandson, 2008). Studies that have associated leadership with CSR so far have chiefly focused on transformational, transactional, ethical, and, recently, participative leadership (e.g., Lythreatis et al., 2017; Tian et al., 2015; Zhu et al., 2014). CSR can provide the perfect context for the servant leadership concept to further mature (Christensen et al., 2014). It would be intriguing to see whether this leadership style enriches the perspective on CSR and if it can possibly add power to the search for antecedents of CSR perceptions (Van Dierendonck, 2011; Vlachos et al., 2014). Employees’ perceptions of a firm’s CSR activities are believed to be imperative and sufficient in studying individual responses (Glavas & Godwin, 2013; Shin et al., 2016). These perceptions have been linked to several desirable employee attitudes and behaviours, such as organisational commitment and organisational citizenship behaviour (e.g., Newman et al., 2016; Turker, 2009). Determining what leads to positive CSR perceptions of employees, therefore, is essential. Drawing on social information processing theory (Salancik & Pfeffer, 1978) and the human resource frame (Bolman & Deal, 2008), this study proposes that servant leadership is an antecedent of internal CSR perceptions. According to these theories, leaders exist to serve employees’ needs and their behaviours provide information cues that help followers develop perceptions regarding the internal organisational practices. Therefore, servant leaders, by demonstrating empathy and fairness towards followers, could enhance employee perceptions of internal CSR (Van Dierendonck & Nuijten, 2011). There are two main reasons for focusing on internal CSR which will be explained throughout the study.
Several studies have looked at the link between internal CSR perceptions and OI and found a positive relationship between the two variables (e.g., De Roeck et al., 2014; Farooq et al., 2017). Also, different boundary conditions have been considered in this association, such as local orientation, individualism, and employees’ calling orientation (e.g., Farooq et al., 2017; Hameed et al., 2016). However, several scholars emphasise the importance of determining more possible moderators in the relationship between CSR perceptions and OI, especially conditions related to individual differences (Gond et al., 2017). In particular, researchers have recently proposed investigating meaningfulness in terms of the CSR literature (Aguinis & Glavas, 2017). Drawing on deontic justice theory (Folger, 2001), this chapter answers these research calls by examining the moderating role of an individual’s moral meaningfulness, which refers to the extent to which an individual obtains meaning from behaving in an ethical way at work (May & Luth, 2013), on the relationship between internal CSR perceptions and OI. Deontic justice theory postulates that employees who are high in moral meaningfulness (i.e., place high value on ethics in their work lives) are expected to care more about the firm’s deontic perspective. Therefore, these individuals will place more importance on the company’s internal CSR initiatives and will thus be more affected by their perceptions of these initiatives. This will result in them experiencing stronger responses at an individual level and can, therefore, lead to an increased identification with the company (Glavas & Godwin, 2013).

This study makes several contributions to the literature. First, it contributes to both the OI and leadership literatures by exploring a novel underlying process linking servant leadership to OI. The contribution to the OI literature is seen through the exploration of a designated process that leads to increased OI (Gond et al., 2017). The contribution to the leadership literature and to the development of servant leadership theory is seen through the provision of a thorough framework for the servant leadership theory to further grow, through its connection to both CSR and OI (Christensen et al., 2014; Van Dierendonck, 2011). Second, by proposing that
servant leadership is a new antecedent of internal CSR perceptions, this study contributes to the CSR literature. Knowing what leads to CSR perceptions is important and management scholars call researchers to find novel antecedents of these perceptions (Lee et al., 2013; Tian et al., 2015). Third, by testing moral meaningfulness, which is a relatively new construct that has been overlooked to date, as a moderator of the CSR-OI relationship, this study contributes to the CSR-OI literature stream (De Roeck et al., 2014; Gond et al., 2017). By testing this moderating effect, the study also contributes to the positive psychology literature as it identifies how positive principles within an institution (i.e., internal CSR) can lead to stronger individual experiences at work, such as OI, in the presence of an internal psychological component that strengthens this relationship (Seligman & Csikszentmihalyi, 2000). Finally, by testing the study’s proposed model in three countries in the MENA region, this research makes a valuable empirical contribution to the cross-cultural applicability of servant leadership (Irving, 2010; Van Dierendonck et al., 2017).

6.2 Theoretical Framework

6.2.1 Servant Leadership, Internal CSR Perceptions, and OI

The theory of servant leadership states that the main goal of leadership ought to be serving the needs of others and that being viewed as a servant is a possible explanation to a leader’s greatness. A leader chooses to serve with the intent that those being served can grow as individuals. The role of the servant leader is to develop followers in a manner that allows them to reach their highest potential and become servants themselves (Greenleaf, 1977). Thus, the servant leadership concept stresses that the goals of an organisation will be achieved in the long-term through the growth, development, and well-being of the followers who will mimic the leader’s behaviour and prioritise the needs of others above their own (Liden et al., 2014).
According to Liden et al. (2008), servant leadership has seven dimensions: emotional healing, creating value for the community, conceptual skills, empowering, helping subordinates grow and succeed, putting subordinates first, and behaving ethically. These dimensions distinguish servant leadership from other leadership theories. For instance, even though servant leadership shares some characteristics with participative leadership such as communication, listening, and delegation, other characteristics of servant leadership are not necessarily present in participative leadership, such as service and integrity (McMahon, 1976). Moreover, although the moral constituent of servant leadership is similar to that of ethical leadership, the latter highlights normative and directive behaviour more than servant leadership that concentrates more on the development of the followers (Neubert et al., 2008; Van Dierendonck, 2011). Similarly, servant leadership shares some characteristics with transformational leadership such as empowerment, but while servant leadership accentuates the growth and well-being of the followers, transformational leadership is more focused towards achieving organisational goals (Walumbwa et al., 2010).

This study proposes that servant leadership is an antecedent of internal CSR perceptions. Studying how servant leadership and CSR are related suggests noteworthy potential to advance research in CSR (Christensen et al., 2014; Vlachos et al., 2014). CSR is defined as doing some social good that goes beyond seeking self-interest and abiding by the law (McWilliams & Siegel, 2001). A dominant classification of CSR in the literature divides the concept into external and internal CSR activities (Basil & Erlandson, 2008). External CSR incorporates activities directed towards external stakeholders or a cause separate from the company, such as implementing special programmes to minimise the company’s negative impact on the environment. Internal CSR pertains to activities directed towards employees and the way that the firm operates internally, such as having non-discrimination work policies (Vives, 2006). An overlap between internal CSR activities and human resource management (HRM) practices
exists as important elements of internal CSR include HRM practices related to staff training, working hours, equal opportunities, wage distribution, education, and health and safety (Kochar & Bisht, 2014).

There is value in differentiating between external and internal CSR and testing different underlying processes associated with each in employee-focused micro-level CSR research (Jones et al., 2018). Many studies have adopted this internal versus external CSR approach to study employee CSR perceptions and some have only considered internal CSR (e.g., Farooq et al., 2017; Hameed et al., 2016; Scheidler et al., 2018). This study focuses solely on internal CSR activities. The main reason for this focus is that the concept of external CSR remains incomplete in the MENA region (Jamali, 2015; Munro, 2013). Although corporate philanthropy is well-established in that region (Ahmad et al., 2016), it is only one tool of external CSR. MENA countries display low environmental CSR initiatives and awareness and without the environmental aspect of CSR, external CSR is not ideal to be construed in these countries (Baughn et al., 2007; Shehadi et al., 2013). Therefore, in line with prior studies looking at CSR in this region (e.g., Al-bdour et al., 2010; Lythreatis et al., 2017), the focus in this study will be on internal CSR. Another reason for this focus is that this study looks at employee perceptions of CSR and employees are believed to develop stronger feelings and more elaborate perceptions from organisational actions directed towards them than from actions directed towards other social groups or stakeholders (De Roeck et al., 2014; Gond et al., 2010; Jones et al., 2018).

The theoretical rationale used to link servant leadership to internal CSR perceptions of employees is based on social information processing theory (Salancik & Pfeffer, 1978). The theory postulates that individuals obtain information cues from their social environment and use these cues to develop perceptions. The development of perceptions goes beyond individual
personalities and is not fixed. Rather, it is prompted by the network of social relationships in which the individual is embedded. If people are exposed to positive cues, they are more likely to construct positive perceptions (Zalesny & Ford, 1990). The information collected can derive from any source that emphasises certain aspects of a situation. Individuals are customarily subjected to sources based on their affiliations, and people with power or high status tend to serve as crucial sources of social information (Boekhorst, 2015). In an employment context, employees obtain information cues from their work environment which help them form their work perceptions (Zafar, 2013). Leaders are considered relevant information sources when employees develop perceptions of organisational activities because they are regarded as paramount characteristics of the work context and serve as the most prominent representatives of organisational actions (Ostroff et al., 2003). Information processing has imperative implications for leadership. Two cardinal steps in information processing are encoding and retrieving information. When a person encodes information, it is streamlined and transmitted from the short-term memory to the long-term memory. The person subsequently retrieves information from his/her long-term memory and makes a judgment (Lord & Maher, 2002). Upon interacting with the leader, the employees encode and interpret specific social information cues and thus these interpretations direct the employees’ perceptions of the leader and his/her intentions and behaviours that will, in turn, affect their perceptions of the organisational practices (Zhang et al., 2011). Therefore, because leaders are a significant source of social information and are the most important representatives of organisational actions, they are especially dominant in shaping the perceptions of employees regarding internal organisational practices, including internal CSR (Boekhorst, 2015).

