جامعة عفت
EFFAT UNIVERSITY

The Impact of Corporate Social Responsibility on Corporate Financial Performance: Evidence From Gulf Cooperation Council Member Countries

Thesis submitted in partial fulfillment for the degree of Masters in Finance accordance with the requirements of Effat University

By
Reem Gabel Saleh

Supervisor
Dr. Shabbir Ahmad
Dr. Shabir A. Hakim

April, 2019 AD – Sha'ban, 1440 AH

جامعة عفت
EFFAT UNIVERSITY

أثر المسؤولية الاجتماعية للشركات على أدائها المالي : دليل من دول أعضاء مجلس التعاون الخليجي

رسالة مقدمة لإستكمال متطلبات الحصول على درجة الماجستير في العلوم المالية

إعداد : ريم جعبل صالح

إشراف :

د. شبير أحمد

د. شبير حكيم

أبريل ٢٠١٩ – شعبان ١٤٤٠

Effat University
Jeddah, Saudi Arabia
Deanship of Graduate Studies and Research

This thesis, written by Reem Gabel Saleh under the direction of her thesis supervisor and approved by his/her thesis committee, has been presented to and accepted by the Dean of Graduate Studies and Research on ...., in partial fulfillment of the requirements for the degree of MASTER OF SCIENCE in Finance

Thesis Committee

Thesis Supervisor
Name:-- Tahar Tayachi --
Signature:------------------

Co-supervisor/member
Name:-- SHABIR AHMAD HAKIM --
Signature:------------------

External Member
Name:------------------
Title:------------------
Signature:------------------

Member
Name:------------------
Title:------------------
Signature:------------------

Department Chair
Name:-- Tahar Tayachi --
Signature:------------------

Dean of the College
Name:-- Dr. --
Signature:------------------

Dean of Graduate Studies & Research
Name:-- Dr. Aceeg Ibrahim --
Signature:------------------

جامعة عفت
جدة ، المملكة العربية السودية
عمادة الدراسات العليا و البحث العلمي

قام بكتابة هذه الرسالة الطالبة ريم جعبل صالح ، تحت إشراف المشرف المكلف بالإشراف على رسالتها ، وتم إجازتها من قبل لجنة التحكيم، و تم تقديمها إلى عميدة الدراسات العليا و البحث العلمي بجامعة عفت، كجزء من متطلبات الحصول على درجة الماجستير في العلوم ، برنامج المالية، وقد تم الموافقة على الرسالة و إجازتها بتاريخ: ....

أعضاء لجنة التحكيم

المشرف على الرسالة
الإسم:...............................
التوقيع:...............................

المشرف المشارك (إن وجد)
الإسم:...............................
التوقيع:...............................

العضو الخارجي
الإسم:...............................
التوقيع:...............................

عضو
الإسم:...............................
التوقيع:...............................

رئيسة القسم
الإسم:......د. [illegible]
التوقيع:...............................

عميدة الكلية
الإسم:...............................
التوقيع:...............................

عميدة الدراسات العليا والبحث العلمي
الإسم:...............................
التوقيع:...............................

Declaration

This work is original and has not been previously submitted in support of any degree qualifications or course.

Reem Gabel Saleh

Signature

ACKNOWLEDGMENT

I must express my very profound gratitude to all the professors in Science of Finance Department, Dr. Tahar Tayachi, Dr. Shabbir Ahmad, Dr. Shabir A. Hakim, Dr. Jamaladeen Faleel, and Dr. Rozina Shaheen for providing me with unfailing support and continuous encouragement throughout my years of study and through the process of researching and writing this thesis. This accomplishment would not have been possible without them. Thank you…

ABSTRACT

Corporate Social Responsibility (CSR), is a concept that has recently gained traction in strategic management, and it is continuously being cited as important for both the business, and the business shareholders. The objective of this paper is to examine CSR-CFP relationship of firms operating in GCC countries. One of the new methods used to measure the CSR engagement in any organization, is the ESG rating. The ESG rating measures the Environmental, Social and Governance (ESG) dimensions of CSR engagement. This research uses the stakeholder theory framework, together with the agency theory framework in order to find the impact that CSR has on the financial performance of organizations. In the research, we used annual data of ESG and financial ratios of 98 publicly listed firms operating in the Gulf Cooperation Council, from 2008 to 2018. Regression analysis was used to test the impact of ESG scores on the financial performance of organizations. According to the results, the Environmental, Social, Governance dimensions have a significant impact on the financial performance of organizations operating in the Gulf Cooperation Council. This study contributes to the body of knowledge on the relationship between CSR performance and Financial Performance.

Keywords: Corporate social responsibility CSR, Corporate Financial performance CFP, ESG score, Gulf Cooperation Council

Table of Contents

List of Figures

List of Tables

1. CHAPTER ONE: INTRODUCTION

1.1 Background of the research

CSR is the commitment of organizations to ensure that they contribute to sustainable economic development by ensuring that their activities do not affect the environment negatively, and that the community in which they live can benefit from the activities of the organisations. Firms engage in different ways to ensure CSR. Some of these ways include offering education scholarship, training and developing employees, engaging in social activities such as sponsoring sport events, donating money for research and development, and even reducing wastage to ensure that the environment is not polluted (Imtiaz, Khan and Shakir, 2015). A firm engages in these activities, not as part of its legal responsibilities, or in order to follow laid down procedures, such as oil companies ensuring that their methods of oil extraction are sustainable as dictated by the government, but as a result of goodwill, such as sponsoring children from poor backgrounds, and giving them scholarships to reputable universities. Since engaging in these activities requires the use of the company's finances, there is a lot of debate on why or why not should companies involve themselves in CSR (Ashraf et al., 2017).

A study conducted by Ahamad Nalband, and Al-Amric (2013), seeking to investigate the extent of the CSR practices in the Gulf Cooperation Council, found out that most top managers were willing to involve their organizations in CSR. According to the study, Nalband, and Al-Amric (2013), the empirical result supported the use of the Carroll's Pyramid of CSR and the charity principles. This is further strengthened by the fact that gulf countries are known for their charity and stewardship principles. As such, the applicability of CSR in those countries is further strengthened by these facts.

However, very few empirical studies have been conducted to determine the benefits of the CSR application in the GCC firms despite there being a general assumption by the academia regarding these benefits. Most of CSR benefits stem from the findings of other studies that have been conducted on different markets, different economies, and different value systems from the Gulf Cooperation Council (Ashraf, Khan and Tariq, 2017). This is a major limitation since what is true for other regions, economies, markets, and value systems might not be applicable to the context of the GCC's value systems, market, and economy.

Given that CSR in the Gulf Cooperation Council is an ongoing concern, there are different opportunities that have been discussed as resulting from engaging in CSR activities (Authority, S. 2008);

a) It is being identified as a source of competitive advantage for organisations,
b) There is a growing concern on the transparency and accountability of the governance of publicly traded companies,
c) There is a growing concern on whether companies and big corporations are bent more on creating value for their shareholders at the detriment of the society, and
d) It is being identified as a source of corporate financial performance since it helps in raising brand awareness, and creating a good reputation for the company.

Such opportunities are making companies take the implementation of CSR more serious in terms of the social, environmental, and the governance aspect of CSR. Given that, CSR is being identified as a source of improved financial performance and the lack of empirical studies to identify whether this relationship exists in the case of the Gulf Cooperation Council market, it is prudent to carry out research to determine if there is a relationship between the CSR activities and the corporate financial performance.

CSR as a source of improved corporate financial performance has gained a lot of popularity within the academic society. Different studies have showed that CSR can have a positive impact of a firm's financial performance through ensuring that the firm remains competitive in the market place, improving the image of the organization, and by creating the organization's brand awareness (Platonova, Austat, Dixon and Mohammad, 2018). All these will help the company to improve their market size, win the customers loyalty, motivate the firm's employees to be part of the organization's dream, etc. Accordingly, through such actions the firm will creates value and improves its financial performance.

Despite the studies supporting CSR as a source of competitive advantage for an organization, there are many studies argue that engaging in CSR activities reduces the profit registered by a company which is a negative impact on the financial performance of the organization and thus denies the company capital that it could have invested elsewhere in order to improve shareholder value such as the study conducted by Kumar and Kumar (2014). More so, those against the application of CSR claim that the core purpose of any organization is to create value for its owners, and the use of a company's finances in order to fund CSR activities goes against this objective. The argument is that the money used in funding the CSR activities could have been paid to the investors in terms of dividends. Furthermore, this money will eat into a company's capital base, thus reducing profitability and ultimately financial performance.

Given the conflicting views on the impact of CSR on the financial performance of organizations, it is therefore prudent to conduct an empirical study to determine if there is any relationship between CSR and the financial performance of firms operating in the Gulf Cooperation Council. The conflicting views show that relationship between CSR and financial performance varies from industry to industry and from region to region. No empirical investigation has been conducted in the GCC countries by using the ESG score model to determine if there is a relationship between the CSR activities through three dimensions of ESG score. The purpose of this study is to examine the relationship between CSR activities and corporate financial performance in the case of the GCC countries.

1.2 Research Questions

Given the different views on the impact of CSR on financial performance of organizations, and the need for empirical studies of the CSR impact on firm financial performance in GCC countries, the main research question is;

i. What is the impact of CSR on financial performance of firms operating in the Gulf Cooperation Council countries?

The researcher then developed the following specific questions to help in answering the main question of the research;

ii. What is the relationship between the environmental aspects of CSR and financial performance of organisations operating in the Gulf Cooperation Council countries?

iii. What is the relationship between social aspects of CSR and firm financial performance of organisations operating in the Gulf Cooperation Council countries?

iv. What is the relationship between the governance aspects of CSR on the financial performance of organisations operating in the Gulf Cooperation Council?

