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## The Impact of the Corporate Social Responsibility on Employees' Loyalty in Higher Education Sector

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### **Abstract:**

*With current Covid-19 pandemic, businesses are losing their profits. An attempt to reduce this loss, companies shrink their businesses. A huge number of employees lose their jobs. The rest of the employed ones suffer from the job insecurity. Hence, in the unprecedented situation, businesses are keen on enhancing their employees' loyalty. This empirical study aims to extend the literature by testing the impact of the corporate social responsibility on the employee's loyalty in higher education context. Data has been collected from the staff working in private universities in Egypt. Analysing 327 valid questionnaires using the Partial Least Squares – Structural Equation Modelling confirms the positive effect of the ethical responsibility and philanthropic responsibility. Theoretical, managerial and social research implications are provided.*

**Keywords:** Corporate Social responsibility, ethical CSR, philanthropic CSR, employees' loyalty, private universities

### **1. Introduction**

CSR emerged as an important topic nowadays especially after the pandemic of Covid 19, due to increase in unemployment rate, Lee (2013) indicated that businesses are keen on enhancing employee loyalty by applying corporate social responsibility. Corporate social responsibility is concerned with charities support and the organization responsibility towards society (Saridakis et al 2020) so recently applying CSR in organizations enhances corporate image and reputation which definitely increases employees' loyalty.

Nowadays, there are many job opportunities that attract employees and tempt them to make a shift in their jobs. However, this shift by the employees would represent a cost to the organization which invested much of its resources in making its employees more competent to enhance its own performance and gross output. Therefore, (Murali et al., 2017) indicated that the employees of any organization and their level of performance are its cornerstone of success/failure. Thus, it is imperative these employees are loyal, and are not in constant sought of new opportunities.

For these reasons, CSR has attracted the attention of the researcher in relation to the associated social obligations and relation to external customers. However, there is a scarcity in research that focuses on the employees' perspective, with many envisaging employees' loyalty as the dependent variable. Likewise, many studies explored CSR from the viewpoints of finance and marketing, yet, only a handful of studies investigated it from the perspective of the human resources management. Thus, this paper adds to the literature of CSR by investigating its effects on staff loyalty in a higher education context.

The current research paper is structured as follows; first starts with the theoretical background of the CSR and employees' loyalty. Second critically reviews the literature on them, with proposing hypotheses and suggesting a conceptual model. Third stating research problem, objectives and suggested importance. Fourth is the research methodology. Fifth, the statistical analysis of the collected data its discussion, implications, limitations, and suggested future research.

### **2. Theoretical Background**

#### *2.1. Employees' Loyalty*

Since organizations' level of success/failure is highly dependent on their employees, employees are seen as the heart of any organization. Therefore, it is vital that employees form a loyal connection with their organization rather than being in a constant search of a different one. Loyalty is thus believed to materialize in one's thoughts as acts, as the loyal employee would attempt to always show his/her interest in the organization (Safra, 2007). In today's business environment, employees can be faced with several opportunities that could lure them into making a job-shift. Such a shift would harm the organization profits, as it tends to invest in its employees to enhance their competency and, hence, its own performance.

Loyalty thus has turned into a main issue for most firms, particularly when related to the economic consequences of the 'psychological contract' between the managers and workers (Naus et al., 2007). Elegido (2013) indicate that loyalty of

the employee should reflect his/her utmost commitment to his/her employer even if that would require forfeiting of some sides of his/her own self-interest; further than the normal foregone necessitated by a legal or a moral system.

Consequently, Loyalty can thus be regarded in some respects such as refusal of an outer opportunity (Dutot, 2004), spending increased time in service of the organization and being less inclined to look for other job; having feelings of belonging (Peretti & Igalens, 2015), and willing to remain with the employer for a long-term (Colle, 2006). Firms' long-run performance depends on their workers' loyalty, commitment, and emotional investment (Bakker & Schaufeli, 2008).

