



JOURNAL OF SOCIAL RESEARCH DEVELOPMENT


www.jsrd.org.pk
editor@jsrd.org.pk

THE DYNAMIC RELATIONSHIP BETWEEN CORPORATE SOCIAL RESPONSIBILITY, ETHICAL CITIZENSHIP AND ORGANIZATION CULTURE TO DETERMINE THE FIRM REPUTATION

Hassan Bilal¹ & Naveed Saif²

¹Ms Scholar, Management Sciences, Qurtuba University, Dera Ismail Khan, Pakistan

²Lecturer, Management Sciences, University of Science and Technology Bannu, Pakistan

KEYWORDS	ABSTRACT
CSR, Ethical Citizenship (EC), Firm Reputation, State Bank, Financial Institutions	<p>Current study investigates concept of Corporate Social responsibility (CSR), Ethical Citizenship Behavior and firm reputation from three different tires of organizations. Cluster sampling was applied and finally 150 participants from three different clusters were selected. Response rate varies from the different cluster. Finally, 240 participant's data were analyzed for further analysis. Data was collected through adopted version of questionnaires. Barron and Kenny method was employed to check the mediational as well as moderating role of organization culture. The results indicate that firm reputation is strongly associated with corporate social responsibility procedures of selected firm. It is evident that CSR leads to formulate the favorable citizenship culture which in turn create positive image of firm. Based on the results it is recommended that as the concept of CSR responsively is yet in the introductory stage in Pakistan as well as other developing countries, that's why it will take time to apply the concept of CSR in its true manner.</p> <p> 2022 Journal of Social Research Development</p>
Corresponding Author	Naveed Saif
Email:	dr.naveed.saif@hotmail.com
DOI	https://doi.org/10.53664/JSRD/03-01-2022-08-70-85

INTRODUCTION

The basic purpose of present research is to focus on stakeholder's reputation on Business firm. Stakeholder's reputation means, what are general opinions of managers, employees, shareholders, creditors and suppliers about a firm that operates in the company (Gao, 2011; Simonsen, & Wenstøp, 2013; Schaltegger, Hörisch & Freeman, 2019). Many researchers have led the researches in this regard, Brown et al. (2006), Fombrun (1996), Rindova, Petkova and Kotha, (2006) analyzed that stakeholder's reputation is consolidated philosophy about a firm in a company. According to Rindova et al. (2007), if the company's stakeholders are conscious and familiar about the institutional context then firm's reputation are perceived

and considered positive and satisfactory by stakeholder. Companies which provide financial services give much importance and attention to institutional reputation (Nienaber, Hofeditz & Searle, 2014), because fraud, theft, misrepresentation in contracts with general peoples (customers), and in this connection, laundering and Conspiracy among others can affects the firm reputation negatively which leads to dissatisfaction among stakeholders (Solomon, 2020). Hence confidence of the general peoples on company's services breaches. Thus, in this regards, Fombran and Van (2004) examined the impact organizational reputation in response of the organizational social action against various stakeholders (Hsu, 2012) both internally and externally.

Moneva and Ortas (2010) analyzed that in order to enhance the organizational leadership and to give relative worth to customers; organization delivers basic products and services. This is a part of business ethics which must be integrated with business plan (Agenda). The illegal activities of the financial institutions have also published in newspapers (MacKenzie, 2006; Barrett, 2018). Many customers have presented their suits against financial institutions in courts. e.g. illegal payments in payment scandals of Stanbic bank and Tropical African bank which can also be found on the following URL (www.mail.archive.com). Illegal removal of the staff members, deceiving the clients (Usang & Enemuoh, 2022), swindling on loans or swindling in loan agreements, dishonoring of clients demands (Kivelege, 2019), are the different forms of the illegal activities, found in citizenship behavior among banking sector (Mangala, & Soni, 2022). These illegal activities resulted in constant suits, that deteriorate the trustworthiness of the financial institutions (Carcamo et al., 2021; Kharabara Kharabara, & Greshko, 2022). Ntayi, Luganda and Mersland (2009) have found that illegal activities are injustice with staff members, decrease in salary of members, deferment in obligations without proper notice (Dunne, 2021).

Katamba and Boie (2008) investigated perspective of corporate social responsibility (CSR), organizations that provides financial services like National Insurance Corporation, Stanbic and Standard Chartered, Berclays are involved in corporate social activities like: Scholastic scholarship, Medical care (HIV/AIDS), Sponsorship sports, staff member development. In order to heal and re-built problems of the reputation, there is constant need to collaborate with stakeholder to solve the emotional appeal and Product Quality, which are prominent reputational problems (Park, 2019; Brownsword & Somsen, 2009). Moon and Shen (2010), explained the well distinguish reputational problem of the organizational culture. Hofstede, Neuijen, Ohay and Sanders (1990) while Reilly et al. (1991) represent organizational culture as subjective and intrinsic phenomena and analyzed that it has effect on staff actions and opinions that ultimately has significance on organization decisions like social responsibility. Based on the above arguments current study tries to investigate the dynamic relationship between CSR, Ethical citizenship and organization culture to determine firm reputation in financial sector of Pakistan.