1.3 Objectives of the research

The main objective of the research is to determine the relationship between corporate social responsibilities on corporate financial performance of organizations operating in the Gulf Cooperation Council. This general objective will be achieved by meeting the following specific objectives:

i. To determine the impact of environmental aspects of CSR on the financial performance of organisations operating in the Gulf Cooperation Council

ii. To determine the impact of social aspects of CSR on the financial performance of organisations operating in the Gulf Cooperation Council

iii. To determine the impact of governance aspect of CSR on financial performance of organisations operating in the Gulf Cooperation Council.

The researcher will achieve these objectives by answering the research questions.

1.4 Research Hypothesis

The researcher will analyse quantitative data in order to reject or accept the hypothesis. By confirming these research objectives, the researcher will have answered the research questions, and hence consecutively met the main objective of the study. The research hypothesises are:

i. **H_0**: the environmental aspect of CSR has no impact on the financial performance of organisations operating in the Gulf Cooperation Council countries.

   H_1: the environmental aspect of CSR has a significant impact on the financial performance of organisations operating in the Gulf Cooperation Council.

ii. **H_0:** the social aspect of CSR has no impact on the financial performance of organisations operating in the Gulf Cooperation Council

   H_1: the social aspect of CSR has a significant impact on the financial performance of organisations operating in the Gulf Cooperation Council.

iii. **H_0**: the governance aspect of CSR has no impact on the financial performance of organisations operating in the Gulf Cooperation Council

   H_1: the governance aspect of CSR has a significant impact on the financial performance of organisations operating in the Gulf Cooperation Council.

1.5 Scope of the study

The study focuses on the impact of implementing Environmental, Social, and governance actions on the financial performance of firms that operate in the Gulf Cooperation Council countries from the year 2008 until the year 2018 and the total is 705 companies. The countries chosen are the member states of the Gulf Cooperation council which are the kingdom of Saudi Arabia, the United Arab Emirates, Qatar, Sultanate of Oman, Kuwait and Kingdom of Bahrain. These countries have come together in order to achieve unity among its members based on their common objectives, political and cultural identities, and to develop a common market cooperation (Khasharmeh, & Desoky, 2013). Therefore, the firms that will be included in the study are firms that are publicly listed and operate in GCC countries. More so, not all organizations have disclosed or have been rated as engaging in CSR. As such, the study will use the ESG score that is provided by Bloomberg to determine the organizations to include in the study. On financial performance, the research will use Earnings per Share (EPS), Return on Assets (ROA), Returns on Equity (ROE), and Earnings before Interest and Tax (EBIT). These measures have been used in majority of literature that aims to study the relationship between CSR and financial performance as shown by the Fried, Busch & Bassen (2015), extensive literature review on this topic.

1.6 Value of the research

This study aims at giving empirical evidence on whether firms that engage in CSR have realized any significant changes in their financial performance which has not yet been clarified before in the Gulf Cooperation Council. Therefore, this study will fill that gap which is valuable for policy makers in the Gulf Cooperation Council and for top managers of firms, as they make decisions on how to improve the financial performance of their respective organizations. The research will also add to the existing literature on the impact of CSR on firm financial performance and be part of the research findings that scholars can rely on when discussing the relationship between CSR and corporate financial performance. Furthermore, the results of the research can trigger a new research dimension, depending on the research findings.

2. CHAPTER TWO: LITERATURE REVIEW

This section consisted of information obtained from peer-reviewed journal articles that include results of rigorous studies, accompanied by arguments, conclusions, recommendations for front-runners, and suggestions for future research. The search for relevant literature studies led to the discovery of similar and opposing views related to CSR, financial performance, firm size, and leverage. The search topics included review of previous studies, stakeholder theory, agency theory, CSR, financial performance, the link between CSR and financial performance, and finally the conceptual framework of the data analysis in order to answer the research questions, and hence meet research objective.

2.1 Stakeholder Theory

A stakeholder is a party that has an interest in a company and can either affect or be affected by the business. Mostly, Outside entities that the organization seeks to influence and that has an impact on the organization (Murray and Vogel, 1997 as cited in Fernando and Lawrence, 2014). The most notable stakeholders in any organization are the political activism goods, regulatory agencies, competitors, government, customers, and shareholders. These have been recognized as stakeholders who have an influence on the feasibility of the organization. The perceptions, the values and the norms that the stakeholders can influence the actions of the organization even though the organization actions does not directly influence their lives. A good example is the case of the Nike utilizing child labor in Pakistan even though the company sells its products across the world

(Bakkinger, 2008). The company's utilization of child labor caused an uproar in the United States since its actions and activities were against the norms and values of the American people (Fernando and Lawrence, 2014). In this case, the marketing and operations of organizations have excelled from a narrow customer orientation to managing the benefits and relationships with a variety of stakeholders (Maignan, Ferrell, and Ferrell, 2005).

For a long time, it has been assumed that the only objective of any organization is to maximize shareholders value, and make profit as much as possible in the confines of law. The organization was seen as having no other purpose but to meet the needs of the shareholders (Angus-Leppan, Metcalf, & Benn, 2010). However, with time, this view has changed and many people are appreciating the fact that there is more to an organization except meeting the demands of the shareholders. According to Russo and Perini (2010) as cited in Taliouris (2018), making profits is not the only objective of the organization, and the objectives of the organization are increasingly becoming to ensure creating a good relationship with stakeholders and to include a wide range of interests, and the most notable one being the protection of the environment, and being socially responsible.

Therefore, CSR is a way of satisfying the requirements of the stakeholder theory in an organization. In the stakeholder theory, the success of the organization a satisfying the needs of the shareholder is tied to the relationships that the organization has with the stakeholders, and the needs of the shareholders cannot be met without sustaining the needs of other stakeholders (Jamali, 2008). According to this theory, it is important for organizations to be engaged in CSR in order to meet the needs of all stakeholders. According to Murray and Vogel (1997), the perception of the stakeholders towards the organization has an impact on the interactions of the organization with the stakeholders, and it is therefore important that the management of an organization makes sure that it is viewed positively by the stakeholders which is done through CSR.

2.2 Stakeholder Pressure

Stakeholders have an influence on the organization's activities and they can affect the operations of the firm either positively or negatively. Murray and Vogel (1997) as cited in Fernando and Lawrence (2014), the organization cannot assume or ignore the public expectations as they may feel that the stakeholders are interfering with their private matters as an organization. Progressive organizations will try to meet or exceed the expectations of the shareholders and one way of achieving this is through the implementation of a well-managed CSR strategy (Kraisornsuthasinee, & Swierczek, 2006). In such an approach, the organization will try to identify the key issues that are threats to the organization's relationship with the stakeholders, or are of mutual interests for both the organization and the stakeholders, and taking actions that will ensure that there will be no future discontent from the stakeholders (Catano, & Morrow Hines, 2016).

There are various examples on how the stakeholder pressure has influenced the actions of organizations, and how they took the necessary actions to satisfy the stakeholders. An example given earlier of Nike having to bow down to customer requests to stop using child labor in its sweat shops in Pakistan is a good example (Bakkinger, 2008). Another example is the boycott on Nestle's Kitkat chocolate bars. The chocolate was being boycotted since they used palm oils as an ingredient, and farming palm oil had been linked to massive deforestation (Elving, Golob, Podnar, Eleerup-Nielsen & Thompson, 2015). Another example is the case of Chiquita in Colombia where it used to fund rebel groups to perform their illegal activities (Maurer, 2009). It is important to note that, sometimes the demands of the stakeholder go beyond the legal requirements of organization, and the organization must be ready to do more than what is required by law in order to satisfy the demands of the stakeholders (Balmer, Fukukawa, & Gray, 2007).

2.3 Agency Theory

Agency theory is concerned with the relationship that exists between the managers of an organization and the shareholders (owners). In this case, an agency is where one party (the principal) engages another party, (the agent), to perform certain activities on their behalf and delegates decision making to the agents (Jiraporn, & Chinktrakam, 2013). The agent on the other hand acts on behalf of the principal, and makes decisions and actions that will be of benefit to the principal. In the case of organizations, the managers of the organization act as the agents of the shareholders and whatever actions they take should benefit the shareholders (Jenson and Meckling, 1976 as cited in Donaldson, & Davis, 1991). The managers should ensure that their actions are taken with the needs of the shareholders at heart, and that the actions taken will most likely lead to maximization shareholders wealth. Agency theory can be linked to the management actions and used to explain management strategy, and organizational behavior.

Managers’ main duty is to ensure maximization of profits and improvement of firm value on behalf of the shareholders. If the managers make decisions that do not satisfy the objective of the shareholder which is wealth maximization, then the agency problem occurs. According to Jensen (1998) as cited in Carney, Gedajlovic, & Sur (2011), one of the main agency problem is conflicting objectives of the shareholders and the managers. In the case where there is a conflict of interests, then the agent can perform activities that are not in line with the shareholders desires. In the case of implementation of CSR, the agency problem might occur. On one hand the management might be willing to implement the CSR as part of strategic management, while on the other hand, the action of implementing CSR should adhere to the needs of the shareholders of maximizing wealth since the management works for the benefit of the shareholders.

Given the existence of the agency problem in organizations, it is prudent to determine whether there is an impact of implementing CSR as a strategic management activity on the financial performance of the organization. If the implementation of CSR in the organization has an impact on the level of financial performance of the organization in a negative way, then there will be an agency problem. On the other hand, if the implementation of CSR as part of the organization's strategic management has a positive impact on the level of financial performance of the organization, then the implementation of CSR helps the management to meet their responsibilities as agents of the shareholders.