Servant leaders are viewed as reliable and authentic sources of information (Greenleaf, 1998). These leaders are believed to elicit positive energy among followers (Schaufeli & Bakker, 2004). They tend to create feelings of internal trust and fairness in the work environment where
employees consequently acquire positive emotions (Liden et al., 2014; Yoshida et al., 2014). Servant leaders also demonstrate empathy towards followers which makes them more likely to experience positive emotional states towards the daily practices at work (Page & Wong, 2000; Van Dierendonck & Nuijten, 2011). Emotions are considered to be particularly significant in processing information (Dodge, 1991). Henceforth, by attaining positive emotions from servant leaders, employees would process the information positively and therefore form positive perceptions of the organisational practices, including internal CSR practices.

Although the main theory used to link servant leadership and internal CSR perceptions is social information processing theory, another way to look at this link is by using Bolman & Deal’s (2008) human resource frame. This frame looks at the organisation as a family and focuses on the human aspect. It is concerned with the needs, relationships, and skills of individuals within an organisation. According to this frame, the emphasis is on the development of skills, positive attitudes, teamwork, and communication within the working environment where employees are viewed as the most important resource of the organisation. A key assumption of the human resource frame is that organisations and leaders exist to serve people’s needs, such as their need for personal growth. By serving, the organisation will be able to meet other needs in the long-run (Bolman & Deal, 2008). The core of servant leadership is serving the needs of others and showing commitment to their growth. It builds a sense of community within the organisation that highlights the sharing of power, information, and recognition (Liden et al., 2014). Since servant leaders display characteristics that demonstrate putting employees’ needs first and allow a sharing of power in decision-making, employees feel that their interests are being manifested in the firm’s actions and are therefore more likely to develop positive perceptions concerning the enterprise’s internal activities (Sendjaya et al., 2008). Thus, based on all the above, servant leadership is expected to be positively related to internal CSR perceptions of employees.
Hypothesis 1: Servant leadership is positively related to internal CSR perceptions of employees.

The relationship between internal CSR perceptions and OI is substantiated by the social identity theory (SIT; Tajfel & Turner, 1979). The theory postulates that individuals perceive themselves in terms of both their unique characteristics and their membership to a group. They categorise themselves into different social categories and perceive their membership in a particular category based on particular social factors (Tajfel & Turner, 1986). Social identification, the essence of SIT, represents the psychological process whereby individuals classify themselves as part of a specific group to augment their self-worth and general self-concept (Hogg & Terry, 2001; Tajfel & Turner, 1986). OI is the cardinal psychological process in SIT because it is regarded as an overt form of this social identification (Ashforth & Mael, 1989). In order to satisfy their psychological needs for self-worth and to form positive self-concepts and social identities, individuals tend to identify themselves with an attractive and distinctive group (Ashforth & Mael, 1989; Hogg & Terry, 2001). The organisation’s distinctiveness can be attested through its internal CSR activities. Employees assess how much they are valued through internal actions of the organisation such as activities that show concern for their well-being, health, and safety (Hameed et al., 2016). Fuller et al. (2006) found that HRM practices such as training opportunities and organisational justice predict perceived internal status. These internal CSR activities will relate to the employee’s reputational self and satisfy the need of maintaining a positive social identity (Tyler & Blader, 2002). Employees can feel that their company is distinctive in comparison with other companies through its enhancement of their reputational selves and will therefore identify with it (Hameed et al., 2016). This distinctiveness that stems from favourable intergroup comparisons is contended to be among the most significant antecedents of OI (Dutton et al., 1994; Farooq et al., 2017). Hence, the following hypotheses are proposed:
Hypothesis 2: Internal CSR perceptions are positively related to OI.

Hypothesis 3: The relationship between servant leadership and OI is mediated by internal CSR perceptions.

6.2.2 Moral Meaningfulness as a Moderator

It is argued in the literature that different factors affect individual perceptions, including perceptions of CSR (Glavas & Godwin, 2013). Employees have different views about their work. Some view their work solely as a way to make money, others view it as a path of career progression, while others view it as a way to bring meaning to their everyday lives (Hameed et al., 2016). Moral meaningfulness is the extent to which one gains meaning from ethical behaviour at work. It is the value placed on ethics in one’s work life (May, Luth, & Schwoerer, 2014). How moral meaningfulness relates to internal CSR perceptions can be looked at from a moral perspective through the deontic justice theory (Folger, 2001). This theory states that people care about doing the right thing and about the existence of justice since unfair treatment does not comply with moral and ethical norms (Folger & Glerum 2015). The company has duties and obligations towards its employees, and employees often have moral principles, referred to as ‘justice rules’, which direct the moral treatment of others (Cropanzano, Massaro, & Becker, 2017). The moral perspective postulates that individuals respond to how they and others (i.e., coworkers) are treated within an organisation (Skarlicki, Ellard, & Kelln, 1998). Employees’ positive perceptions of internal CSR activities suggest that the organisation is executing ethical and moral norms towards its internal stakeholders. The perceived internal CSR illustrates to employees that their company has a deontic perspective as it is making an effort to meet ethical and moral norms (Hameed et al., 2016).

Seivwright & Unsworth (2016) found that employees view CSR activities as a way of gaining meaningfulness in their work. In addition, Rupp et al. (2013) argue that employees are more
likely to view the positive impacts of CSR activities if social responsibility and ethics are things that they already value. Employees with higher moral meaningfulness are therefore believed to place more importance on CSR. For these employees, membership of an organisation with a deontic perspective of justice gives them meaning. Employees who are high in moral meaningfulness are anticipated to care more about the company’s CSR efforts and will therefore be more affected by their perceptions of internal CSR (Rosso, Dekas, & Wrzesniewski, 2010). Internal CSR activities enhance the image of the organisation more for employees who place high value on ethics in the workplace as they would view the organisation as distinctive and hence would be more likely to construct a stronger positive identity for themselves (Raub & Blunschi, 2014). Thus, for employees high in moral meaningfulness, internal CSR perceptions will have a stronger relationship with OI. After all, moral meaningfulness drives people to seek self-unity and oneness (Babbitt, 2002). Oneness is at the core of the OI’s definition since it is defined as the vision of a person’s oneness and belongingness to an organisation so that the membership to that organisation transforms into a significant part of the individual’s self-definition (Ashforth & Mael, 1989). Thus, the mediating relationship proposed in this study is conditional, and the strength of the relationship between internal CSR perceptions and OI depends on moral meaningfulness. Consequently, the following hypothesis is proposed:

_Hypothesis 4: Moral meaningfulness will moderate the indirect relationship between servant leadership and OI through internal CSR perceptions, such that the mediated relationship will be stronger under high moral meaningfulness._

Based on the above hypotheses, the conceptual model is presented in Figure 6.1.
6.3 Context of the Study

Data from three different countries in the MENA region was used to conduct this study. The participant countries are the United Arab Emirates (U.A.E.), Lebanon, and Tunisia. The U.A.E. differs from the other two countries as it is one of the Gulf countries. With salaries higher than the other nations and the nature of the workplace being distinctively dominated by expatriates, how employees perceive internal CSR in this country may be different than how they perceive it in the other two nations (Al-Jenaibi, 2017). Lebanon’s labour market was hugely shifted when the Syrian war caused over a million Syrian refugees to enter the country and the Lebanese workplace, which was already composed of diverse political parties. In a working situation involving employees who have witnessed negative effects that the war brought to their lives, internal CSR may be perceived differently than it is in other nations (Habib, 2015; Jamali et al., 2005). Finally, the workplace in Tunisia also has its unique distinctions following the Arab Spring revolution in 2011 that remains to alter organisational policies, practices, and laws (Breuer et al., 2015). The Tunisian workplace constitutes a fragile setting where many principles and internal practices are only partly effectual in the employees’ eyes (Stanton, 2015).

According to Mittal & Dorfman (2012), nations differ in endorsing servant leadership and therefore it is important to study this construct in different countries. Servant leadership has
been observed for centuries throughout all cultures and has been regarded as a timeless concept (Nyabadza, 2003). A lot of the servant leadership’s philosophy dates back to religious scriptures, especially since the concept of service is taught by all major religions (Sendjaya et al., 2008). This makes the MENA region, which is known for its rich religious culture, a good place to explore this leadership style. MENA countries are mainly characterised by Islamic religious beliefs (Johnston & Humphries, 2016). Prophet Muhammad’s behaviour has long been studied in an attempt to understand the leadership behaviour that leaders ought to mimic. Gonaim (2016) found that the Prophet’s style can be described as servant leadership. Additionally, Sarayrah (2004) observed the Arab culture in the light of servant leadership characteristics and claimed that the Arabs, in general, display servant leadership behaviour.