Therefore, the employees' loyalty can be operationalized as an employees' feelings of belonging, trust, and commitment towards the organization that drive him/her to support his/her organization by all means and thus sacrifice other job offers to stay at the home organization.

## *2.2. Corporate Social Responsibility (CSR)*

In fact, Corporate Social Responsibility (CSR) as well as Human Resource Management (HRM) became of the most important concepts to companies' strategies, especially since all companies are in a constant pursuit for new practices that enable them of enhancing competitive position and increase productivity. Further, both, the HRM and CSR, are considered vital tools for organizations' competitiveness.

In this regard, Grimand and Vandangeon-Derumez (2010) highlight that CSR is a compulsory process to most organizations which makes their stakeholders aware of the initiatives the organizations take to meet their needs, and which also serve as an exploratory tool for producing new regulations. Accordingly, Human Resources Department is required to make a trade-off between the need to fulfil required regulations and the need for innovation.

Hence, CSR is a strategy employed by many organizations to achieve competitive advantages (Lee et al., 2013). Likely benefit that CSR can bring to an organization is by enhancing the corporate image and reputation (Carroll & Shabana, 2010). It can also contribute in the recruitment and retention of highly skilled employees. As well as it may affect employees' attitude towards the organization by creating a perception that the organization is a desirable workplace (Lee et al., 2012). This will support the employees' job satisfaction and organizational commitment (Thang, 2012), which will lead to greater productivity and low employee absenteeism (Yang, 2010).

Respectively, CSR can be defined as the organizations' willingly amalgamation of their ecological and social concerns into their commercial as well as relational activities with stakeholders (Igalens & Joras, 2002). While the concept of CSR incorporates wide range of normative and philosophical stances associated with the influence of the businesses on societies, it is necessary to grasp the CSR concept as a broad term (Maignan & Ferrell, 2003). This study defined CSR as the activities the companies undertake to meet its perceptions of its social and regulations obligations (Sen & Bhattacharya, 2001). Accordingly, this study also defined employees' perceived activities of CSR as the extent to which employees view their organization as supportive of the societal issues-related activities. Lee et al., (2013) underline that employee perception of CSR activities have ethical and Philanthropic CSR activities.

### 2.2.1. Ethical Responsibility

Ethical responsibility reflects organizations' tendency to take measures that ensure justice and fairness even if there were no legal framework obligating them to do so. It is believed that ethical organizations have better financial performance than non-ethical ones. Reasons for that can be somewhat observable. For example, evidence shows that customers, efficient employees, investors, and suppliers are more attracted to organizations of higher ethical culture, such organizations are also evident to maintain more loyal employees (Collins, 2010). Thus, organizations with ethical responsibility have better business-sense.

### 2.2.2. Philanthropy Responsibility

Philanthropy responsibility reflects the activities organizations make in a selfless sense, such as the donations. To many, it is a necessary element in the CSR, yet it remains optional element in developing countries (Ehie, 2016; Carroll & Shabanah, 2010; Arora & Puranik, 2004; Ahmad, 2006; Amaeshiet al., 2006). It exceeds being just a corporate citizen to the desire of meeting the needs of stakeholders, by providing programs of social welfare, education, and culture activities. While philanthropy is a desired optional act, organizations that do not adhere to it are not seen as unethical (Jamali & Mirshak, 2007, Angyemanget al., 2016). Philanthropy responsibilities have many advantages, such as gain reputation and legitimacy. Corporate citizenship cannot be done without such responsibility for communal development (Frynas, 2006; Malan, 2005).

As mentioned, philanthropy responsibility is an optional act aimed at satisfying societies needs by the organizations. In western cultures, philanthropy is also seen as voluntary, yet, desirable act that positively contribute to society welfare (Carroll, 1991). Dispensing a portion of the revenues as a philanthropy is a practice commonly taken by organizations in Africa as well (Ehie, 2016; Okpara & Wynn, 2012). Accordingly, it is up to the managers to decide on taking philanthropic acts, which could turn gains into long term profits in shape of customer loyalty, government support, or attracting of efficient workers (Mayaet al., 2010).