2.4 CSR

CSR is the commitment of organisations to contribute to sustainable economic development by ensuring that their activities do not affect the environment negatively, and that the community in which they live can benefit from those activities (Imtiaz, Khan and Shakir, 2015). CSR actions can go further than what is required by the government and other legal entities (Tsoutsoura, 2004). CSR can take three forms. It has a social aspect, an environmental aspect, and governance aspect. These aspects determine how the CSR activities in the organisation are done, and they also affect the organisation differently (Rahman, & Post, 2012; Delmas, Etzion & Naim Birch, 2013; Paek, Xiao, Lee, & Song, 2013). The following is an explanation of each of these aspects of CSR.

2.5 Environment

Corporations are viewed as some of the sources of the negative impacts on the environment, and there has been increasing discussion on the impact of corporation on the environment. The main discussions revolve around how the actions of corporations and the consumption of natural resources has resulted to the steady decline of the environment well-being (Chaterji, Levine, & Toffel, 2009). Due to the increasing public concern on the actions of the organisations and their impacts on the environment, organisations are becoming more aware of their actions and the consequences these actions have on the environment. This has made the organisations not only to concentrate on the societal dimension of CSR but also their responsibility on the environment, thus giving rise to this dimension (Flammer, 2013).

Since the stakeholders are increasingly becoming aware on the need for organizations to take care of the environment and to ensure that they engage in sustainable activities, organizations have to handle the environment with care in order to ensure that they do not receive criticism (Heikkurinen & Ketola, 2011). If the organization shows its stakeholders that it is conscious of its actions and is doing everything possible to ensure that it reduces its negative impacts on the environment, then it will be able to maintain and to improve its image. Caring for the environment is now used by firms as a strategy to attract positive publicity and thus gain reputational value and attracting customers (Du, & Vieira, 2012).

2.6 Social Dimension of CSR

According to Gonzalez – Rodriguez, Diaz – Fernandez, & Simonetti (2015), companies are receiving increasing pressure to manage their social responsibilities, and are therefore taking more time and resources and dedicating them to CSR activities so that they can meet the expectations of their stakeholders. Since stakeholders are more aware of the CSR activities of organizations, and its assumed benefits, the firms are more willing to ensure that they engage in sustainable activities. Examples are the donation of food, donation of healthcare equipment, sponsoring vaccination programs, and even ensuring that they have internal control mechanisms to ensure as little as possible impact on the environment (Rodriguez, Siegel, Hillman, & Eden, 2006).

According to Mohr et al. (2001) as cited in Tian, Wang, & Yang (2011), the consumer purchasing behavior can be partly influenced by the social responsibilities that a company decides to engage itself in. During the social dimension of CSR, the company also indirectly creates awareness for its brand, and also helps to achieve societal marketing. Research shows that, consumers are more willing to work with companies that show that they engage in CSR activities such as donations, philanthropy and charitable giving's. Ensuring that the company ensures that it meets the expectations of the society about its CSR activities helps the company to generate positive long-term results.

Tian, Wang, & Yang (2011), conducted a study in to determine how corporative social responsibility affects the Chinese consumer behavior. According to the results of this studies, organizations that had a robust social responsibility had the ability to attract customer better through raising its brand awareness. These studies are consistent with those studies carried out by Skarmeas, & Leonidou (2013); Ramazamy, & Yeung (2009); Marquina, & Morales (2012), and Vanhamme, & Grobben (2009). These studies concluded that CSR impacted on the consumption behavior of a significant number of customers through increased brand awareness.

2.7 Governance

Governance entails to how the organisation treats its employees, the code of conduct of its leadership, and the values, culture and norms shared by the organisation. The public and other stakeholders are increasingly becoming aware for the need of organisations to treat their employees better, to ensure that there is no discrimination of employees, to create diversity in the staff, and to also ensure that all employees are treated equally and the compensation given is good (Barnett, 2007 as cited in Godos – Diez, Fernandez – Gago, & Martinez - Campillo, 2011)). Research shows that employees are more willing to go to organisations that treat the employees better and has better governance. If a company uses the governance aspect of CSR, it will be able to attract and retain the best skills and talents in the industry.

2.8 Financial Performance

Financial performance is the analysis and the evaluation of a company's financial health. Making profit is the major objective of all profit-making companies. If the companies make profit, then they would have maximized the value for their shareholders. Financial analysts use different measures to determine the financial performance of firms. In this study, the measures of financial performance that have been utilized are the Earnings Before Interest Rates and Taxes (EBIT), Returns on Investments (ROI), Returns on Assets (ROA), and

Earnings per share (EPS). These measures have been used in majority of literature that aims to study the relationship between CSR and financial performance as shown by the Fried, Busch & Bassen (2015), extensive literature review on this topic.

2.9 Returns on Assets

Returns on Assets is a financial ratio used to determine the net profit that a company gets for using a unit of assets for financial gain. It shows how profitable the activities of the organisation are relative to the total assets in the organisation. The formula for determining the Returns on Assets is Nollet, Filis, & Mitrokostas (2016) and Kumar and Kumar (2014) are examples of literature that have used this as a measure of financial performance while determining the relationship between CSR and financial performance.

2.10 Returns on Investments

Returns on Investment is used to measure the financial gains that a company gets for every unit of investments. It shows how efficient the organisation is, in maximizing the returns it receives from its different investments in the market. If an activity is good for generating returns from the investments, then it becomes easier for the organisation to engage in the activity and to make strategic decisions regarding the activity. The formula for determining the Returns on Investments is through dividing the net income with the total investments made in the organisation (the original capital costs of the investment). Malik and Nadeem (2014) and Fasanya, & Onakoya (2013), are examples of literature that have used this as a measure of financial performance while determining the relationship between CSR and financial performance.

2.11 Earnings before Interest Rates and Tax

Earnings before Interest Rates and Tax is a measure of financial performance used to measure the gross income that a company gets before subtracting amortization, interest rates, taxes and depreciation. This helps to determine if the company is receiving any gross returns from its activities. Jo, Kim and Park (2015), and Malik and Nadeem (2014) are examples of literature that have used this as a measure of financial performance while determining the relationship between CSR and financial performance.

2.12 Earnings per Share

Earnings per share are used to determine how well an organization is maximizing its shareholders' value. The formula for determining the earnings per share in an organization is subtracting preferred dividends from the net income and dividing the weighted average common shares outstanding. The more the company allocates per share of the outstanding stock, the more the company is said to be performing better financially. Malik and Nadeem (2014), and Kumar and Kumar (2014), are examples of literature that have used this as a measure of financial performance while determining the relationship between CSR and financial performance.

2.13 Link between CSR and Financial Performance

The relationship between CSR and financial performance of organisations has been an area of constant research (Platonova, Austat, Dixon and Mohammad, 2018). Many researchers have studied the impact that CSR has on the corporate financial performance in different contexts, and these studies have had differing views on the relationship between these two variables. Some researchers such as Platonova, Austat, Dixon and Mohammad (2018), and

Al-Malkawi and Javaid (2018), have conducted the research and concluded that there is a significant positive relationship between the implementation and disclosure of CSR and organisation financial performance. The following are some of the ways that the implementation of CSR may lead to improved financial performance of the organisation.

2.14 Increased Ability to attract and Retain Customers

The larger the customer base than an organisation enjoys, the better the financial performance of the organisation might be. If the customer base is large, the company will enjoy economies of scale, will have more sales, and in the process, reduce costs per unit of production, and improve revenue. CSR helps to attract customers since it improves the image of the organisation, improves the reputation of the organisation, and at the same time acts as a positive public relation. This ability to attract new customers will improve the size of the organisation's customer base.

CSR helps to retain customers by cultivating a positive image for the organisation, and also adhering to the norms and values of the customers. If the organisations go against the value systems of the customers, then the customers are likely to boycott the organisation and look for substitutes (Saeidi, Sofian, Saeidi, & Saaeidi, 2015). The case of Nike and Apple losing customers due to the involvement of child labour in their sweatshops in East Asia, is an example of how organisations can lose customers if they do not adhere to the values and norms of the customers (Bakkinger, 2008).

2.16 Better chance of attracting and retaining skilled and talented labor

According to research, the CSR activities of an organisation is one of the factors that employees consider before working for an organisation. Employees are more willing to work for an organisation that engages in sustainable and socially responsible activities (Aminudin, 2013). This means that a company that has CSR has a better chance of attracting talented and skilled employees in comparison to those organisations that do not. A company that has better and skilled employees will have a competitive advantage over its competitors, and thus be able to compete better in the market place. This will improve productivity, and at the same time, the market share of the organisation.

CSR actions such as offering scholarships to employees, training and education employees, and proper working conditions are important for retaining employees (Collier, & Esteban, 2007). Retaining employees will reduce the turnover rate and thus reduce the costs associated with a high turnover rate in organisations such as the cost of recruiting, the cost of training and developments, and the cost of lost productivity as the organisation searchers for new employees to replace those employees that left the organisation. Reducing these costs will give the organisation a larger revenue margin and thus consequently improve the financial performance of the organisation.

Other researchers such as Kumar and Kumar (2014), have conducted the same study and concluded that the relationship between CSR implementation and disclosure and the financial performance of organisations, is a negative relationship. Furthermore, other researchers such as Chetty, Naidoo and Seetharam (2015), and Lloyd (2017), have established that there no relationship that exists between the application and disclosure of CSR and financial performance of organisations. The main reason for this is that engaging in CSR requires resources, and this causes the company to increase it costs, which cuts on the funds available for reinvestment. Using profits for CSR also means that the company will reduce the profit margin and consequently affect the financial health of the organisation.