Furthermore, the companies considered for this study are SMEs. An evident shift to the involvement of SMEs in CSR can be found in the literature (e.g., Lee et al., 2016; Sancho et al., 2017). However, the empirical knowledge on CSR in SMEs in the MENA region is almost non-existent (Jamali et al., 2017; Lythreatis et al., 2017). CSR in the MENA countries remains to be a growing phenomenon that has not yet been given enough focus (Jamali, 2017). This chapter is therefore sited at the intersection of the fairly neglected aspect of CSR research, focusing on CSR in SMEs in the MENA region.

6.4 Method

6.4.1 Sample and Procedure

A survey was used to collect the data from employees in SMEs in the U.A.E., Lebanon, and Tunisia. Access to 8 companies in the U.A.E., 10 companies in Lebanon, and 7 companies in Tunisia operating in the trading and service sectors was gained through personal contacts. With the aim of limiting the risk of common method bias, a temporal separation technique was applied (Johnson et al., 2011; Podsakoff et al., 2012). Data was collected at two separate times
from employees in the U.A.E. and Tunisia, and at three separate times from employees in Lebanon, with one month between consecutive waves. The main purpose of these multiple samples was to provide a constructive replication of the hypotheses that helps provide a strong empirical foundation for the results as it adds credence in the obtained findings (Schmidt, 2009). Moreover, according to a recent review on servant leadership, Eva et al. (2018) recommend researchers to aim at collecting data from multiple points of time and use temporal separation to aid in assessing processes that explain relationships in which servant leadership is involved (Eva et al., 2018).

In the U.A.E., in the first wave of the survey (Time 1), 352 out of the 604 questionnaires that were sent to employees by email were usable, yielding a response rate of 58.28 %. In the second wave (Time 2), 217 responses out of the 352 completed questionnaires were matched, with a response rate of 61.65 %. Of the 217 respondents, 52.53 % were males. Most of the participants were between the ages of 31 and 40 years old (29.49 %) and reported a bachelor’s degree as their highest level of education (69.12 %). The majority of the respondents stated a tenure between 5 and 10 years (34.10 %).

In Lebanon, at Time 1, 469 out of the 692 questionnaires distributed to employees by hand were usable with a 67.77 % response rate. At Time 2, 333 out of the 469 completed questionnaires were matched, yielding a response rate of 71 %. In the third wave of the survey (Time 3), 229 out of the 333 employees who completed the questionnaire were matched with a response rate of 68.77 %. In the final sample, 58.52 % were males. Most of the respondents were between the ages of 18 and 30 years old (38.43 %) and reported a bachelor’s degree as their highest level of education (61.57 %). Most participants reported a tenure of less than 5 years (49.78 %).
In Tunisia, at Time 1, a total of 380 usable questionnaires out of the 572 distributed by hand were returned for a 66.43% response rate. At Time 2, 202 out of 380 completed questionnaires were matched with a response rate of 53.16%. Of the 202 participants, 68.81% were males. Most of the participants were between the ages of 31 and 40 years old (32.67%) and reported that their highest level of education was a bachelor’s degree (77.72%). The majority of the respondents stated a tenure between 5 and 10 years (35.15%).

6.4.2 Measures

The questionnaire was offered in English for the employees working in the U.A.E. and Lebanon since these countries are considered bilingual, with the English language commonly spoken (Diab, 2006; Randall & Samimi, 2010). Nevertheless, abiding by Brislin’s (1980) suggestions on back-translation, the questionnaire was translated into French prior to being circulated to employees in Tunisia as French is one of the two main languages spoken in the country (Daoud, 2001). The initial translation was completed by a professional translator. The translated questionnaire was consequently back-translated into English by a bilingual scholar. When the two English versions of the questionnaire were compared, only slight differences were detected. The questionnaire items (presented in Table 6.9 at the end of this chapter) were measured on a Likert Scale with response choices ranging from (1) ‘strongly disagree’ to (7) ‘strongly agree’.

Servant leadership. A 28-item scale developed by Liden et al. (2008) that measures the seven dimensions of servant leadership was used at Time 1. Sample items include ‘My supervisor cares about my personal well-being’ and ‘My supervisor gives me the responsibility to make important decisions about my job’. The respondents were requested to refer to their immediate supervisor. The scale alpha reliabilities for the 4-item scales of each of the seven dimensions for the samples from the U.A.E., Lebanon, and Tunisia, respectively are as follows: emotional
healing (α=.95, α=.92, α=.89); creating value for the community (α=.87, α=.88, α=.86); conceptual skills (α=.93, α=.90; α=.80); empowering (α=.92, α=.85, α=.84); helping subordinates grow and succeed (α=.91, α=.84; α=.83); putting subordinates first (α=.91, α=.88, α=.85); and behaving ethically (α=.92; α=.92, α=.83).

**Internal CSR perceptions.** An 8-item scale carefully chosen from Maignan & Ferrell’s (2001) CSR scale was used to measure internal CSR perceptions at Time 2. This measure has been used in prior research in the MENA region (Lythreatis et al., 2017). Sample items are ‘My company supports employees who want to acquire additional education’ and ‘My company has flexible policies which enable employees to better coordinate work and personal life’. The scale alpha reliabilities for the samples from the U.A.E., Lebanon, and Tunisia are 0.94, 0.93, and 0.92, respectively.

**Moral meaningfulness.** A 4-item scale developed by May et al. (2014) was used to measure moral meaningfulness at Time 2. Sample items include ‘Maintaining high morals/ethics brings me meaning at work’ and ‘Doing the right thing at work is personally meaningful for me’. The scale alpha reliabilities for the samples from the U.A.E., Lebanon, and Tunisia are 0.88, 0.84, and 0.86, respectively.

**Organisational identification.** A 6-item scale created by Mael & Ashforth (1992) was used to measure OI. OI was measured at Time 2 for the samples from the U.A.E. and Tunisia, and at Time 3 for the sample from Lebanon. Sample items are ‘When someone criticises this company, it feels like a personal insult’ and ‘This company's success is my success’. The scale alpha reliabilities for the samples from the U.A.E., Lebanon, and Tunisia are 0.96, 0.92, and 0.92, respectively.
Control variables. The study controlled for gender, age, education, and organisational tenure. These variables have been found to be related to OI (e.g., Aryee & Luk, 1996; Bergmann et al., 2016; Kreiner & Ashforth, 2004; Stinglhamber et al., 2015).

6.4.3 Statistical Analysis

The validity and reliability of the study constructs were assessed through confirmatory factor analysis (CFA) in Stata. Moreover, the study used PROCESS macro developed by Preacher & Hayes (2004) to test the different hypotheses. The choice to adopt this method comes from its strong ability to deal with both mediation and moderation as well as moderated mediation models. It provides “path analysis-based mediation and moderation analysis as well as their integration as conditional process analysis” (Hayes, 2017, p. 395). This method has begun to replace more traditional approaches to mediation such as Baron & Kenny’s (1986) mediation test and is able to deliver many capabilities of the SOBEL test in a single command (Deery et al., 2014; Preacher & Hayes, 2004).

Two different models were analysed for each of the three countries. The first model is the mediation model with a bootstrapping approach which addresses Hypotheses 1 to 3 (Preacher & Hayes, 2008). The second model integrates the proposed moderator and is a moderated mediation model which addresses Hypothesis 4 and provides the conditional indirect effect at different levels of the moderator. Prior to the model estimations, recommended mean-centering of the measures was undertaken (Cohen et al., 2003).

6.5 Results

6.5.1 Validity Analysis

CFA was conducted as a means to see how well the observed variables portray their respective construct (Suhr, 2006). In order to achieve an improved subject-parameter-ratio and deal with fairly small sample sizes, item parcelling was applied (Matsunaga, 2008). The seven parcels of
the servant leadership construct were formed by averaging the items measuring each of the seven dimensions. Nonetheless, for each of the internal CSR perceptions, moral meaningfulness, and OI constructs, the items with the highest and lowest factor loadings were averaged and subsequently taken as indicators of their corresponding construct (Little et al. 2002). Internal CSR was composed of four parcels, moral meaningfulness was formed of two parcels, and OI ended up with three parcels. To assess the goodness of fit of the model to data in each of the three countries, the Comparative Fit Index (CFI), the Tucker-Lewis Index (TLI), the Standardized Root Mean Squared Residual (SRMR), and the Root Mean Square Error Approximation (RMSEA) were applied. A CFI > 0.90, a TLI > 0.80, a SRMR < 0.08 and a RMSEA < 0.10 have been insinuated in the literature as indicators of a good model fit (Byrne, 2010; Hu & Bentler, 1999; MacCallum et al., 1996). The CFA results, displayed in Table 6.1, revealed a good fit of the model to data from the three countries.