## **3. Literature Review**

There are different studies and contexts in which the influence of Corporate Social Responsibility was examined on employee's loyalty these studies also shows different methodologies can be employed to investigate this relationship, and the findings of each study.

It is important to note that most studies were undertaken in various contexts. The selected studies time period are within 2014 and 2018, however, most studies undertaken prior to these ones focused their attention mainly on the

banking sector (e.g., Khah et al., 2014; Paulik et al., 2015; Yaba, 2018). Studies subsequent to those equally distributed their attention on the hospitality sector (e.g., Waistuti, 2016) and higher education sector (e.g., Suheret et al., 2017).

Moreover, from these studies different methodologies were applied to examine the relationship between employees' loyalty and CSR. However, some studies used descriptive cross sectionals survey (e.g., Khan et al., 2014; Suherent et al., 2017; Waistuti, 2016). The popularity of this method in these studies can be owed to research aim of each study, which was to test a one-way relationship and to generalize the findings to a wider population. On the other hand, Yaba (2018) utilized a qualitative approach for a deeper understanding of the same relationship.

Finally, the majority of the studies emphasized the positive relationship between CSR and Employees Loyalty in all the studied contexts (e.g., banks, hotels, and higher education). Furthermore, previous studies also emphasised this positive relationship from the viewpoints of the employees, who are engaged (in)directly in the initiatives of CSR (Khan et al., 2014; Paulik et al., 2015; Suherent et al., 2017; Waistuti, 2016). While, only Suher (2017) explored the relationship between CSR and loyalty from the students' viewpoint; who are seen as stakeholders in the higher education institutions.

One of the motivations for investigating the viewpoint of a stakeholder could be that the employees' role in CSR can be by choice, in that they had prior intentions to be involved in its related practices, which would typically foster their loyalty. Nonetheless, as the employees' loyalty could be reflected on the image of the firm, it would be more helpful if this image was to be evaluated based on the perspective of the stakeholders. Similarly, the more loyal the employee, the more likely s/he could make a biased evaluation in his/her submitted questionnaire. Suher (2017) could thus choose this approach for such reasons. However, this study evaluate employees' perception for a deeper understanding of their feelings and loyalty according the their own perspective, which could play a vital role particularly in a higher education context. More specifically, the student, as a stakeholders, can form a bias evaluation of his/her institution's CSR practices or its employees loyalty due to some adverse feelings s/he shaped towards it. Therefore, H1 can be formulated as:

- H1: *Corporate Social Responsibility has a significant impact on employee's loyalty.*

Also, as indicated in previous literature, CSR has two main dimensions; the ethical responsibility (Collins, 2010), and the philanthropy responsibility (Carroll and Shabanah, 2010). thus, certain sub-hypotheses can be formulated as following:

- H1a: *Ethical responsibility has a significant impact on employees' loyalty*
- H1b: *Philanthropic responsibility has a significant impact on employees' loyalty.*

These hypotheses can be presented at the current research conceptual model

### 3.1. Conceptual Model

Figure 1 exhibits the conceptual model of the current research with the hypothesis's illustration.

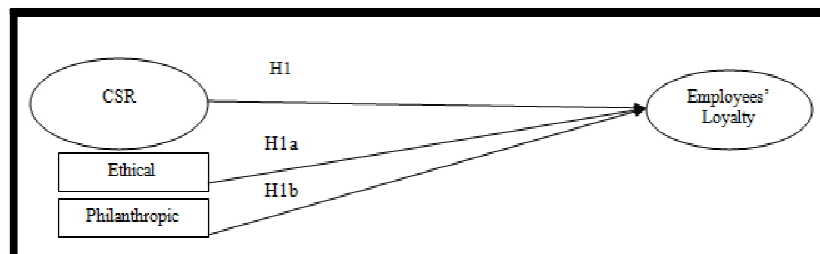


Figure 1: Conceptual Model (Developed by the Authors)

### 3.2. The Research Problem

After examining previous literature, it was clear that CSR's main dimensions are the philanthropic and the ethical. Although there are many dimensions such as the environmental, economic, and the product business-related features. Most of these dimensions are associated with other perspectives of CSR. Accordingly, the philanthropic and the ethical aspects are considered a more rigour dimensions to the CSR as perceived by both the stakeholders and the employees.