2.17 Review of previous Empirical Studies

Platonova, Austat, Dixon and Mohammad (2018), carried out a study to determine the relationship between the disclosure of CSR and firm performance of Islamic banks that operate in the Gulf Cooperation Council. The study examined these two variables using data collected from between the years 2000 and 2014. According to the findings of the study, there exists a significant positive relationship between the disclosure of CSR and financial performance of organisations. In a similar study, Ashraf, Khan and Tariq (2017), conducted a research to determine the impact of CSR on the financial performance of banks operating in the Asian region. The study used data from between 2010 and 2015, and variables used to measure CSR were donations, social welfare, education, health, and environment protection. Financial performance formed the dependent variable and the variables used to measure financial performance were Return on Assets, Returns on Equity, Earnings Per Share, and the P/E ratio. The study also concluded that there is a strong positive relationship between CSR and financial performance of organizations.

Rana and Assad (2017), also conducted a research to give empirical evidence in the relationship that exists between CSR and firm financial performance of organizations operating in the Pakistani pharmaceutical industry. The study involved 9 companies that had been publicly listed and the data collected was that of between 2014 and 2016. The researchers analyzed the data using the Panel Least Square Effect Regression model. According to the findings of the study, there exists a positive relationship between the implementation of CSR and the financial performance of pharmaceutical companies in Pakistan. Al - Malkawi and Javalid (2018), sought to give empirical evidence on the impact of CSR of firm financial performance from the Zakat contribution of companies operating in Saudi Arabia. The study samples 107 organizations using data collected from the period between 2004 and 2013. The variable used to measure CSR was Zakat, while the variable use to measure financial performance was Returns on Equity. The study also found that there is a strong positive relationship between CSR and financial performance of organizations.

Habaragrod (2018), used a different approach compared to the discussed literature so far. In the approach, the researcher sought to determine the impact of internal and external CSR on organizational financial performance, and to quantify the impact of these two types of organizational performance. The sample size used in the research consisted of 112 companies that were publicly listed and collected the data between the years 2011 and 2015. The dependent variable used to measure the financial performance of organizations was Return on Equity, while the independent variables used by the researcher were internal CSR and external social responsibility. The findings of the research showed that there exists a positive relationship between CSR and financial performance of organizations. Furthermore, the study concluded that, internal CSR influenced firm performance more significantly compared to external CSR.

Tanggamani, Amran, and Ramayah (2018), also carried out a research to determine the relationship that exists between the CSR in an organization, and the financial performance of the organization. The researchers employed the stakeholder theory and the Slack

Resources theory to determine the relationship that exists between these two variables. According to the results of the research, organizations that employ CSR as part of their strategic management experience an improvement in the financial performance of the organization. The researchers concluded that, following the stakeholder theory, the CSR activities have a positive impact on the financial performance of the organization. The study used similar variables to measure the financial performance of the organizations, as used in this research paper.

In contrast to the above studies, other studies conducted have shown no direct relationship between the CSR and financial performance of organizations. Iqbal, Ahmad, Basheer and Nadeem (2012) carried out one such study, to examine how CSR impacted organizations operating in the Pakistani economy. The study included 156 companies that had been listed in the Karachi Stock Exchange, from the tobacco sector, chemical sector, and the textile sector. The researchers collected data between 2010 and 2011 and used a simple regression model to examine whether any relationship exists between the two variables. The research conclusions were that, there is no relationship between the application and disclosure of CSR and corporate performance. A study that followed a similar approach and found no relationship between the two variables was that carried out by Lloyd (2017).

In his research, Lloyd (2017), sought to determine the impact of CSR and organizational firm performance in the energy sector. The sample size of the companies involved in the research was 243 energy firms that were publicly listed, in the world and from 39 countries around the world. The study used the ESG score to measure the independent variable (CSR), and Returns on Assets, Returns on Equity, and Earnings before Interest and Tax to measure the dependent variable (financial performance). The researcher then used a simple regression model to determine if there is any relationship between the two variables, and the findings of the research showed that there is no direct impact of CSR disclosure and financial performance of organizations.

The findings and the approach used by Lloyd (2017), in his research are important in this research since they will form the basis of comparison. Lloyd (2017), measured the impact of CSR disclosure on financial performance of organizations that are publicly listed and operation in more than 39 countries. Lloyd (2017), used the ESG score to measure the independent variable (CSR), and Returns in Assets, Returns on Equity and Earnings before Interest and tax to measure the dependent variable (financial performance), which is similar to how this researcher intends to measure the CSR in this research. However, the research will add Earnings per Share as another measurement if financial performance. Furthermore, the researcher wants to use the simple regression model to determine the impact of CSR on organizational performance, which is like the model that Lloyd (2017) used.

Conceptual Framework

To test the hypothesis, the influence of Environment, Social, and Governance aspects of CSR on firm's financial performance will be examined individually.

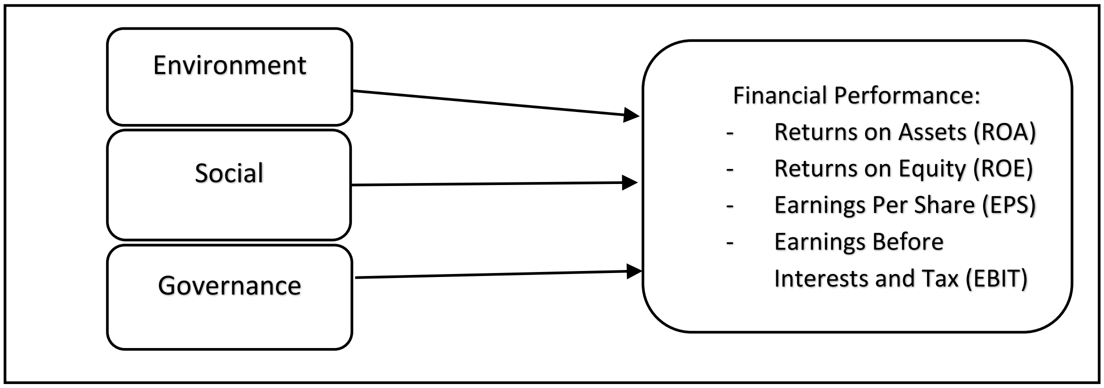

Figure 1: Conceptual Framework

3. CHAPTER THREE: DATA AND METHODOLOGY

This section presents the research approach, statistical method, data collection method, the independent and dependent variables of the research, and the data analysis.

3.1 Research Approach

Quantitative research approach is compatible since we are seeking to collect quantitative data, analyze it, and then make conclusions. Furthermore, the quantitative research approach involves collecting data to test an already existing theory, or an established hypothesis that has been developed using a given theoretical, framework (Christensen, Johnson, Turner and Christensen, 2011). This is in line with this research where the research seeks to collect quantifiable data, and then analyze the data to reject or to accept the hypothesis already developed following a theoretical framework. Giannarakis, Konteos, Zafeiriou, and Partalidou (2016) and Lin, Yang & Liou (2009) also used this approach, when determining the relationship between CSR and corporate financial performance. ESG score was used to estimate the performance of the CSR and the financial ratios (ROA, ROE, EPS, and EBIT) were used to estimate the financial performance.

3.2 Data Collection

The study seeks to determine the impact of CSR on organizational performance in the Gulf Cooperation Council countries and therefore, the data to collected revolved around this sector. We used the Bloomberg Environmental, Social and Governance Database, which offers both the financial data and ESG information of 98 listed companies in GCC countries. The below table shows the number of firms that was chosen from different sector according to the availability of Data:

Country	**Number of Firm**
BAHRAIN	6
EMIRATES	25
KUWAIT	10
OMAN	9
QATAR	19
SAUDI ARABIA	29
Total	**98**

Table 1: Number firms by country

Bloomberg Professional Service provides the ESG information collected from firms' annual reports, sustainability reports, press releases and third-party research and covers information on board structure, such as the percentage of women on the board and independent directors. The transparency of ESG information is indicated by the index called the ESG disclosure score, in which every data point is weighted in terms of importance and tailored to different industry sectors. The Bloomberg ESG disclosure score ranges from 0.1, which indicates the lowest disclosure level, to 100, for firms that disclose every data point collected by Bloomberg (Siew, 2015). We gathered financial data and ESG information, including the overall ESG disclosure score, components of environmental, social and governance disclosure scores and ESG activity-related data of global companies. The study examined the relationship between corporate financial performance and ESG scores. The variables for measuring CSR are categorized into social corporate responsibility, governance cooperate social responsibility, and environment CSR. These form the independent variables whose impacts on the dependent variables (financial performance) will be determined. The variables that were used by the researcher for financial performance are the Return on Assets (ROA), Returns on Equity (ROE), Earnings Per Share (EPS), and Earnings before Interests and Tax (EBIT).

The researcher collected the data for the dependent variables from secondary sources, from the individual organization's financial reports for the years between 2008 and 2018. The use of longitudinal data in the research was essential since it helped the researcher to determine any perceived changes in the financial performance of the organizations that the researcher included in the research. The research also collected secondary data to measure the CSR of the organizations that was included in the study. The secondary data was collected from the ESG scorecard, which is published every year, from the same period as the financial performance data. The data collected was then analyzed and interpreted to find out the relationship that exists between the two variables.

3.3 Data Analysis Model

The researcher used Descriptive statistics to help in describing the data collected and to determine the spread, frequency and distribution of the data. The inferential statistics techniques that the researcher used in the research are Regression Analysis, and the Analysis of Covariance. The researcher will use Regression Analysis to correlate individual independent variables with all the dependent variables, while the Analysis of Covariance will help the researcher to determine the relationship between individual independent variables with individual dependent variables simultaneously, something that will be difficult to achieve with regression analysis.