Table 6.1: Model Fit to Data

<table>
<thead>
<tr>
<th>Country</th>
<th>χ²/df</th>
<th>CFI</th>
<th>TLI</th>
<th>SRMR</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.A.E.</td>
<td>2.82</td>
<td>0.93</td>
<td>0.91</td>
<td>0.03</td>
<td>0.09</td>
</tr>
<tr>
<td>Lebanon</td>
<td>2.52</td>
<td>0.94</td>
<td>0.92</td>
<td>0.03</td>
<td>0.08</td>
</tr>
<tr>
<td>Tunisia</td>
<td>2.84</td>
<td>0.91</td>
<td>0.89</td>
<td>0.04</td>
<td>0.09</td>
</tr>
</tbody>
</table>

Note. χ²/df = Chi-Square/degrees of freedom; CFI = Comparative Fit Index; TLI = Tucker Lewis Index; SRMR = Standardized Root Mean Squared Residual; RMSEA = Root Mean Square Error Approximation

The CFA results also showed that the composite reliability values for the different variables of the model in each country ranged between 0.87 and 0.96, surpassing the recommended threshold of 0.7 (Nunnally & Bernstein, 1994). Additionally, the average variance extracted (AVE) for the variables ranged between 0.67 and 0.89, exceeding 0.5 as recommended by Fornell & Larcker (1981). Hence, convergent validity is achieved.

The correlation matrices of the three samples are shown in Tables 6.2, 6.3, and 6.4. Discriminant validity is reached if the square root of the AVE of a construct is bigger than the
correlations between this construct and the other constructs (Fornell & Larcker, 1981). In each matrix, the AVE square root is greater than the correlations between the respective construct and other constructs. Thus, discriminant validity is supported.

Table 6.2: Correlations of the Variables in the U.A.E. Sample

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Age</td>
<td>-0.14*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Education</td>
<td>0.08</td>
<td>-0.16*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Tenure</td>
<td>-0.09</td>
<td>-0.79**</td>
<td>-0.25**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. SL</td>
<td>0.05</td>
<td>-0.01</td>
<td>0.10</td>
<td>-0.01</td>
<td>0.87, (0.96)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. CSR</td>
<td>-0.01</td>
<td>-0.11</td>
<td>-0.00</td>
<td>-0.16*</td>
<td>0.26**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. MM</td>
<td>-0.06</td>
<td>-0.03</td>
<td>0.13</td>
<td>-0.06</td>
<td>0.37**</td>
<td>0.33**</td>
<td>0.90, (0.89)</td>
<td></td>
</tr>
<tr>
<td>8. OI</td>
<td>-0.00</td>
<td>-0.12</td>
<td>0.07</td>
<td>-0.17*</td>
<td>0.29**</td>
<td>0.69**</td>
<td>0.10</td>
<td>0.94, (0.96)</td>
</tr>
</tbody>
</table>

Note. n = 217. All statistical significance tests were based on two-tailed tests. *p < .05. **p < .01. The number in bold is the square root of the AVE. The number in brackets is the composite reliability. SL = servant leadership; CSR = corporate social responsibility; MM = moral meaningfulness; OI = organisational identification

Table 6.3: Correlations of the Variables in the Lebanese Sample

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Age</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Education</td>
<td>0.17**</td>
<td>-0.20**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Tenure</td>
<td>-0.07</td>
<td>0.54**</td>
<td>-0.39**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. SL</td>
<td>0.10</td>
<td>-0.07</td>
<td>0.21**</td>
<td>-0.09</td>
<td>0.88, (0.96)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. CSR</td>
<td>0.13</td>
<td>-0.03</td>
<td>0.15*</td>
<td>-0.10</td>
<td>0.49**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. MM</td>
<td>0.03</td>
<td>-0.02</td>
<td>0.21**</td>
<td>-0.06</td>
<td>0.55**</td>
<td>0.43**</td>
<td>0.88, (0.87)</td>
<td></td>
</tr>
<tr>
<td>8. OI</td>
<td>0.14*</td>
<td>-0.04</td>
<td>0.08</td>
<td>-0.06</td>
<td>0.56**</td>
<td>0.68**</td>
<td>0.39**</td>
<td>0.91, (0.93)</td>
</tr>
</tbody>
</table>

Note. n = 229. All statistical significance tests were based on two-tailed tests. *p < .05. **p < .01. The number in bold is the square root of the AVE. The number in brackets is the composite reliability. SL = servant leadership; CSR = corporate social responsibility; MM = moral meaningfulness; OI = organisational identification

Table 6.4: Correlations of the Variables in the Tunisian Sample

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Age</td>
<td>-0.13</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Education</td>
<td>0.01</td>
<td>-0.17*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Tenure</td>
<td>-0.09</td>
<td>0.76**</td>
<td>-0.24**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. SL</td>
<td>0.03</td>
<td>0.24**</td>
<td>0.07</td>
<td>0.14*</td>
<td>0.82, (0.94)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. CSR</td>
<td>-0.02</td>
<td>0.04</td>
<td>0.00</td>
<td>0.05</td>
<td>0.28**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. MM</td>
<td>-0.03</td>
<td>0.02</td>
<td>-0.01</td>
<td>0.09</td>
<td>0.27**</td>
<td>0.71**</td>
<td>0.88, (0.88)</td>
<td></td>
</tr>
<tr>
<td>8. OI</td>
<td>0.06</td>
<td>0.04</td>
<td>-0.11</td>
<td>0.03</td>
<td>0.35**</td>
<td>0.64**</td>
<td>0.50**</td>
<td>0.89, (0.92)</td>
</tr>
</tbody>
</table>

Note. n = 202. All statistical significance tests were based on two-tailed tests. *p < .05. **p < .01. The number in bold is the square root of the AVE. The number in brackets is the composite reliability. SL = servant leadership; CSR = corporate social responsibility; MM = moral meaningfulness; OI = organisational identification
6.5.2 Common Method Bias

In an attempt to deal with the common method bias problem, several remedies suggested by Podsakoff et al. (2003) were applied. As mentioned before, data was collected at more than one point for each of the three countries considered in the study. During the data collection phase, confidentiality and anonymity of responses were guaranteed to participants in an effort to minimise social desirability and evaluation apprehension. Additionally, the possible influence of common method bias was statistically examined using the unmeasured latent methods factor approach (Johnson, Rosen, & Djurdjevic, 2011). This approach consists of creating a latent common methods variance factor and examining the significance of the different parameters of the model both with and without this factor in the model. The various items load on their own theoretical constructs as well as on the latent common methods variance factor (Podsakoff et al., 2003). If the parameters of the indicators that loaded on a latent methods factor do not change considerably compared to the analysis preceding the addition of the latent factor, then controlling for the unmeasured latent method factor had a very small effect, implying that the likelihood for common method bias in the data is low (Johnson et al., 2011). The loadings of the different indicators on their corresponding constructs only marginally changed when the latent factor was added for the models of the three countries. The difference in loadings with and without the latent method factor did not exceed 0.05, which means that common method bias is not a big problem in this study. Table 6.5 shows the loadings of the items of each construct before and after the latent method factor was added.
Table 6.5: Loadings of the Items Before and After the Latent Method Factor Was Added

<table>
<thead>
<tr>
<th>Items</th>
<th>Loadings before latent method factor for the U.A.E., Lebanon &amp; Tunisia, respectively</th>
<th>Loadings after latent method factor for the U.A.E, Lebanon &amp; Tunisia, respectively</th>
</tr>
</thead>
<tbody>
<tr>
<td>SL1</td>
<td>0.72 /0.86 /0.75</td>
<td>0.71 /0.87 /0.76</td>
</tr>
<tr>
<td>SL2</td>
<td>0.88 /0.85 /0.84</td>
<td>0.88 /0.80 /0.84</td>
</tr>
<tr>
<td>SL3</td>
<td>0.81 /0.85 /0.79</td>
<td>0.80 /0.90 /0.83</td>
</tr>
<tr>
<td>SL4</td>
<td>0.93 /0.90 /0.86</td>
<td>0.93 /0.88 /0.87</td>
</tr>
<tr>
<td>SL5</td>
<td>0.93 /0.88 /0.91</td>
<td>0.95 /0.83 /0.87</td>
</tr>
<tr>
<td>SL6</td>
<td>0.89 /0.84 /0.87</td>
<td>0.90 /0.79 /0.82</td>
</tr>
<tr>
<td>SL7</td>
<td>0.91 /0.88 /0.73</td>
<td>0.90 /0.85 /0.75</td>
</tr>
<tr>
<td>CSR1</td>
<td>0.85 /0.88 /0.89</td>
<td>0.83 /0.88 /0.89</td>
</tr>
<tr>
<td>CSR2</td>
<td>0.91 /0.89 /0.96</td>
<td>0.89 /0.89 /0.96</td>
</tr>
<tr>
<td>CSR3</td>
<td>0.90 /0.87 /0.91</td>
<td>0.92 /0.86 /0.91</td>
</tr>
<tr>
<td>CSR4</td>
<td>0.94 /0.94 /0.82</td>
<td>0.92 /0.83 /0.82</td>
</tr>
<tr>
<td>MM1</td>
<td>0.92 /0.90 /0.88</td>
<td>0.92 /0.92 /0.87</td>
</tr>
<tr>
<td>MM2</td>
<td>0.87 /0.86 /0.89</td>
<td>0.86 /0.83 /0.89</td>
</tr>
<tr>
<td>OI1</td>
<td>0.96 /0.87 /0.91</td>
<td>0.96 /0.87 /0.92</td>
</tr>
<tr>
<td>OI2</td>
<td>0.95 /0.92 /0.89</td>
<td>0.95 /0.92 /0.88</td>
</tr>
<tr>
<td>OI3</td>
<td>0.92 /0.93 /0.88</td>
<td>0.92 /0.93 /0.89</td>
</tr>
</tbody>
</table>