Likewise, the majority of the researchers approved cross-sectional survey as an appropriate tool in examining the impact of CSR on Employees Loyalty. While some researchers employed a qualitative approach in examining this relationship, the authors contend that qualitative approach would shed more light on the phenomenon; yet, it would hinder generalizability of the findings to a wider population than that of the participants. On the other hand, this study corresponds the stream of literature that established the direction of the mentioned relationship, thus, a descriptive cross-sectional study will be more appropriate in examining it and generalizing the results.

Further, while Hotels and Healthcare industries dominated the contexts of application in most of the previous research, Higher Education sector was employed in very limited studies as a context of investigating the influences of CSR. Therefore, this paper research problem can be formulated as follows:

*'Depending on the employees' perspective, how CSR, with its philanthropic and ethical dimensions, influence Employees' Loyalty in higher education institutions'.*

### 3.3. Research Importance

This paper gains its importance via the theoretical and the practical contributions it makes. Only a few numbers of studies have explored the role of CSR in the context of human resource management and organizational behaviour. CSR contribution to employee's loyalty was hardly studied in the service and educational sectors; most of the studies explored

the relationship in manufacturing/commercial sector. Empirically, this paper underlines the high impacts CSR could have, and how it could be of benefit to the higher education sector, to both the organization and individuals' levels of analysis.

### 3.4. Research Methodology

A single cross-sectional design was adopted in surveying the private universities' staff in Egypt. The measures adopted in the current study is structured questionnaire. In this regard, all the variables have been scaled by 5-point Likert type scale where 1 reflects strongly disagree and 5 represents strongly agree option. 5 items were adopted to measure each of the CSR dimensions, namely, ethics and philanthropy (Maignen and Farrell, 2001, Montegomry and Stone 2009). In addition to the 9 items of the employees' loyalty (Suher, 2017). Overall, a total of 327 complete and valid questionnaires has been used for the data analysis. As can be seen from table 1, the sample majority can be represented in females by 62.8%, aged between 25 and 35 years by 59%, have a master degree by 48.9%, and the work experience is more than 10 years by 37.8%.

Demographic Factor	Categories	Valid %
Gender	Male	37.2
	Female	62.8
Age	Less than 25	10.2
	25 up to 35	59.0
	36 up to 45	20.1
	45 up to 60	10.8
Educational level	University degree	22.2
	Master	48.9
	Ph.D. or DBA	28.9
Work experience	Less than 3 years	12.9
	3 up to 6	22.2
	7 up to 10	27.1
	Greater than 10 years	37.8

Table 1: Sample Distribution

### 3.5. Data Analysis and Results

A common method bias checking will be firstly, reported, then the Structural Equation Modelling using Partial Least squares to test the proposed hypotheses at the conceptual model in figure 1.

#### 3.5.1. Common Method Bias

Since the data has been collected from one source, a structured questionnaire, the shared attributes, i.e., common method bias, between the answers of different variables may affect the results of the relationships between these variables (Jordan and Troth, 2020). Accordingly, a common method bias has been checked according to the Harman's one factor approach (Podsakoff et al, 2003). In the current research, the results of the Exploratory Factor Analysis for all of the three variables' measures using SPSS v.24, reported a 44.6% variance of the first factor which is less than 50%. Hence, a common method bias is not an issue in the current research.