Most literature proposes the following model for CSR- corporate financial performance;

$$CFP_{it} = f(CSR_{it}, CFP_{it-1}, X_{it}) + \varepsilon_{it}$$

Where I represents firm, t represents period, CFP, corporate financial performance as a function of CSR, the previous year's financial performance is the lagged CFP_{it-1}, and the X are the control variables, and ε_{it} the term error. The following is the general model derived from this;

$$FP = f(CSR, FirmsSize, Leverage)$$

So

$$ROA = \beta0 + \beta1\ Env. + \beta2\ Soci. + \beta3\ Gov. + \beta4\ FirmSize + \beta5\ Leverage + error$$

$$ROE = \beta0 + \beta1\ Env. + \beta2\ Soci. + \beta3\ Gov. + \beta4\ FirmSize + \beta5\ Leverage + error$$

$$EPS = \beta0 + \beta1\ Env. + \beta2\ Soci. + \beta3\ Gov. + \beta4\ FirmSize + \beta5\ Leverage + error$$

$$EBIT = \beta0 + \beta1\ Env. + \beta2\ Soci. + \beta3\ Gov. + \beta4\ FirmSize + \beta5\ Leverage + error$$

Earnings before interest rates and taxes (EBIT), Earnings per Share (EPS), Returns on Assets (ROA) and Returns on Investments (ROI), represent financial performance of the organisation in each of these models. Firm Size which represent total asset of the firm and Leverage ratio are the control variables. This research uses a panel data method as the variables contain data that varies over cross-sections and in the time-series dimension. All the regressions are run using GMM estimation technique. The GMM estimators are known to be consistent, asymptotically normal, and efficient in the class of all estimators that do not use any extra information aside from that contained in the moment conditions. It will take care of any consistency or auto correlations in the variables.

3.4 Validity, Reliability and Ethical Issues

Validity and reliability are essential principles of any scientific research. The sources of data used in the research are valid and reliable, and the research will ensure that a systematic scientific approach has been followed when conducting the research to ensure reliability and validity of the research findings. According to Wilson (2010), the researcher should also ensure that the research is objective to improve the reliability of the research findings. Any aspects of subjectivity might render the research findings invalid. The researcher will ensure that the highest levels of professionalism have been achieved during the research process and thus ensure that the research is ethical. The researcher shall not misrepresent facts, or “cook” data since this goes against the principles of a professional scientific research and renders the research unethical.

4. CHAPTER FOUR: RESULTS AND INTERPRETATION

4.1 Descriptive analysis

	Env.	Soci.	Gov.	ROA	ROE	EPS	LOG_EBIT
Mean	17.86	5.09	11.84	3.28	6.88	0.617	3.67
Median	13.39	5.00	11.00	1.53	4.16	0.013	3.63
Maximum	47.32	58.33	64.28	41.25	384.07	13.95	3.90
Minimum	5.89	5.00	10.00	-39.83	-147.32	-3.50	3.09
Std. Dev.	13.35	12.44	19.22	7.40	19.16	1.73	1.03
Observations	1274	1274	1274	1274	1274	1274	1274

Table 1 Descriptive Statistics Table

The data collected through the years regards to the financial performance as a result of engagement in CSR activities. The data collected was from the year 2014 to the year 2018 According to the mean in the descriptive statistics, the average of Environmental score is17.8%, the Social Score is 5%, and the Governance is 11%. The maximum and minimum shows the range of values for each variable. The standard deviation shows how far the observations are from the sample average.

4.2 ANOVA analysis

ROA ANOVA Analysis

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	3.261	5	.652	3.952	0.0079
	Residual	.825	5	.165		
	Total	4.087	10			

Table 10 ROA ANOVA Analysis

The ANOVA test shows that the significance test of the data is 0.0079, which is lower than 0.05. Therefore, the data is statistically significant and one can rely on the results to make conclusions. Additionally, the F-statistic results in 3.952 a number higher than 2.5, which means than one, can reject the null hypothesis.

ROE ANOVA Analysis

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
2	Regression	3115.992	5	623.198	1.337	.379
	Residual	2329.978	5	465.996		
	Total	5445.970	10			

Table 7 ROE ANOVA Analysis

The significance value at 0.379 is higher than 0.05, which means that the data collected in not statistically significant. On the other hand, the F statistic is lower than 2.5, which leads to the conclusion that the data is not statistically significant.

EPS ANOVA Analysis

The null hypothesis for ANOVA is that the mean (average value of the dependent variables) is the same for all groups. The alternative hypothesis is that the average is not the same for all groups.

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
3	Regression	114.720	5	22.944	10.264	.012
	Residual	11.177	5	2.235		
	Total	125.898	10			

Table 8 EPS ANOVA Analysis

The ANOVA analysis results in a significance level of 0.012, which is beyond the set level of 0.05. The significance level falling within 0.05 means that the data is statistically significant. On the other hand, the F statistic is 10.264, which is higher than 2.5 thus one can reject the null hypothesis.

EBIT ANOVA Analysis

Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
4	Regression	13189.378	5	2637.876	6.473	.031
	Residual	2037.667	5	407.533		
	Total	15227.046	10			

Table 9 EBIT ANOVA Analysis

The ANOVA test shows that the significance test of the data is 0.031, which is lower than 0.05. Therefore, the data is statistically significant and one can rely on the results to make conclusions. Additionally, the F-statistic results in 6.473 a number higher than 2.5, which means that one can reject the null hypothesis.

4.3 Regression Analysis

This research uses a panel data method as the variables contain data that varies over cross-sections and in the time-series dimension. All the regressions are run using GMM estimation technique. GMM technique suites the panel data and was used by most of the studies in the literature because it takes care of any correlation and endogeneity between the explanatory variable which is a common issue when dealing with corporate financial data.

ROA Model

Dependent Variable: ROA
Method: Panel Generalized Method of Moments
Date: 04/01/19 Time: 02:25
Sample: 2008 2018
Periods included: 11
Cross-sections included: 194
Total panel (unbalanced) observations: 1274
2SLS instrument weighting matrix
Instrument specification: C E S G LEVERAGE LOG_SIZE
Constant added to instrument list

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.455409	0.597243	4.111238	0.0000
E	0.023091	0.016081	1.435977	*0.0513
S	-0.050397	0.023991	-2.100686	*0.0359
G	0.010936	0.017257	0.633736	*0.0526
LEVERAGE	0.009662	0.008992	1.074512	0.2828
LOG_SIZE	0.119632	0.177644	0.673436	0.5008

R-squared	0.006016	Mean dependent var	3.280293
Adjusted R-squared	0.002096	S.D. dependent var	7.406400
S.E. of regression	7.398634	Sum squared resid	69410.04
Durbin-Watson stat	0.897807	J-statistic	9.12E-27
Instrument rank	6		

Table 11 ROA Regression Analysis
*Significant level at 5%

From the return on asset regression results, the equation is as follows:

ROA = 2.455 + 0.023 Envi – 0.050 Social – 0.010 Governance

Therefore, a unit increase in environmental factors increases ROA by 0.023 units. On the other hand, a unit increase in social activities result in a 0.050 decrease in ROA while a unit increase in governance results in a 0.010 unit decrease in ROA. However, other factors represented by the constant affect ROA with a unit increase in the other factors resulting in a 2.455 decrease in ROA.

ROE Model

Dependent Variable: ROE
Method: Panel Generalized Method of Moments
Date: 04/01/19 Time: 02:22
Sample: 2008 2018
Periods included: 11
Cross-sections included: 194
Total panel (unbalanced) observations: 1274
2SLS instrument weighting matrix
Instrument specification: C E S G LEVERAGE LOG_SIZE
Constant added to instrument list

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-5.387076	1.545284	3.486140	0.0005
E	-0.091392	0.041606	-2.196583	*0.0282
S	0.076055	0.062073	2.225250	*0.0620
G	0.003161	0.044650	2.970787	*0.0543
LEVERAGE	0.007072	0.023265	0.303989	0.7612
LOG_SIZE	0.052062	0.459630	0.113270	0.9098

R-squared	0.005780	Mean dependent var	6.883989
Adjusted R-squared	0.001860	S.D. dependent var	19.16076
S.E. of regression	19.14294	Sum squared resid	464661.2
Durbin-Watson stat	1.328682	J-statistic	7.69E-27
Instrument rank	6		

Table 12 ROE Regression Analysis

*Significant level at 5%

From the returned-on earnings regression results, the equation is as follows:

ROE = -5.387076 – 0.091392Envi + 0.076055 Social + 0.003161Governance

Therefore, a unit increase in environmental factors reduces ROE by 0.091392units, which means that the company should not engage in many environmental activities to minimize reduction of ROE. On the other hand, a unit increase in social activities result in a + 0.076055 increase in ROE while a unit increase in governance results in a 0.00316 units growth in ROE. However, other factors represented by the constant affect ROE, with a unit increase in the other factors resulting in -5.387076 decreases in ROE. Therefore, the firm should focus on governance and social to increase ROE.