SL = servant leadership; CSR = corporate social responsibility; MM = moral meaningfulness; OI = organisational identification

6.5.3 Hypotheses Testing

The results of the path analyses among the different variables for the three countries are shown in Table 6.6. As illustrated in the table, the paths from servant leadership to internal CSR perceptions are positive and significant for the U.A.E., Lebanon, and Tunisia. These results provide support for Hypothesis 1 which posits that servant leadership is positively related to internal CSR perceptions of employees. Likewise, the paths from internal CSR perceptions to OI are positive and significant for the models of the three countries. This provides evidence to support Hypothesis 2 which states that internal CSR perceptions are positively related to OI.
Moreover, the results of the mediation model for the three countries are displayed in Table 6.7. The indirect effects of servant leadership on OI through internal CSR perceptions were examined based on bootstrapped confidence intervals. The 95% confidence intervals of the indirect effects were obtained with 5,000 bootstrap samples. The indirect effect is significant at the 95% level of significance if the confidence interval of this indirect effect does not cross zero (Hayes, 2017). As is shown in Table 6.7, the indirect effect of servant leadership on OI through internal CSR perceptions is positive and significant as the lower and upper levels of the confidence interval for this effect did not include zero for the models of the U.A.E., Lebanon, and Tunisia. These results provide evidence to support Hypothesis 3, which suggests that the relationship between servant leadership and OI is mediated by internal CSR perceptions. Nevertheless, since the direct effects of servant leadership on OI are also significant ($\beta_{SL\rightarrow OI} = 0.16$ in the U.A.E., 0.37 in Lebanon, and 0.29 in Tunisia; $p < .01$), the existing mediation is partial in the three countries.

<table>
<thead>
<tr>
<th>Country</th>
<th>$\beta_{SL\rightarrow CSR}$ (SE)</th>
<th>$\beta_{CSR\rightarrow OI}$ (SE)</th>
<th>$\beta_{SL\rightarrow OI}$ (SE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.A.E.</td>
<td>0.27 (0.07) **</td>
<td>0.65 (0.06) **</td>
<td>0.16 (0.06) **</td>
</tr>
<tr>
<td>Lebanon</td>
<td>0.48 (0.06) **</td>
<td>0.53 (0.06) **</td>
<td>0.37 (0.06) **</td>
</tr>
<tr>
<td>Tunisia</td>
<td>0.37 (0.09) **</td>
<td>0.53 (0.05) **</td>
<td>0.29 (0.07) **</td>
</tr>
</tbody>
</table>

Note. Unstandardised regression coefficients are reported (Hayes, 2017); standard errors in parentheses; **$p < .01$. The effects of covariates are not shown. $\beta$ = path coefficient; SL = servant leadership; CSR = corporate social responsibility; OI = organisational identification.
Table 6.7: Bootstrap Indirect Effects of Servant Leadership on OI

<table>
<thead>
<tr>
<th>Country</th>
<th>Total effect of SL on OI</th>
<th>Indirect effect of SL on OI</th>
<th>LL 95% CI</th>
<th>UL 95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.A.E.</td>
<td>0.34 (0.07) **</td>
<td>0.18 (0.07) *</td>
<td>0.056</td>
<td>0.344</td>
</tr>
<tr>
<td>Lebanon</td>
<td>0.63 (0.07) **</td>
<td>0.25 (0.07) *</td>
<td>0.125</td>
<td>0.412</td>
</tr>
<tr>
<td>Tunisia</td>
<td>0.49 (0.09) **</td>
<td>0.20 (0.07) *</td>
<td>0.073</td>
<td>0.343</td>
</tr>
</tbody>
</table>

Note. Unstandardised regression coefficients are reported (Hayes, 2017); standard errors in parentheses; *p < .05, **p < .01.
SL = servant leadership; OI = organisational identification; LL = lower limit; UL = upper limit; CI = confidence interval;
Bootstrap sample size = 5000. Results remained significant when tested without the controls.

In order to test Hypothesis 4, the moderated mediation model was run. The interaction effect of moral meaningfulness and internal CSR perceptions on OI was positive and significant for the three countries (β = 0.13, p < .01 for the U.A.E.; β = 0.09, p < .05 for Lebanon; and β = 0.18, p < .01 for Tunisia). The mediation of servant leadership’s effect on OI through internal CSR perceptions is moderated by moral meaningfulness only if this indirect effect differs as a function of moral meaningfulness. The results of the moderated mediation model in terms of the conditional indirect effects for the U.A.E., Lebanon, and Tunisia are presented in Table 6.8.

The table shows the relationship between servant leadership and OI through internal CSR perceptions at three levels of moral meaningfulness: the mean, one standard deviation above the mean, and one standard deviation below the mean for the three countries (Hayes, 2017). As is shown, this indirect relationship is positive and significant when moral meaningfulness is low, when it is equal to its mean, and when it is high for the three countries. The greatest effect is displayed at the high moral meaningfulness level. Thus, among people relatively low in moral meaningfulness, the conditional indirect effect of servant leadership on OI through internal CSR perceptions is the lowest. Among those moderate in moral meaningfulness, this effect is greater, and for those relatively high in moral meaningfulness, it is the greatest. This
means that the conditional indirect effect of servant leadership on OI through internal CSR perceptions is positively significant and differs as a function of moral meaningfulness in the U.A.E., Lebanon, and Tunisia. This provides evidence to support Hypothesis 4 which postulates that moral meaningfulness moderates the indirect relationship between servant leadership and OI through internal CSR perceptions, such that the mediated relationship is stronger under high moral meaningfulness. Figure 6.2 shows the results of the moderated mediation model when moral meaningfulness is equal to the mean.

Table 6.8: Construction of the Conditional Indirect Effects of Servant Leadership on OI through CSR Perceptions at Three Different Levels of Moral Meaningfulness

<table>
<thead>
<tr>
<th>Country</th>
<th>Moral Meaningfulness</th>
<th>α : Effect of SL on CSR</th>
<th>$b_1 + b_3 \times W$: Conditional effect of CSR on OI (SE)</th>
<th>$\alpha_i (b_1 + b_3 \times W)$: Conditional indirect effect of SL on OI through CSR (SE)</th>
<th>LL 95 % CI</th>
<th>UL 95 % CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.A.E.</td>
<td>-1.1579 (-1 SD)</td>
<td>0.28**</td>
<td>0.63 (0.06) **</td>
<td>0.17 (0.07) *</td>
<td>0.054</td>
<td>0.344</td>
</tr>
<tr>
<td></td>
<td>0.0000 (M)</td>
<td>0.28**</td>
<td>0.78 (0.06) **</td>
<td>0.21 (0.07) *</td>
<td>0.076</td>
<td>0.362</td>
</tr>
<tr>
<td></td>
<td>1.1579 (+1 SD)</td>
<td>0.28**</td>
<td>0.93 (0.09) **</td>
<td>0.26 (0.08) *</td>
<td>0.097</td>
<td>0.403</td>
</tr>
<tr>
<td>Lebanon</td>
<td>-0.9892 (-1 SD)</td>
<td>0.48**</td>
<td>0.43 (0.07) **</td>
<td>0.20 (0.07) *</td>
<td>0.087</td>
<td>0.380</td>
</tr>
<tr>
<td></td>
<td>0.0000 (M)</td>
<td>0.48**</td>
<td>0.52 (0.06) **</td>
<td>0.25 (0.07) *</td>
<td>0.122</td>
<td>0.411</td>
</tr>
<tr>
<td></td>
<td>0.9892 (+1 SD)</td>
<td>0.48**</td>
<td>0.61 (0.07) **</td>
<td>0.29 (0.09) *</td>
<td>0.129</td>
<td>0.479</td>
</tr>
<tr>
<td>Tunisia</td>
<td>-1.2839 (-1 SD)</td>
<td>0.37**</td>
<td>0.36 (0.07) **</td>
<td>0.13 (0.06) *</td>
<td>0.031</td>
<td>0.274</td>
</tr>
<tr>
<td></td>
<td>0.0000 (M)</td>
<td>0.37**</td>
<td>0.59 (0.07) **</td>
<td>0.22 (0.08) *</td>
<td>0.077</td>
<td>0.416</td>
</tr>
<tr>
<td></td>
<td>1.2839 (+1 SD)</td>
<td>0.37**</td>
<td>0.82 (0.09) **</td>
<td>0.30 (0.12) *</td>
<td>0.111</td>
<td>0.572</td>
</tr>
</tbody>
</table>

Note. Unstandardised regression coefficients are reported (Hayes, 2017); standard errors in parentheses; *p < .05, **p < .01 (two-tailed test). SL = servant leadership; CSR = corporate social responsibility; OI = organisational identification; LL = lower limit; UL = upper limit; CI = confidence interval; SD= standard deviation; M = mean; Bootstrap sample size = 5000. Results remained significant when tested without the controls.
6.6 Discussion

The aim of the study was to explore a novel process linking servant leadership to OI. In doing so, the study intended to examine servant leadership as a possible antecedent of internal CSR perceptions as well as determine moral meaningfulness as a moderator in the relationship between servant leadership and OI through internal CSR perceptions. Findings showed that the link between servant leadership and OI can be explained by the proposed moderated mediation model that was tested in SMEs in three countries in the MENA region.