#### 3.5.2. Structural Equation Modelling

In order to test the proposed relationships at the current research model, the Partial Least Squares – Structural Equation Modelling (PLS-SEM) has been applied to benefit from its advantages. In this regard, the PLS-SEM is more accurate in exploring new relationships to extend the prior theory with relatively small sample sizes (Hair et al., 2011; 2014). Accordingly, the Confirmatory Composite Analysis (CCA) has been adopted to analyse the SEM using the PLS (Hair et al., 2020) using Smart PLS v. 3.2.9 (Ringle et al., 2015). Therefore, it gains its widespread across different social science disciplines, especially Human Resource (Ringle et al., 2018). A two-stage approach of CCA is employed to test the PLS-SEM. Where the first stage aims to develop the measurement model, the second stage aims at testing the structural model (Hair et al., 2020).

The development of the measurement model requires establishing the item reliability, construct validity, and construct reliability (Hair et al., 2019). Accordingly, since each measurement item at the appendix A has an outer loading higher than 0.4 and the items that have lower loading than 0.708 can be substituted by high loadings of its counterparts at the construct, the item reliability is established (Hair et al., 2014). Moreover, the construct reliability is assessed via the Composite reliability and Cronbach's alpha. As well as the construct validity can be measured through the convergent validity and the discriminant validity. Table 2 reports the results of the measurement model (Hair et al., 2019).

Construct	Composite reliability	Cronbach's alpha	Convergent validity	Discriminant validity using HTMT 0.85		
				Employee loyalty	Ethical responsibility	Philanthropic responsibility
Employee loyalty	0.911	0.891	0.536			
Ethical responsibility	0.882	0.834	0.600	0.737		
Philanthropic responsibility	0.903	0.866	0.652	0.632	0.825	

Table 2: Construct Validity and Reliability in the Measurement Model

As can be noticed from table 2, all the constructs employed in the research model are reliable since each of the Composite reliability and Cronbach's alpha of each construct is higher than 0.7. In addition, the convergent validity is established as each Average Variance Extracted (AVE) of each construct is higher than 0.5 (Hair et al., 2019). Finally, the Discriminant validity is established according to the new Heterotrait-Monotrait ratio of correlations, less than 0.85, between each pair of constructs (Henseler et al., 2015).

Apart from the above, the second stage of the CCA aims to test the structural model through assessing the multicollinearity issue, the path coefficients, and the predictive ability. First, since the Variance Inflation Factor (VIF) between the ethical CSR and Philanthropic CSR is 1.987 which is less than 3, the multicollinearity between the independent variables is not an issue in the current study (Hair et al., 2020). Moreover, the path coefficient is reported in table 4.

Path		$\beta$	t-value	P. value
H1	CSR* -> Employee loyalty	0.677	23.735	0.000
H1a	Ethical responsibility -> Employee loyalty	0.502	8.177	0.000
H1b	Philanthropic responsibility -> Employee loyalty	0.228	3.569	0.000

Table 3: Path Coefficients

\*The CSR construct is measured as reflective-reflective second order construct from the ethical and philanthropic CSR dimensions using the disjoint two-stage approach (Sarstedt et al., 2019).

As can be concluded from table 3, a bootstrapping of 5000 subsample with 300 iterations reveals the results of the path coefficients. In this regard, the CSR has a significant positive effect on the employees' loyalty by 67.7%. Hence, H1 is supported at confidence level 99.9%. Moreover, the ethical responsibility has a significant positive effect on the employees' loyalty by 50.2%. Thus, H1a is supported at confidence level 99.9%. Finally, the philanthropic responsibility has a significant positive effect on the employees' loyalty by 22.8%. Therefore, H1b is supported at confidence level 99.9%. Moreover, the model has a moderate predictive ability since the employees' loyalty  $R^2 = 45.6\%$ ,  $Q^2 = 23.6\%$ , as well as, all the PLS predict confirmed the predictive ability of the model since the Root Mean Square Errors of each items is higher in the Linear Regression model than the Partial Least Squares (Shmueli et al., 2019).