EPS Model

Dependent Variable: EPS
Method: Panel Generalized Method of Moments
Date: 04/28/19 Time: 02:23
Sample: 2008 2018
Periods included: 11
Cross-sections included: 194
Total panel (unbalanced) observations: 1274
2SLS instrument weighting matrix
Instrument specification: C E S G LEVERAGE LOG_SIZE
Constant added to instrument list

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.207869	0.139323	1.491992	0.1359
E	-0.016271	0.003751	4.337505	*0.0000
S	0.001026	0.005597	0.183382	**0.0854
G	0.004848	0.004026	-1.204182	*0.0287
LEVERAGE	-0.000405	0.002098	-0.192997	0.8470
LOG_SIZE	0.058370	0.041440	1.408521	0.1592

R-squared	0.017780	Mean dependent var	0.612977
Adjusted R-squared	0.013907	S.D. dependent var	1.738062
S.E. of regression	1.725935	Sum squared resid	3777.182
Durbin-Watson stat	0.327616	J-statistic	4.16E-27
Instrument rank	6		

Table 1 EBIT Regression Analysis

Significant level at *5% **10%

From the earning per share regression results, the equation is as follows:

EPS = 0.2078 - 0.0162 Envi + 0.001 Social + 0.0048 Governance

Therefore, a unit increase in environmental factors reduces EPS by 0.0162 units, which means that the company should not engage in many environmental activities to minimize reduction of EPS. On the other hand, a unit increase in social activities result in a 0.001 increase in EPS while a unit increase in governance results in a 0.0048 units growth in EPS. However, other factors represented by the constant affect EPS, with a unit increase in the other factors resulting in 0.2078 increase in EPS. Therefore, the firm should focus on governance, social and the other factors more since they result in an increase in EPS.

EBIT Model

Dependent Variable: LOG_EBIT
Method: Panel Generalized Method of Moments
Date: 04/28/19 Time: 02:24
Sample: 2008 2018
Periods included: 11
Cross-sections included: 194
Total panel (unbalanced) observations: 1274
2SLS instrument weighting matrix
Instrument specification: C E S G LEVERAGE LOG_SIZE
Constant added to instrument list

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.653174	0.083893	7.785804	0.0000
E	0.002785	0.002259	2.233017	*0.0217
S	-0.002106	0.003370	-2.624850	*0.0532
G	0.001135	0.002424	2.468173	*0.0639
LEVERAGE	0.000427	0.001263	0.338274	0.7352
LOG_SIZE	-0.011763	0.024953	-0.471393	0.6374

R-squared	0.001675	Mean dependent var	0.678595
Adjusted R-squared	-0.002262	S.D. dependent var	1.038090
S.E. of regression	1.039264	Sum squared resid	1369.528
Durbin-Watson stat	0.350998	J-statistic	3.89E-26
Instrument rank	6		

Table 2 EBIT Regression Analysis

*Significant level at 5%

From the earnings before interest rates and taxation regression results, the equation is as follows:

EBIT = 0.6531+ 0.0027 Envi - 0.0021 Social + 0.0011 Governance

Therefore, a unit increase in environmental factors increases EBIT by 0.0027 units, which means that the company should engage in many environmental activities to minimize reduction of EBIT. On the other hand, a unit increase in social activities result in a 0.0021 decrease in EBIT while a unit increase in governance results in a 0.0011 units growth in

EBIT. However, other factors represented by the constant affect EBIT, with a unit increase in the other factors resulting in 0.6531increase in EBIT.

5. CHAPTER FIVE: DISCUSSION OF RESULTS

The following section discusses the results in relation to the objectives, research questions, and the objectives of this research.

5.1 Objective One: The Impact of Social Dimension of CSR on CFP

One of the objectives of this research was to determine the impacts of the social dimension of CSR on the financial performance of the organization. According to the results of this analysis, the social dimension of CSR has an impact on the Returns on Assets, Returns on Equity, Earnings per Share and the Earnings before Interest Rates and Taxes of an organization. The following table shows the results of the analysis on how the Social dimension of CSR impacts on the four measures of financial performance as used in this study.

The regression analysis shows the unit increase or decrease in either, Returns on Assets, Returns on Equity, Earnings per Share, and Earnings before Interest Rates and Taxes. According to the regression analysis above, a unit increase in social activities in CSR leads to an increase in Earnings per Share by 0.0162 units, increase in Returns on Equity by 0.07605 units, a decrease in Earnings Before Interest Rates and Taxes by 0.0021 units, and a decrease in Returns on Assets by 0.050 units. Therefore, it can be said that the social dimension has a moderate positive impact on the financial performance of an organization. On one hand, it negatively affects the Returns on Assets and Earnings before Interest Rates and taxes, but on the other hand, it helps maximize shareholder value by improving the

Returns on Equity and the Earnings per Shares that the shareholders receive. In this regard, the following conclusions can be made;

I. The Null Hypothesis, Societal aspects of CSR have no impact on the financial performance of organisations operating in the Gulf Cooperation Council, is rejected. On the other hand, the Hypothesis, Societal aspects of CSR have an impact on the financial performance of organisations operating in the Gulf Cooperation Council is accepted. The impact is a moderate impact.

II. The answer to the research question, what is the relationship between the social aspects of CSR and financial performance of organisations operating in the Gulf Cooperation Council? Is answered. The relationship between the two variables is a positive relationship. An increase in social dimension of CSR will lead to a moderate positive impact on the financial performance of the organisation.

III. The objective, to determine the impact of social aspects of CSR implementation on financial performance of organisations operating in the Gulf Cooperation Council, was also achieved.

These results are consistent with those of studies such as Sila and Cek (2017). Sila and Cek (2017) used cross sectional data from Australia to determine the impacts of Environmental, Social and Governance dimensions of CSR on the economic performance of organizations. The results showed that there was a moderate positive relationship between social dimension of CSR and financial performance of organizations.

5.2 Objective 2: The Impact of Environmental Dimension of CSR on CFP

The second objective of this research proposal was to determine the impact that the increase in Environmental dimension of CSR has on the financial performance of organizations that operate in the Gulf Cooperation Council. According to the results of the regression analysis, the environmental activities have an impact on the Earnings Before Interest Rates, Returns on Equity, Returns on Assets, and Earnings per Share of companies that operate in the Gulf Cooperation Council. The following table shows the beta and error coefficients of the Regression analysis of each of these measures of the Environmental dimension of CSR against the measures of financial performance as adopted from the different regression analyses tables above. The Beta coefficients show the decrease or increase in the Returns on Assets, the Returns on Equity, the Earnings per share, and the earnings before interest rates and taxes due to a unit increase in the environmental dimension of corporate social responsibilities for the organizations that operate in the Gulf Cooperation Council. According to the analysis results, a unit increase in the Environmental dimension score has a positive impact on the returns on assets, and results in an increase by 0.023 units. A unit increase in Environmental activities has a negative impact on the returns on equity, and results in a decrease of returns on equity by 0.091392 units. A unit increase in the environmental dimension of CSR results in a positive increase of earnings before interest and taxes, which is an increase by 0.0027 units. A unit increase in the environmental dimension of CSR results in a decrease of earnings per share, which is a decrease by 0.0162 units. From these results, it can be concluded that the environmental dimension of CSR has a moderate impact in the financial performance of an organization. On one hand it, has a positive impact on some measures of financial performance such as returns on assets, and earnings before interest rates and taxes, while it has a negative impact on earnings per share, and returns on equity. In this regard, the following conclusions can be made;

I. The Null Hypothesis, environment aspects of CSR have no impact on the financial performance of organisations operating in the Gulf Cooperation Council, is rejected. On the other hand, the Hypothesis, environmental aspects of CSR have an impact on the financial performance of organisations operating in the Gulf Cooperation Council is accepted. The impact is a moderate positive impact.

II. The answer to the research question, what is the relationship between the environmental aspects of CSR and financial performance of organisations operating in the Gulf Cooperation Council? Is answered. The relationship between the two variables is a positive relationship. An increase in environmental dimension of CSR will lead to a moderate positive impact on the financial performance of the organisation.

III. The objective, to determine the impact of environmental aspects of CSR implementation on financial performance of organisations operating in the Gulf Cooperation Council, was also achieved.

These results are consistent with those of studies such as Ferrero – Ferreo, Fernandez – Izquierdo, & Munoz - Torres (2016). Ferrero – Ferreo, Fernandez – Izquierdo, & Munoz - Torres (2016), used lagged data to determine the relationship that exists between ESG and financial performance and the results showed a positive correlation between the independent and the dependent variables.

5.3 Objective three: The Impact of Governance Dimension of CSR on CFP

The third objective of this research was to determine the impacts that the governance dimension of CSR has on the financial performance of organizations that operate in the Gulf Cooperation Council. According to the results of the regression analysis, the governance dimension of CSR has more impact on the financial performance of organizations operating in the Gulf Cooperation Council, compared to the social and environmental dimensions. The following tables shows the beta coefficients for the environmental dimension in the case of earnings per share, earnings before interest rates and taxes, returns on assets, and returns on equity. The table has been adopted from the four regression tables above.

The Beta coefficients show the decrease or increase in the Returns on Assets, the Returns on Equity, the Earnings per share, and the earnings before interest rates and taxes due to a unit increase in the governance dimension of corporate social responsibilities for the organizations that operate in the Gulf Cooperation Council. According to the analysis results, a unit increase in the governance dimension score has a small negative impact on the returns on assets, and results in a decrease by 0.010 units. A unit increase in governance activities has a positive impact on the returns on equity, and results in an increase of returns on equity by 0.00316 units. A unit increase in the governance dimension of CSR results in a positive increase of earnings before interest rates and taxes, which is an increase by 0.0011 unit. A unit increase in the governance dimension of CSR results in an increase of earnings per share, which is an increase by 0.0048 units. From these results, it can be concluded that the environmental dimension of CSR has a moderate impact in the financial performance of an organization. On one hand it, has a positive impact on some measures of financial performance such as returns on assets, , while it has a negative impact on earnings per share, and earnings before interest rates and taxes and returns on equity. In this regards, the following conclusions can be made;

I. The Null Hypothesis, governance aspects of CSR have no impact on the financial performance of organisations operating in the Gulf Cooperation Council, is rejected. On the other hand, the Hypothesis, governance aspects of CSR have an impact on the financial performance of organisations operating in the Gulf Cooperation Council is accepted. The impact is a moderate positive impact.