Results supported the hypothesis which posits that servant leadership is positively related to internal CSR perceptions of employees. This finding provides support for the social information processing theory. It is consistent with the idea that employees form their perceptions concerning the internal organisational practices based on information cues collected from their work environment, and that the leader constitutes a prominent source of social information (Salancik & Pfeffer, 1978). This finding also contributes to this theory by empirically applying it in the connection of two new constructs. Moreover, the finding provides support for the human resource frame as it is consistent with the notion that organisations and
leaders are concerned with the needs, relationships, and skills of employees (Bolman & Deal, 2008). The correlations between servant leadership and internal CSR perceptions for the three countries are moderate, ranging from 0.27 to 0.48. This means that other possible antecedents of internal CSR perceptions can be tested within this context. One potential antecedent, for example, is deontological ethics. This concept is related to moral duty and a possible source of this duty, apart from contractual responsibilities, is assumed to be the belief in God (Waller, 2005). This makes the concept especially useful to be tested in a religious area like the MENA region.

Moreover, results supported the hypothesis that internal CSR perceptions are positively related to OI. This finding offers additional support for the social identity theory. It is consistent with the conception that identification is formed by employees’ perceptions of the company and its practices (Tajfel & Turner, 1979). The correlations between internal CSR perceptions and OI are especially high in the three samples, ranging between 0.53 to 0.65. This finding is consistent with most of the studies that have found that these two variables are positively related and therefore researchers can now concentrate on what strengthens or weakens this relationship rather than test that this relationship exists. Furthermore, results also provided evidence to support the hypothesis that internal CSR perceptions mediate the relationship between servant leadership and OI. However, the mediation relationship was found to be partial. This implies that there are other mediators in this relationship worthy of investigating, such as trust in the leader since it is assumed that servant leaders are reliable and tend to foster feelings of internal trust within the work environment (Liden et al., 2014; Yoshida et al., 2014). Another mediator worth testing is satisfaction with the leader. Because servant leaders exhibit unconditional devotion, they are more apt to get the subordinates’ appreciation and approval (Yukl, 2010).
Finally, results provided evidence to support the hypothesis that moral meaningfulness moderates the indirect relationship between servant leadership and OI through internal CSR perceptions, such that the mediated relationship is stronger under high moral meaningfulness. This finding provides support for the deontic justice theory (Folger, 2001). It is consistent with the notion that employees who place high value on ethics in their work lives are expected to care more about the company’s deontic perspective (Rosso et al., 2010; Glavas & Godwin, 2013). This finding also helps to enhance the concept of moral meaningfulness as it is an area that has been neglected for long and is new to the management field (May et al., 2014).

Overall, the findings also serve to expand the essence of the CSR theory by determining a new antecedent of internal CSR perceptions, by looking at CSR in the context of SMEs in the MENA region, and by ascertaining a new boundary condition linked to CSR. Interestingly, the findings of this study did not reveal any significant differences in the results among the U.A.E., Lebanon, and Tunisia. Although these countries can be distinguished from each other by some factors previously stated, they share a similar outlook on the process linking servant leadership to OI.

6.7 Practical Implications

The findings of this study provide a good strategy for managers to follow if they desire increased OI from their employees. Considering the benefits associated with identification, achieving higher OI is a way for the company to reach its goals (Kreiner & Ashforth, 2004). The results of the study help to realise the importance of a servant leadership style for the enhancement of positive employee outcomes and may therefore encourage leaders to start adopting this specific style. Moreover, the findings of the study help to recognise and promote the significance of having well-built and fair organisational practices. After acknowledging the benefits of positive internal CSR perceptions, the managers may choose to make some
adjustments to the HRM practices, such as provide policies which enable employees to better coordinate their work and personal lives or start supporting the employees who wish to obtain further education. Having well-developed HRM practices would augment employees’ positive perceptions of the firm’s internal CSR and would therefore benefit both the firm and the employees (Gond et al., 2010). Thus, better HRM practices along with leadership style could further strengthen internal CSR perceptions. Additionally, considering the positive effect accompanied with high moral meaningfulness, a leader can assay to increase the employee’s moral meaningfulness by setting a good example. Although the value placed on ethics at work can typically be considered something ingrained within the individual, employees who see their leader display high ethical standards are more likely to mimic his/her behaviour themselves which may enhance their perceptions of meaning at work (Trevino & Brown, 2005).

6.8 Limitations & Directions for Future Research

In spite of diligent study considerations, the research has some limitations. It did not control for competing constructs (Antonakis, 2017). It would be valuable to advance this research by collecting additional data and testing the effects of servant leadership against alternative leadership styles. Moreover, only internal CSR perceptions were taken into consideration. Future research may explore this moderated mediation model in other geographical areas where both the external and internal facets of CSR can be considered. Additionally, testing this model as it is in other contexts, such as the Western world, can ensure that the findings of this study can be generalised. In addition to this, one possible research extension could be to examine other mediators in the relationship between servant leadership and OI, such as the satisfaction with the leader, since the mediation relationship in this study was found to be partial. Also, new moderators can be tested in the relationship between internal CSR perceptions and OI, such as the importance of CSR to an individual’s self-image (Turker, 2009a). Finally, although
this study collected data for different variables at different points in time, it can be followed up with a longitudinal design in which all data is collected at separate points with a longer time between consecutive waves to trace individual changes over a period of time and induce causal inferences (Menard, 2002).

Regardless of these limitations, this chapter offers interesting findings and insights that address present literature gaps and enhance the knowledge in terms of the process linking servant leadership to OI.
<table>
<thead>
<tr>
<th>Items used to measure servant leadership:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Emotional healing:</strong></td>
</tr>
<tr>
<td>1. I would seek help from my supervisor if I had a personal problem</td>
</tr>
<tr>
<td>2. My supervisor cares about my personal well-being</td>
</tr>
<tr>
<td>3. My supervisor takes time to talk to me on a personal level</td>
</tr>
<tr>
<td>4. My supervisor can recognise when I'm down without asking me</td>
</tr>
<tr>
<td><strong>Creating value for the community:</strong></td>
</tr>
<tr>
<td>5. My supervisor emphasises the importance of giving back to the community</td>
</tr>
<tr>
<td>6. My supervisor is always interested in helping people in our community</td>
</tr>
<tr>
<td>7. My supervisor is involved in community activities</td>
</tr>
<tr>
<td>8. I am encouraged by my supervisor to volunteer in the community</td>
</tr>
<tr>
<td><strong>Conceptual skills:</strong></td>
</tr>
<tr>
<td>9. My supervisor can tell if something is going wrong</td>
</tr>
<tr>
<td>10. My supervisor is able to effectively think through complex problems</td>
</tr>
<tr>
<td>11. My supervisor has a thorough understanding of our organisation and its goals</td>
</tr>
<tr>
<td>12. My supervisor can solve work problems with new or creative ideas</td>
</tr>
<tr>
<td><strong>Empowering:</strong></td>
</tr>
<tr>
<td>13. My supervisor gives me the responsibility to make important decisions about my job</td>
</tr>
<tr>
<td>14. My supervisor encourages me to handle important work decisions on my own</td>
</tr>
<tr>
<td>15. My supervisor gives me the freedom to handle difficult situations in the way that I feel is best</td>
</tr>
<tr>
<td>16. When I have to make an important decision at work, I do not have to consult my supervisor first</td>
</tr>
<tr>
<td><strong>Helping subordinates grow and succeed:</strong></td>
</tr>
<tr>
<td>17. My supervisor makes my career development a priority</td>
</tr>
<tr>
<td>18. My supervisor is interested in making sure that I achieve my career goals</td>
</tr>
<tr>
<td>19. My supervisor provides me with work experiences that enable me to develop new skills</td>
</tr>
<tr>
<td>20. My supervisor wants to know about my career goals</td>
</tr>
<tr>
<td><strong>Putting subordinates first:</strong></td>
</tr>
<tr>
<td>21. My supervisor seems to care more about my success than his/her own</td>
</tr>
<tr>
<td>22. My supervisor puts my best interests ahead of his/her own</td>
</tr>
<tr>
<td>23. My supervisor sacrifices his/her own interests to meet my needs</td>
</tr>
<tr>
<td>24. My supervisor does what she/he can do to make my job easier</td>
</tr>
<tr>
<td><strong>Behaving ethically:</strong></td>
</tr>
<tr>
<td>25. My supervisor holds high ethical standards</td>
</tr>
<tr>
<td>26. My supervisor is always honest</td>
</tr>
<tr>
<td>27. My supervisor would not compromise ethical principles in order to achieve success</td>
</tr>
<tr>
<td>28. My supervisor values honesty more than profits</td>
</tr>
</tbody>
</table>

*(Liden et al. 2008)*
Items used to measure internal CSR perceptions:

1. My company closely monitors the employees’ productivity.
2. My company seeks to comply with all laws in hiring and giving employees benefits.
3. My company has programmes that encourage the diversity of its workforce (in terms of age, gender, or race).
4. My company has internal policies that prevent discrimination in the employees’ compensation and promotion.
5. My company has a comprehensive code of conduct.
6. My company supports employees who want to acquire additional education.
7. My company encourages employees to join civic organisations that support the community.
8. My company has flexible policies which enable the employees to better coordinate work and personal life.