#### 4. Results Discussion

As reported in table 3, there is a significant positive and direct effect, by 67.7%, of Corporate Social Responsibility on employee's loyalty; with confidence level 99.9%. This result indicates that any increase in the perception of CSR will enhance loyalty by over 50 %. More specifically, in our context, the perception of the CSR by the faculty staff members can increase their loyalty towards their institution by 67.7 %. As a consequence, the increased loyalty could result in employees forming more positive feelings towards their university, which, by turn, could enhance the university overall image (Suher, 2017). This result is in line with Suher (2017) indication that CSR has a positive effect on employee's loyalty in higher education sector. Further, by means of this result, we extend the positive influence of CSR to different application contexts than banking sector (Khah et al., 2014; Paulik et al., 2015; Yaba, 2018), and hospitality (Waistuti, 2016).

Moreover, there is a significant positive and direct effect, by 50.2%, of the ethical dimension of CSR on Employees' Loyalty; with confidence level 99.9%. This result indicates that any increase in the ethical responsibility will enhance loyalty by over 50 %. More specifically, in our context, the perception of the applied ethical responsibility of the CSR by the faculty staff members can increase their loyalty towards their institution by 50.2%. This result is in line with both studies of Collins (2010) and Matilla (2009), in which it was argued that ethical responsibility practices can yield higher financial gains to the firm, compared to the unethical practices. It was also highlighted that organizations adhering to ethical practices are likely to attract more efficient employees, higher-quality customers, investors, and suppliers. For these reasons, universities can adopt ethical practices of CSR to increase their employees' loyalty.

Additionally, there is a significant positive and direct effect, by 22.8%, of the philanthropic dimension of CSR on Employees' Loyalty; with confidence level 99.9%. This result indicates that any increase in the philanthropic responsibility will enhance loyalty by 22.8%. More specifically, in our context, the perception of the applied philanthropic responsibility of the CSR by the faculty staff members can increase their loyalty towards their institution by 22.8%. This result is in line with Carrol and Shabanah (2010) findings, in which philanthropic responsibility was found shape corporate reputation in

the long-term (Frynas, 2006; Malan, 2005). For these reasons, universities can adopt philanthropic practices of CSR to increase their employees' loyalty and develop its reputation in the long term.

#### *4.1. Research Implications*

##### 4.1.1. Theoretical Implications

This paper theoretically contributes to the literature on Corporate Social Responsibility by exploring the impacts of CSR on the loyalty of the employees. Findings show that any increase in the perception of CSR will enhance loyalty by 667.7%. It thus emphasizes on the need to direct the attention towards how CSR practices can be applied in a way that enhance employees' perceptions and increase their loyalty. Further, to explain this direct relationship, researchers may include other variables such as the Quality of Work life, Employee Satisfaction, or Organizational culture. Likewise, the relationship between CSR and employees' loyalty was established over the individuals' level of analysis (the micro level)(Aguinis and Glavas, 2012). Therefore, future studies can explore this relationship over a multi-level of analysis.

Moreover, this paper confirmed the influence of the ethical dimension of CSR on loyalty. Such a finding can be underlined within a higher education context, in which ethical considerations (i.e., respect) determine the organizational culture, which by turn identify the relationships among and between the staff, students, and the administration. Accordingly, it can be seen that the university employees highly value the ethical practices of CSR, and that such practices can increase their loyalty. Further, this paper contributed to previous literature by extending the impact of philanthropic dimension of CSR to universities employees in a higher education sector. In that sense, a CSR initiative that is more proactive in addressing ethical societal problems is seen as more pertinent to the philanthropic dimension of the CSR (Kim, 2017). Future research could examine employees' loyalty as a mediator in the relationship between philanthropic CSR and university reputation in the long-term. While both philanthropic and ethical practices of CSR were found to influence loyalty, this could be more relevant in a higher education context where there is a great emphasize on respect and other ethics and values. Thus, future research could also examine whether organizational culture mediates the relationship between the ethical dimension of CSR and loyalty with the higher education sector. Finally, future research could also include the effect of the environmental dimension of CSR.