II. The answer to the research question, what is the relationship between the governance aspects of CSR and financial performance of organisations operating in the Gulf Cooperation Council? Is answered. The relationship between the two variables is a positive relationship. An increase in governance dimension of CSR will lead to a moderate positive impact on the financial performance of the organisation.

III. The objective, to determine the impact of governance aspects of CSR implementation on financial performance of organisations operating in the Gulf Cooperation Council, was also achieved.

These results are consistent with those of studies such as that carried out by Tarmuji, Maelah, Tarmuji (2016), which showed that the governance aspect had a higher positive impact compared to the social and environment dimensions of CSR. Tarmuji, Maelah, Tarmuji, (2016), used cross sectional data in his research. The research showed a positive relationship between ESG and financial performance of an organisation.

6. CHAPTER SIX: CONCLUSION

6.1 Summary of Results

The following are the results of the data analysis in relation to the hypotheses developed for the research.

Hypothesis Number	Hypothesis	Reject/Accept
Hypothesis One	Environmental aspects of CSR have no impact on the financial performance of organisations operating in the Gulf Cooperation Council	REJECT
	Environmental aspects of CSR have an impact on the financial performance of organisations operating in the Gulf Cooperation Council	ACCEPT
Hypothesis Two	Governance aspects of CSR have no impact on the financial performance of organisations operating in the Gulf Cooperation Council	REJECT
	Governance aspects of CSR have an impact on the financial performance of organisations operating in the Gulf Cooperation Council	ACCEPT
Hypothesis Three	Societal aspects of CSR have no impact on the financial performance of organisations operating in the Gulf Cooperation Council	REJECT
	Societal aspects of CSR have an impact on the financial performance of organisations operating in the Gulf Cooperation Council	ACCEPT

Table 3: Summary on hypotheses conclusions

From the correlation table one can conclude that environmental, social and governance activities have a high effect on the changes in ROA. Therefore, the firms should increase the engagement in the activities to improve the ROA. From the correlation table one can conclude that environment, social and governance activities have an above moderate effect on EBIT. Therefore, engaging in the activities result in increase in EBIT. From the correlation table one can conclude that environment, social and governance activities have moderate effect on earnings per share. Therefore, firms in the gulf cooperation council should consider other factors that affect the Earnings Per Share, so that they can ensure that there is a significant improvement in the earnings per share. The correlation table shows that environment, social and governance activities have a moderate effect on the increase in ROE. Therefore, companies should reduce efforts towards the activities due to inability to cause much increase in ROE.

In conclusion, the results show that CSR activities have an impact on the Financial performance of organizations. These results are like those identified in the literature that had the same conclusions such as Platonova, Austat, Dixon and Mohammad (2018), and Al-Malkwawi and Javaid (2018). It is therefore important that organizations in the Gulf consider implementing Corporate Social Responsibilities in their organizations, as strategies of improving financial performance as indicated by the results of this data.

6.2 Recommendations

The regression model for earnings per shares shows that social, governance, and other factors in the environment result in an increase in EPS, while environment dimension of CSR leads to a decrease in the earnings per shares. Therefore, the firms should consider investing in activities geared towards the mentioned factors to achieve a gain in EPS. The constant factors resulting in an increase in EPS means that the company should engage in research to identify the unknown factors that increase EPS. Engaging further in these activities will help improve the EPS of the companies.

Companies, policy makers and other interested parties can also learn from the Returns on Assets Regression Model. The regression model shows that environment dimension of CSR results in an increase in ROA, while the social dimension, governance dimensions and other factors lead to a reduction in ROA. Therefore, the firm should consider more investments in environmental activities. On the other hand, the company should invest in research to identify the other unknown factors represented by the constant that reduce Returns on Assets.

The Earnings before Interest Rates and taxes also has some implications for companies operating in the gulf council region. The regression model leads to the conclusion that environment, governance and other unconsidered factors result in an increase in EBIT, while social aspects of CSR lead to a decrease in Earnings before interest rates and taxes. Therefore, the firms should invest in the activities especially environmental and governance actions due to the high rate if influencing EBIT increments. The company should also perform more research to determine the other factors that influence the gain in Earnings before interest rates and taxes.

The model that represents Returns on Equity is also important when it comes to making decisions regarding CSR, and the Environmental, Social and Governance aspects of CSR. According to the model, social and governance aspects of CSR has a positive impact on the Returns on Equity, while the Environmental dimension of CSR has a negative impact on the returns on equity. Therefore, if a firm wishes to improve its returns on equities, it should involve itself more with the social and governance dimensions of CSR. In addition, the company should conduct more research to determine the negative factors that influence returns on assets. Acting on these factors would help to improve the returns on assets even further.

6.3 Limitations of the Research

The research had several limitations. One of the main limitations of the research was finding comprehensive data for all companies that have been listed, and operating in the gulf cooperation council. Some of the companies lacked data and have not been included in this research. Nonetheless, the sampling design was random stratified and therefore, the data collected was representative of the entire region under study. The characteristics of the data included in the sample are similar to the target population of this research. More so, the researcher used inferential statistics in order to infer about the whole population, and therefore the results of this research are generalizable for the entire Gulf Cooperation Council region.

Another limitation of this research is that it is focused on Environment, Social and Governance Dimensions and how they affect the returns on assets, the returns on equity, the earnings per share and the earnings before interest rates and taxes only. The moderating factors being the firm size and the leverage. From the regression models, it was evident that, there were other factors that, affected the measures for financial performance significantly and are not included in this research. It is important that these factors are researched and the firms take necessary steps to reduce their negative impacts, and improve their positive impacts.

6.4 Areas for Further Research

This research paper has addressed its objectives and answered the research questions satisfactorily. The results show that the corporate social responsibilities have an impact on the financial performance of those companies that operate within the Gulf Cooperation council. However, it lacks to address some specific issues concerning the corporate social responsibilities and financial performance in organisations, which require further research. Some of these issues, which need further research, are;

6.5 Barriers to effective implementation of CSR in the region

As managers and policy makers decide to implement CSR as part of their strategic management in the Gulf Cooperation Council, they need to consider some of the barriers that may inhibit them from implementing an effective CSR strategy. These barriers will reduce the benefit that the companies realize from the implementation of these strategies, and in the process, affect the ability of the company to achieve an increase in financial performance. It is therefore important that these barriers are studied, together with the possible solutions for overcoming such barriers. Further research should be carried to determine the barriers that the organizations in the Gulf Cooperation Council region suffer as they try to implement CSR.

6.6 Critical Success Factors for the Implementation of CSR in the region

Critical success factors are the elements that are necessary in an organisation, for it to achieve its intended mission, goals, and objectives. In the case of this research, even though it shows that engaging in CSR for the organisation can lead to changes in financial performance, it lacks to define the critical success factors that can ensure engaging in CSR can lead to the achievement of this objective. More so, no comprehensive literature exists on the critical success factors for the implementation of CSR in the Gulf Cooperation Council. It is therefore important that further research is conducted to determine the critical success factors for the engagement of CSR in the gulf cooperation council.

7. REFERENCES

Ahamad Nalband, N., & Al-Amri, M. S. (2013). CSR: Perception, practices and performance of listed companies of Gulf Cooperation Council. Competitiveness Review: *An International Business Journal*, 23(3), 284-295.

Al-Malkawi, H. A. N., & Javaid, S. (2018). CSR and financial performance in Saudi Arabia: Evidence from Zakat contribution. *Managerial Finance*, *44*(6), 648-664.

Al-Malkawi, H. A. N., & Javaid, S. (2018). CSR and financial performance in Saudi Arabia: Evidence from Zakat contribution. *Managerial Finance*. 44(6) pp. 648-664

Ashraf, M., Khan, B., & Tariq, R. (2017). CSR Impact on Financial Performance of Bank's: Evidence from Asian Countries. *International Journal of Academic Research in Business and Social Sciences*, *7*(4), 618-632.

Aminudin, N. (2013). CSR and employee retention of 'Green'Hotels. *Procedia-Social and Behavioral Sciences*, *105*, 763-771.

Angus-Leppan, T., Metcalf, L., & Benn, S. (2010). Leadership styles and CSR practice: An examination of sensemaking, institutional drivers and CSR leadership. *Journal of Business Ethics*, *93*(2), 189-213.

Authority, S. A. G. I. (2008). CSR (CSR) in Saudi Arabia and globally: Key challenges, opportunities and best practices. Retrieved from: https://sites.hks.harvard.edu/m-rcbg/CSRI/publications/report_33_SAGIA_leadership_dialogue_final_november_08.pdf

Ballinger, J. (2008, July). No sweat? CSR and the dilemma of anti-sweatshop activism. In *New Labor Forum* (Vol. 17, No. 2, pp. 91-98). Sage Publications, Inc..

Balmer, J. M., Fukukawa, K., & Gray, E. R. (2007). The nature and management of ethical corporate identity: A commentary on corporate identity, CSR and ethics. *Journal of business ethics*, *76*(1), 7-15.

Carney, M., Gedajlovic, E., & Sur, S. (2011). Corporate governance and stakeholder conflict. *Journal of Management & Governance*, *15*(3), 483-507.

Catano, V. M., & Morrow Hines, H. (2016). The influence of CSR, psychologically healthy workplaces, and individual values in attracting millennial job applicants. *Canadian Journal of Behavioural Science/Revue canadienne des sciences du comportement*, *48*(2), 142.