(Maignan & Ferrell 2001)

Items used to measure organisational identification:

1. When someone criticises this company, it feels like a personal insult.
2. I am very interested in what others think about this company.
3. When I talk about this company, I usually say ‘we’ rather than ‘they’.
4. This company’s success is my success.
5. When someone praises this company, it feels like a personal compliment.
6. If a story in the media criticises this company, I would feel embarrassed.

(Mael & Ashforth 1992)

Items used to measure moral meaningfulness:

1. Maintaining high morals/ethics brings me meaning at work
2. I find that doing the ‘right thing’ at work is personally meaningful for me
3. Doing the ethical thing gives me purpose at work
4. Behaving consistently with my morals is quite important to me

(May et al. 2014)
CHAPTER 7
GENERAL DISCUSSION AND CONCLUSION

7.1 Introduction

The aim of the thesis was to shed light on the relationship between corporate social responsibility (CSR) perceptions of employees and organisational identification (OI) and find novel processes in this linkage. The thesis also aimed at finding new antecedents of internal CSR perceptions. These relationships were tested in the Middle East and North Africa (MENA) region.

This chapter will first explain how this research achieved its objectives by providing a summary of the key findings of the three main studies of the thesis. The chapter will then discuss the key contributions of the research, implications, research limitations and ideas for future research.

7.2 Summary of the Main Findings

This section will summarise how the literature gaps and research needs discussed in Chapter 1 have been addressed. In particular, the focus will be on 1. Comprehensively examining the relationship between employee CSR perceptions and OI; 2. Identifying antecedents of internal CSR perceptions of employees; and 3. Discussing the findings in the MENA region.

7.2.1 A Comprehensive Investigation of the Relationship between Employee CSR Perceptions & OI: Its Boundary Conditions and Mechanisms

Several authors argue that the literature lacks a comprehensive understanding of the exact nature of the association of employee CSR perceptions with OI and call researchers to examine the relationship between these two constructs (e.g., Bauman & Skitka, 2012; Farooq et al.,
2014; Glavas & Godwin, 2013). Chapter 2 showed that a positive and significant relationship between employee CSR perceptions and OI exists. It also showed a positive significant relationship when external CSR perceptions and internal CSR perceptions were related separately to OI.

Nevertheless, several authors contend that although employee CSR perceptions have been positively associated with OI, the processes by which CSR influences OI have not been adequately addressed in the literature (e.g., De Roeck et al., 2014; Hameed et al., 2016). Similarly, several scholars have called researchers to examine pride in membership (PIM) in terms of the CSR literature and to study how pride influences OI (e.g., Ayse et al., 2015; De Roeck et al., 2014; Tracy & Robins, 2007). Also, Gond et al. (2017) called researchers to find moderators related to individual differences in the relationship between CSR perceptions and OI, and Aguinis & Glavas (2017) called scholars to study meaningfulness in terms of the CSR literature. Chapters 2, 5, and 6 make an integrated effort to address these research calls. Chapter 2 showed that organisational tenure has a curvilinear moderating effect on the relationship between employee CSR perceptions and OI. That chapter also showed that national context moderates the relationship between employee CSR perceptions and OI, such that the association of employees’ perceptions of overall CSR and external CSR with OI is stronger in a developed national context compared to a developing national context, while the relationship between internal CSR perceptions and OI is stronger in a developing national context. Chapter 5 showed that PIM mediates the relationship between internal CSR perceptions of employees and OI. Chapter 6 showed that the relationship between internal CSR perceptions of employees and OI is moderated by moral meaningfulness so that the relationship is stronger under high levels of moral meaningfulness.
7.2.2 Antecedents of Employee CSR Perceptions

Although employee CSR perceptions have been proven to lead to desirable employee outcomes, there are only a few studies that have examined antecedents of these perceptions and several authors have called researchers to ascertain further perceived CSR antecedents (e.g., Campbell, 2007; Tian et al., 2015). Chapters 5 and 6 make an effort to answer these calls. Chapter 5 showed that participative leadership is an antecedent of employee internal CSR perceptions while Chapter 6 showed that servant leadership is an antecedent of these perceptions.

In addition to this, there are research calls to examine factors in the relationship between both participative and servant leadership styles and different employee outcomes (e.g., Eva et al., 2018; Hassan et al., 2013; Miao et al., 2014; Van Dierendonck & Patterson, 2015). Chapter 5 addressed this by examining a process that links participative leadership to OI. The findings showed that participative leadership leads to internal CSR perceptions of employees which, in turn, lead to OI through PIM. Chapter 6 also addressed this need by examining an underlying process by which servant leadership leads to OI. The findings showed that servant leadership leads to employee internal CSR perceptions which, in turn, lead to OI, moderated by moral meaningfulness.

7.2.3 The MENA Region

The term “CSR” in the MENA countries is still relatively new and remains to be a growing phenomenon that has not yet been given efficient attention (Jamali et al., 2015). The empirical knowledge on CSR in SMEs in the MENA region is nearly non-existent (Jamali et al., 2017). There have been calls for comparative research based on contexts in the CSR literature (e.g., Quazi & Richardson, 2012; Wang et al., 2016). The thesis takes this into consideration as the sample of the empirical studies in this research was employees at SMEs in three countries in
the MENA region. Although the workplace of each country shares some similarities such as religious beliefs and an Arab culture, they are also different in terms of their nature and stability. For the three different samples from the survey data in Chapter 5, the relationship between participative leadership and employee internal CSR perceptions and the relationship between internal CSR perceptions and OI through PIM were positive and significant for the U.A.E., Lebanon, and Tunisia. The relationships were the strongest for the U.A.E., followed by Lebanon and then Tunisia. One way to look at this slight difference is to look at the workplace characteristics in each of these countries. In the U.A.E., where the workplace is dominated by expatriates, participative leadership may be given more prominence and managers may try harder to communicate and listen to their subordinates as a way of handling the workplace diversity (Al-Jenaibi, 2012). In Lebanon, different religious and political parties have made communication, understanding, and tolerance special features for positive coexistence in the Lebanese workplace (Jamali et al., 2005). Both the U.A.E. and Lebanon, compared to other Arab countries, are more open to the Western world (Jamali et al., 2005; Lasrado & Bagchi, 2011). Tunisia, however, is still considered fairly reserved, and its workplace constitutes a fragile setting where many internal CSR activities may only be partially effective in the eyes of the employees (Stanton, 2015).

For the three different samples from the two-wave and three-wave survey data in Chapter 6, the relationship between servant leadership and employee internal CSR perceptions and the relationship between internal CSR perceptions and OI moderated by moral meaningfulness were positive and significant for the U.A.E., Lebanon, and Tunisia. However, the results were highly consistent among the three countries. Additionally, in a recent review on servant leadership, Eva et al. (2018) called researchers to collect data at different points of time and to use temporal separation to aid in evaluating processes that explain relationships in which
servant leadership is involved (Eva et al., 2018). Chapter 6 addressed this by collecting data at different points from the U.A.E., Lebanon, and Tunisia.

7.3 Key Contributions of the Research

As mentioned in Chapter 1, the contributions of this research could be divided into four different parts: Contribution to CSR-OI literature, contribution to CSR and leadership literatures, contribution to leadership-OI literature, and empirical contribution.

7.3.1 Contribution to CSR-OI Literature

This research contributes to the CSR-OI literature in several ways. First, it provided a meta-analysis on the relationship between employee CSR perceptions and OI. This puts any inconsistencies found in the literature to rest. By providing clear evidence that a positive relationship between employee CSR perceptions and OI exists and that this association holds across different studies and national contexts, researchers can now concentrate on taking this field of research to the next level by examining more novel processes in the linkage. Meta-analyses on CSR are rare. While most meta-analyses on CSR and its consequences have concentrated on the organisational level of analysis, such as the relationship between CSR and corporate financial performance (e.g., Margolis et al., 2007; Orlitzky et al., 2003; Quazi and Richardson, 2012; Wang et al., 2016), the meta-analysis in this research is, to the best of my knowledge, among the first meta-analyses that consider the micro level analysis of CSR.

This research also adds power to the CSR-OI link by examining boundary conditions and a mechanism in this linkage. It investigated the curvilinear moderating effect of organisational tenure. By doing so, this research introduced to the existing literature a three-way relationship between employee CSR perceptions, tenure, and OI. Additionally, by examining the moderating effect of national context on the CSR-OI link, this thesis adds power to the CSR
comparative research based on different national contexts (Quazi & Richardson, 2012; Visser, 2008; Wang et al., 2016). Moreover, by investigating the moderating effect of moral meaningfulness on the CSR-OI link, the research participates in the examination of this construct in the management field. This construct is relatively new to the management field and has been overlooked to date. By showing that the relationship between internal CSR perceptions of employees and OI is strengthened by moral meaningfulness, this research offers additional support for the social identity theory and the deontic justice theory (Folger, 2001). It is consistent with the notion that employees who place high value on ethics in their work lives are expected to care more about the company’s deontic perspective (Rosso et al., 2010; Glavas & Godwin, 2013). The examination of moral meaningfulness also makes a theoretical contribution to the deontic justice theory (Folger, 2001) by using it to explain the connection among novel variables.