##### 4.1.2. Managerial Implications

This paper has validated the impact of CSR on staff loyalty; thus, universities should be keen to include CSR initiatives to their strategies. Accordingly, universities staff should be well informed of the practices of CSR that their university make, so that they could form the required organizational loyalty. Moreover, it is argued that, within a higher education context, ethics, values, and morals are vital elements of university's code of ethics. Hence, since the results showed how ethical dimension of CSR can impact employees' loyalty, the university administration should spread out such culture among and between the staff and the entire organization. Likewise, since the results also showed how philanthropic dimension of CSR can highly impact employees' loyalty, the university administration can undertake such initiatives by getting involved an resolving an ethical issue that faces the society. It should be noted that philanthropic practices can also enhance universities' reputation in the long term.

##### 4.1.3. Societal Implications

Organizations typically have several strategic aims when it comes to their survival, profitability, or sustainability. Realization of most of these aims necessities that the organization depend on its efficient loyal employees, side by side with its own facilities and assets. This paper confirmed that employees' loyalty can be increased by university's adaptation of CSR practices. Accordingly, organizations increased adoption of CSR will with no doubt benefit the society in the first place. Moreover, it was also confirmed that ethical practices of CSR can increase staff loyalty in a higher education context. Particularly, ethical practices of CSR were found to have the highest impact of employees' loyalty among all other practices of CSR. Consequently, this finding would drive managers to rely more on the adoption of the ethical initiatives of the CSR, which would then enhance the overall atmosphere within the organization and makes it dependant on mutual respect. Such atmosphere will be relayed to employees' homes, and, in the end, will enhance people overall wellness and goodness.

Likewise, the paper confirmed positive effect of the philanthropic CSR on employees' loyalty within the context of the higher education. Thus, universities can also address different ethical-related societal problems so that they could develop better reputation on the long term. At last, managerially speaking, CSR can be seen as a competitive advantage that enhances organization's reputation. Universities can thus take advantage of that by investing in resolving of the different environmental problems, or by promoting its green, societal, or sustainable strategy as a competitive advantage.

##### 4.1.4. Policy Maker Implications

As it has been indicated, CSR will increase staff loyalty, thus, more organizations will be inclined to adopt its practices. Like most organizations, the universities may tend to report related CSR practices to gain their long-argued benefits. In adopting such practices, universities can choose between two approaches; the proactive and/or the passive approach (Kim, 2017). In the proactive approach to CSR, organizations choose to voluntarily undertake initiatives of CSR, while in the passive approach of CSR, organizations are forced to undertake practices of CSR by the regulations or the law. Accordingly, Ministry of the Higher Education in Egypt should not opt to set regulations that oblige universities to undertake CSR-related practices, which would result in a passive/check-list method within the financial reports. However, regulations that promote and encourage the proactive adoption of CSR would be more helpful to the resolve and address societal issues.

Of all the dimension of CSR, the ethical aspect was found to be most influential, thus, the Ministry of Higher Education should focus on encouraging its proactive practices and urge the universities to submit their code of ethics and to make it active. Ministry of Higher Education can delegate each university to formulate its own code of ethics, then assemble of code in one unified book. By so doing, the ministry can monitor, update, and control the proactivity and application of this code of ethics. It is important to mention that the code of ethics is not an obligation; otherwise, the proactivity of the CSR ethical practices would be diminished. Likewise, the proactive approach is more desirable in the philanthropic practices of CSR, as it is found to have no impact of the loyalty of the faculty employees. Accordingly, by promoting healthy competition between the universities as part of the philanthropic efforts of CSR can also motivate them to participate more in these practices.

## 5. Limitations and Future Research

This study, like any other, has its own limitations. However, every limitation presents an opportunity for future research, by which literature on the topic can be further extended. The first limitation is related to the applied methodology. This paper utilized a qualitative single cross-sectional study, while the future research could opt for a more causal quantitative study in experimental designs to control effects of other variables when testing the cause-effect relationships between different constructs. Further, future research could also utilize a multi-cross-sectional study to include a multi-level analysis (Aguinis and Glavas, 2012). Also, if the data was collected from various contexts, and both developing and developed countries, there would be more opportunities for generalizing the findings and also gaining enhanced insights.