Cavaco, S., & Crifo, P. (2014). CSR and financial performance: complementarity between environmental, social and business behaviours. *Applied Economics*, 46(27), 3323-3338.

Chatterji, A. K., Levine, D. I., & Toffel, M. W. (2009). How well do social ratings actually measure CSR?. *Journal of Economics & Management Strategy*, *18*(1), 125-169.

Chetty, S., Naidoo, R., & Seetharam, Y. (2015). The impact of CSR on firms' financial performance in South Africa, *Contemporary Economics*, 9(2), 193-214

Collier, J., & Esteban, R. (2007). CSR and employee commitment. *Business ethics: A European review*, *16*(1), 19-33.

Collis, J., & Hussey, R. (2013). *Business research: A practical guide for undergraduate and postgraduate students*. Macmillan International Higher Education.

Delmas, M. A., Etzion, D., & Nairn-Birch, N. (2013). Triangulating environmental performance: What do CSR ratings really capture?. *Academy of Management Perspectives*, *27*(3), 255-267.

Donaldson, L., & Davis, J. H. (1991). Stewardship theory or agency theory: CEO governance and shareholder returns. *Australian Journal of management*, *16*(1), 49-64.

Du, S., & Vieira, E. T. (2012). Striving for legitimacy through CSR: Insights from oil companies. *Journal of Business Ethics*, *110*(4), 413-427.

Elving, W. J., Golob, U., Podnar, K., Ellerup-Nielsen, A., & Thomson, C. (2015). The bad, the ugly and the good: new challenges for CSR communication. *Corporate Communications: An International Journal*, *20*(2), 118-127.

Fasanya, I. O., & Onakoya, A. B. (2013). Does CSR improve financial performance of Nigerian firms? Empirical evidence from triangulation analysis. *Acta Universitatis Danubius*, *9*(3), 22-36.

Fernando, S., & Lawrence, S. (2014). A theoretical framework for CSR practices: integrating legitimacy theory, stakeholder theory and institutional theory. *Journal of Theoretical Accounting Research*, *10*(1), 149-178.

Ferrero-Ferrero, I., Fernández-Izquierdo, M., & Muñoz-Torres, M. (2016). The effect of environmental, social and governance consistency on economic results. *Sustainability*, *8*(10), 1005.

Flammer, C. (2013). CSR and shareholder reaction: The environmental awareness of investors. *Academy of Management Journal*, *56*(3), 758-781.

Friede, G., Busch, T., & Bassen, A. (2015). ESG and financial performance: aggregated evidence from more than 2000 empirical studies. *Journal of Sustainable Finance & Investment*, *5*(4), 210-233.

Giannarakis, G., Konteos, G., Zafeiriou, E. and Partalidou, X. (2016) 'The impact of CSR on financial performance,' *Investment Management and Financial Innovations*, 13(3), 171-182.

Godos-Díez, J. L., Fernández-Gago, R., & Martínez-Campillo, A. (2011). How important are CEOs to CSR practices? An analysis of the mediating effect of the perceived role of ethics and social responsibility. *Journal of Business Ethics*, *98*(4), 531-548

González-Rodríguez, M. R., Díaz-Fernández, M. C., & Simonetti, B. (2015). The social, economic and environmental dimensions of CSR: The role played by consumers and potential entrepreneurs. *International Business Review*, *24*(5), 836-848.

Habaragoda, B. S. (2018). CSR (CSR) AND FIRM PERFORMANCE: IMPACT OF INTERNAL AND EXTERNAL CSR ON FINANCIAL PERFORMANCE. *International Journal of Information, Business and Management*, *10*(3), 156-170.

Heikkurinen, P., & Ketola, T. (2012). Corporate responsibility and identity: From a stakeholder to an awareness approach. *Business Strategy and the Environment*, *21*(5), 326-337.

Iqbal, N., Ahmad, N., Basheer, N. A., & Nadeem, M. (2012). 'Impact of CSR on financial performance of corporations: Evidence from Pakistan.' *International journal of learning and development*, 2(6). 107-118.)

Jo, H., Kim, H., & Park, K. (2015). Corporate environmental responsibility and firm performance in the financial services sector. *Journal of business ethics*, *131*(2), 257-284.

Johnson, B., & Christensen, L. (2008). *Educational research: Quantitative, qualitative, and mixed approaches.* Sage.

Kumar, P., & Kumar, A. (2018). 'CSR Disclosure and Financial Performance: Further Evidence from NIFTY 50 Firms.' *International Journal of Business Insights & Transformation*, 11(2), 62–69.

Jamali, D. (2008). A stakeholder approach to CSR: A fresh perspective into theory and practice. *Journal of business ethics*, *82*(1), 213-231.

Jiraporn, P., & Chintrakarn, P. (2013). How do powerful CEOs view CSR (CSR)? An empirical note. *Economics Letters*, *119*(3), 344-347.

Khasharmeh, H. A., & Desoky, A. M. (2013). On-line CSR disclosures: the case of the Gulf Cooperation Council (GCC) countries. *Global Review of Accounting and Finance*, *4*(2), 39-64.

Kraisornsuthasinee, S., & Swierczek, F. W. (2006). Interpretations of CSR in Thai companies. *Journal of corporate citizenship*, *22*(Summer), 53-65.

Lin, C. H., Yang, H. L., & Liou, D. Y. (2009). The impact of CSR on financial performance: Evidence from business in Taiwan, *Technology in Society*, 31(1), 56-63.

Lloyd, R. A. (2018). The Impact of CSR Efforts on Firm Performance in the Energy Sector. *Review of Integrative Business and Economics Research*, *7*(3), pp. 25-65.

Maignan, I., Ferrell, O. C., & Ferrell, L. (2005). A stakeholder model for implementing social responsibility in marketing. *European journal of marketing*, *39*(9/10), 956-977.

Malik, M. S., & Nadeem, M. (2014). Impact of CSR on the financial performance of banks in Pakistan. *International Letters of Social and Humanistic Sciences*, *10*(1), 9-19

Maurer, V. G. (2009). CSR and the "Divided Corporate Self": The case of Chiquita in Colombia. *Journal of business ethics*, *88*(4), 595-603.

Marquina, P., & Morales, C. E. (2012). The influence of CSR on purchasing behaviour in Peru and Spain. *International Marketing Review*, *29*(3), 299-312.

Nollet, J., Filis, G., & Mitrokostas, E. (2016). CSR and financial performance: A non-linear and disaggregated approach. *Economic Modelling*, *52*, 400-407.

Paek, S., Xiao, Q., Lee, S., & Song, H. (2013). Does managerial ownership affect different CSR dimensions? An empirical examination of US publicly traded hospitality firms. *International journal of hospitality management*, *34*, 423-433.

Platonova, E., Asutay, M., Dixon, R., & Mohammad, S. (2018). The impact of CSR disclosure on financial performance: Evidence from the GCC Islamic banking sector. *Journal of Business Ethics*, *151*(2), 451-471.

Rahman, N., & Post, C. (2012). Measurement issues in environmental CSR (ECSR): Toward a transparent, reliable, and construct valid instrument. *Journal of Business Ethics*, *105*(3), 307-319.

Ramasamy, B., & Yeung, M. (2009). Chinese consumers' perception of CSR (CSR). *Journal of Business Ethics*, *88*(1), 119-132.

Rodriguez, P., Siegel, D. S., Hillman, A., & Eden, L. (2006). Three lenses on the multinational enterprise: politics, corruption, and CSR. *Journal of International Business Studies*, *37*(6), 733.

Saeidi, S. P., Sofian, S., Saeidi, P., Saeidi, S. P., & Saaeidi, S. A. (2015). How does CSR contribute to firm financial performance? The mediating role of competitive advantage, reputation, and customer satisfaction. *Journal of business research*, *68*(2), 341-350.

Sila, I., & Cek, K. (2017). The impact of environmental, social and governance dimensions of CSR on economic performance: Australian evidence. *Procedia computer science*, *120*, 797-804.

Skarmeas, D., & Leonidou, C. N. (2013). When consumers doubt, watch out! The role of CSR skepticism. *Journal of business research*, *66*(10), 1831-1838.

Taliouris, E. (2018). European Policy for CSR: Governance Context, Linkage with Sustainable Development and Crisis as a Policy Factor. *European Quarterly of Political Attitudes and Mentalities*, *7*(1), 32-47.

Tanggamani, V., Amran, A., & Ramayah, T. (2018). The CSR and Corporate Financial Performance Virtuous Loop: A Theoretical Framework. *Global Business and Management Research*, *10*(1), 331-343.

Tarmuji, I., Maelah, R., & Tarmuji, N. H. (2016). The Impact of Environmental, Social and Governance Practices (ESG) on Economic Performance: Evidence from ESG Score. *International Journal of Trade, Economics and Finance*, *7*(3), 67 – 74.

Tian, Z., Wang, R., & Yang, W. (2011). Consumer responses to CSR (CSR) in China. *Journal of business ethics*, *101*(2), 197-212.

Trochim, W. M., & Donnelly, J. P. (2001). *Research methods knowledge base.* [online] http://www.anatomyfacts.com/research/researchmethodsknowledgebase.pdf (Accessed on 19th November 2018).

Tsoutsoura, M. (2004). CSR and Financial Performance. https://pdfs.semanticscholar.org/ece0/ac42df48ec224765ecf4d65df5fd79b549b5.pdf

Vanhamme, J., & Grobben, B. (2009). "Too good to be true!". The effectiveness of CSR history in countering negative publicity. *Journal of Business Ethics*, *85*(2), 273.

Wilson, J. (2010) *Essentials of Business Research: A Guide to Doing Your Research Project.* SAGE Publications