Another way this research contributes to the existing knowledge of the CSR-OI link is by examining PIM as a mechanism in this linkage. Pride is an inwardly directed emotion and this research, therefore, also contributes to the psychology of emotions literature as it demonstrates how employees’ PIM can be experienced and how it can affect their identification. Through this finding, this research provides additional support for the social identity theory as it is consistent with the notion that identification with the organisation is shaped by the employees’ perceptions of the organisation and its practices which instil feelings of pride in the employees (Tajfel & Turner, 1979).

7.3.2. Contribution to CSR & Leadership Literatures

This research makes a further contribution to the CSR literature as it offers extensions to help advance CSR models that have focused only on one side of the concept (i.e., its consequences). It expands previous micro-CSR research by offering a review on antecedents of CSR with a
unique focus on the recent literature that look at antecedents of CSR perceptions of internal stakeholders which is a matter that existing reviews on CSR do not include (e.g., Aguinis & Glavas, 2012; Glavas, 2016; Turker, 2018).

Moreover, this research introduced new antecedents of employee internal CSR perceptions, contributing to the CSR literature (Campbell, 2007; Lee et al., 2013; Tian et al., 2015). Despite the importance of employee CSR perceptions in shaping employees’ attitudes and behaviours, very little is known about what contributes to the formation of these perceptions (Glavas, 2016). By determining participative leadership and servant leadership as antecedents of employee CSR perceptions, this research also contributes to the leadership literature and to the leadership-CSR link. The few studies that have linked leadership to CSR have focused on ethical, transformational, and transactional leadership styles (e.g., Groves & La Rocca, 2011; Tian et al., 2015; Zhu et al., 2014). This thesis provided a new context for the participative and servant leadership theories to further develop in their connection to new variables (Christensen et al., 2014; Martin, 2015; Van Dierendonck & Patterson, 2015). By showing that participative leadership and servant leadership are antecedents of employee internal CSR perceptions, this research provides support for the social information processing theory and helps progress it in the connections of new variables and new contexts (i.e., the employment context). The findings are consistent with the conception that employees develop their perceptions of internal organisational practices by collecting information cues from their work environment and that their leader serves as a significant source of that information (Salancik & Pfeffer, 1978). Linking servant leadership and CSR perceptions also provides support for the human resource frame since it is consistent with the notion that organisations and leaders are concerned with the needs, relationships, and skills of employees (Bolman & Deal, 2008).
7.3.3 Contribution to Leadership-OI literature

This research contributes to the leadership-OI literature by examining novel designated processes between leadership and OI. The literature so far has mainly focused on associating transformational and transactional leadership styles with OI (e.g., Epitropaki & Martin, 2005; Zhu et al., 2012). By looking at the processes that link participative and servant leadership styles to OI, the research also contributes to the stream of literature that examines these leadership styles with various employee outcomes. It contributes to the development of participative and servant leadership theories by providing frameworks for these leadership theories to mature and by uniquely linking these leadership styles to the CSR-OI association (Christensen et al., 2014; Miao et al., 2014; Van Dierendonck, 2011). Participative leadership is still considered a newcomer in leadership research (Martin, 2015) and servant leadership still lacks rigorous processes in its linkage to the different employee outcomes (Eva et al., 2018; Van Dierendonck & Patterson, 2015). Moreover, this research contributes to the stream of literature that finds mediators and moderators in the affiliation of participative and servant leadership with the different employee elements as this greatly lacks examination (e.g., Eva et al., 2018; Hassan et al., 2013; Miao et al., 2014). The main contribution to the OI literature is noted through the provision of new processes that ultimately lead to OI (Gond et al., 2017).

7.3.4 Empirical Contribution

This research makes an empirical contribution to the CSR and leadership literatures by looking at CSR perceptions and different leadership styles in the context of SMEs in three countries in the MENA region. The concept of CSR in MENA countries is still relatively new and remains to be a rising matter that has not been given necessary focus (Jamali, 2017; Jamali et al., 2015). There are very few empirical studies looking at CSR and outcomes in the MENA region (Al-bdour et al., 2010; Rettab et al., 2009). Additionally, although there is an obvious shift of studying CSR in SMEs in the literature that has helped expand the core of the CSR
theory (Spence, 2016; Vázquez-Carrasco & López-Pérez, 2013), the empirical knowledge on CSR in SMEs in the MENA area is virtually missing (Jamali et al., 2017). Also, by testing servant leadership and participative leadership in three countries in the MENA region, this research makes an empirical contribution to the cross-cultural applicability of these leadership styles (Irving, 2010; Martin, 2015; Van Dierendonck et al., 2017).

7.4 Managerial Implications

The thesis helps managers realise the importance of attaining positive employee CSR perceptions. It helps them recognise the prominence of focusing on internal CSR activities in case their main focus has been on external CSR so far. Because positive perceptions of internal CSR foster desirable employee-related outcomes, such as organizational citizenship behavior and organizational commitment, they constitute an important construct for organisations and managers. Moreover, since this thesis has shown different ways that those perceptions can lead to OI, some alteration in the organisation’s human resource management practices may benefit both the company and the employees (Fajana et al., 2011). For example, incorporating internal policies that prevent discrimination in the employees’ promotion and compensation if they are not already present or supporting employees who want to acquire additional education will be useful. Such practices, viewed as elements of the internal CSR construct, will reinforce the employees’ positive perceptions of the company’s internal CSR, eventually increasing their OI, and thus, benefiting the company (Gond et al., 2010; Turker, 2009). Increasing OI has been a goal for many organisations (Olkkonen & Lipponen, 2006; Kreiner & Ashforth, 2004; Van Dick et al., 2004). It is well known that employees who highly identify with their company display positive attitudes and behaviours in the workplace which help the company achieve its goals and be more effective (Pratt, 1998; Van Dick et al., 2007). Thus, identification with the organisation can ultimately impact the effectiveness and success of the organisation.
In addition to this, considering the positive impact accompanied with high moral meaningfulness, a manager can aim to increase the employee’s moral meaningfulness by setting a good example. Even though the value placed on ethics at work can characteristically be considered something ingrained within the individual, employees who watch their managers exhibit high ethical standards are more likely to mimic their behaviours themselves which may affect their perceptions of meaning at work (Trevino & Brown, 2005).

Nevertheless, the findings of this thesis promote the significance of having well-built and fair organisational practices along with the proper style of leadership. Therefore, the results obtained in this thesis help to realise the importance of a participative leadership and servant leadership approach for the enhancement of positive employee outcomes and may therefore encourage leaders to start adopting these specific styles. For example, managers can adopt a more participative approach while interacting with their subordinates in order to promote a positive psychological state for employees where they feel proud of their membership in the organisation and therefore identify with it.

7.5 Limitations and Future Research Suggestions

In spite of diligent study considerations, the research has some limitations. The mediating effect of PIM in the relationship between internal CSR perceptions of employees and OI was partial, and thus there are other mediators worthy of investigation. For example, the degree of importance of an individual’s job to his/her self-image can be tested as a mediator since it is believed that employees identify with the company when they consider their job to be important to their self-image (Katrinli et al., 2009). Moreover, other moderators can be tested in the relationship between internal CSR perceptions and OI, such as the importance of CSR to an individual’s self-image (Turker, 2009).
The variance-explained path coefficients between participative leadership and internal CSR perceptions of employees and between servant leadership and internal CSR perceptions were not particularly high, and therefore, researchers can seek to examine further drivers of these perceptions. In terms of leadership, another emerging leadership style, responsible leadership, could be tested as a possible antecedent of employee CSR perceptions. These two constructs have been discussed together because of their similar characteristics (Gond et al., 2011; Szekely & Knirsch, 2005), but a relationship between them is yet to be validated. The antecedents considered in this thesis were from the leadership field only and therefore researchers can examine antecedents from other fields, too. For example, one potential antecedent can be deontological ethics. This concept is related to moral duty and a probable source of this duty is presumed to be the belief in God (Waller, 2005). This makes the concept particularly suitable to be tested in a religious area like the MENA region. Furthermore, this thesis investigated only the direct relationship between internal CSR perceptions of employees and their antecedents. A possible research extension of this can be to test different moderators and mediators in those relationships in order to advance the different linkages and create new processes.

Future research can test the models of this thesis in other contexts, such as the Western world, to ensure that the findings can be generalised. These models can also be tested in other geographical areas where both the external and internal aspects of CSR can be considered. Finally, although the data in Chapter 6 was collected at different points in time for the different variables, the studies in this thesis can be followed up with longitudinal designs in which data for all variables is collected at several points in time to trace individual changes over a period of time and induce causal inferences (Menard, 2002).
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