Similarly, this research is also limited by the cross-sectional design, which does not take into consideration the different experiences and history of CSR initiatives. Thus, a time series or a longitudinal study could also prove to be of benefit for this research. Furthermore, this paper did not consider the different approaches of adopting CSR practices, thus, moderation role of the proactive vs. passive approaches of CSR can be considered by the future research when applying an experimental factorial design.

Moreover, focusing only on one dimension of CSR, such as the ethical or the philanthropic dimension, can be altered as many organizations now undertake several practices that have share similar common characteristics with more than one dimension. For example, some of these practices are the safety, equality inside the workplace, sales and after-sales services, environmental protection, designing and manufacturing quality, and local communities' welfare (Saridakis et al., 2020). Therefore, a future study could also include some of these practices rather than focusing on different dimensions of CSR. Also, to examine how different predictors/drivers can collaborate with one another to make more effect, a new technique was introduced; the qualitative comparative analysis using the Fuzzy sets techniques (fs-QCA). This technique helps in understanding the right combinations of predictors/drivers that can result in certain outcome (Ragin, 2009).

It was recently argued also that the different types of organizations can have different influences of the practices of CSR. For example, Saridakis et al., (2020) categorized the firms adopting CSR into five types; CSR-neutral firms, equality expert firms, human-capital investor firm, philanthropic-leader firms, and champion firms. This research paper did not include these different categories into its framework; thus, future research can also look into how CSR-themed firms can moderate the relationships between different constructs in a multi group analysis. Moreover, the environmental CSR dimensions were not included in the current study; thus, future research could incorporate it to test its effect on the employee's loyalty in the higher education sector. Similarly, while the proposed direct relationships in the current research are confirmed, there is a need to explain the mechanism and the process of this effect. Also, future research could include one or more mediator to this framework. Additionally, future research could also employ a multi-level analysis via utilizing mediators only from different levels of analysis. Along the same lines, Aguinis and Glavas (2012) suggested a theoretical model of CSR that includes only the most influential mediators in the relationships between CSR and its outcomes at the different level of analysis.

At last, this paper investigated CSR in an offline setting, however, future research could investigate in an online setting, highlighting how online platforms can be used to promote CSR practices to different audience, which could prove to be of particular benefit especially with the current crisis of Covid-19 pandemic and its consequences on the business environment. For example, Bae and Cameron (2006) examined the part that college students can play in shaping universities' reputation by using online media (Kim, 2017). More specifically, in an era of social media (Etter et al., 2019), efforts and practices of CSR can be promoted to the public by the university using online platforms. Further, an ethnography research can be employed to explore how the intercommunication between the universities' students, stakeholders, and alumni can shape the university's reputation.

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### Appendix

Items		Item reliability
Philanthropic responsibility		
x11	Our organization helps solve social problems.	0.815
x12	Our organization has a strong sense of corporate social responsibility.	0.859
x13	Our organization gives adequate contributions to local communities.	0.823
x14	Our organization allocates some of their resources to philanthropic(charity) activities.	0.785
x15	Our organization encourages its employees to participate in voluntarily activities.	0.752
Ethical responsibility		
x21	Our organization emphasizes the importance of its social responsibility to its employees.	0.754
x22	Our organization organizes ethics training programs to its employees.	0.753
x23	Our employees are required to provide full and accurate information to all customers.	0.766
x24	Our organization has a comprehensive code of conduct.	0.799
x25	Our organization is recognized as a trustworthy organization.	0.801
Employee loyalty		
y1	Understand and accept the goal of the organization.	0.816
y2	Accept values and culture of the organization.	0.856
y3	Approve future development goal of the organization.	0.818
y4	If possible, you would like to work in the organization until retirement.	0.731
y5	Strictly obey rules of the organization.	0.714
y6	Fulfil quality and quantity requirements by the organization.	0.769
y7	Willing to share working experiences with colleagues .	0.630
y8	Try to affect colleagues by own good image.	0.605
y9	People respect me.	0.594

Table 4: Measurement Items