LITERATURE REVIEW

CSR & Reputation

From the source of wall street journal, May 12, 2008; university of western Ontario's Ivey school of business had undertaken too many experiments which represents that Business organizations must pay for Social responsibility like customers can happily pay low amount of premium for ethical goods and services as compared to buy unethical goods and services when discounts are granted. Some Business organizations did not take participation in CSR activities in order to gain stakeholder consent and general people's attention mostly. [Fombrun and Van \(2004\)](#) investigated that it is necessary for the business organization to maintain their reputation in dealing with different stakeholders (either internal or external) such as: managers, employees, creditors, and suppliers. It increases the confidence of the stakeholders on organization and General peoples will purchase the goods and services of the organization at the high prices as well. [Birch \(2003\)](#) did not agree with the idea of [Fombrun and Van \(2004\)](#) and Ivey School of Business about the concept of corporate social responsibility. [Birch \(2003\)](#) conducted research, that is not necessary for the business organization to take approval from outside stakeholders to measure of how "good" the business organization.

According to [Birch \(2003\)](#), internal stakeholders of the organization decide on the corporate social responsibility. CSR is essential for business plans wherein Fombrun conducted another research with Van in order to re-evaluate research finding (1996). According to [Fombrun \(2004\)](#) it is the responsibility of the manager to take proper investment in building in order to ensure good reputation and maintain favorable relation with organization stakeholders. [Visser \(2005\)](#), analyzed that CSR is related with sequence of Bottom to line gains e.g. the companies that take the social responsibility have good reputation and brand images. The researchers examined the crucial impact the organizational reputation in response of the organizational social action against various stakeholders in diverse situations and contexts with diverse outcomes. General peoples have confidence on the Business organization by purchasing the company products which increase the revenue of the business organization. Stakeholder's also giving more value to the companies of good reputation. In this linking, external stakeholder's such as: suppliers, distributors, etc. undertaken more agreements with the business firms. The organizations having positive reputation attracts capitals and business participants.

The business firms that do not pursue CSR strategies certainly face more risks as compared the organizations that follow CSR Policies. The CSR policies reduce the risks of Business organizations such as: corruption and Bribery etc. [Nkiko and Katamba \(2003\)](#) judged and analyzed that the organizations that are pursuing CSR policies usually take investment in expensive Quality and Environmental Controls, if the company has negative social image due to manufacturing of the faulty products, such organizations do not follow CSR policies adequately that results in advertisement campaign which are very costly for organizations. Such organizations also pay fines for the manufacturing of the low quality products. The

organizational culture as the subjective and intrinsic phenomena and analyzed that it has effect on the staff actions and opinions that ultimately has significance on the organization decisions like social responsibility. In order to decrease the turnover of employees and to increase their motivation, to minimize the cost of training, and to increase the confidence of general peoples, it is vital for the business firms to pursue the policies of CSR. Due to extensive knowledge of the previous literature hypothesis can be developed between CSR and reputation:

Organizational Culture & Reputation

The culture represents common beliefs and morals of society. [Musiiime, Ntayi and Musigire \(2009\)](#) explained organizational culture as follows: The common beliefs, attitudes, values, and Inferences which helps business managers to develop organizational ethnical climate. [Reilley et al. \(1991\)](#) define organizational culture as: The aggregate of the beliefs, attitudes, inferences that are mutually expressed and shared by business managers and their workers. It is the responsibility of business managers to develop competitive environment (Context) of business organization, so that Business Organizations should compete with internal as well as external threats and the ability of organization to controls them. [Reilley et al. \(1991\)](#) introduced eight dimensions of an organizational culture, while developing organizational culture profile. These dimensions are innovation, attention to detail, outcome orientation, aggressiveness, supportiveness and accent on rewards, team orientation and decisiveness. The dimensions like attention to detail and innovation describes how to perform a specific task and is used as benchmark to measure performance and creativeness of employees. The dimensions like team orientation and supportiveness explains morals, ethics and norms among employees and managers. Such dimensions interpret the organization of activities among team members instead of individual basis. The second hypothesis can be presented between organizational culture and reputation as follows:

Organizational Culture & CSR

[Wartick and Cochran \(1985\)](#) tried to introduce the concept for CSR, on the basis of four dimensions (also known as principles of CSR) that had already defined by [Carroll's \(1979\)](#). It is the culture of an organization that designs the basis for ultimate Social responsibility. [Wartick and Cochran \(1985\)](#) also re-evaluate works of ([Freeman, 1984](#)) while conducting a research in under-developed nations. In order to expressed and analyzed the norms for individual activities. Outcome orientation and aggressiveness dimensions are used for this regard. These dimensions measure the competitiveness of the individual employee and top level management use such dimensions as a standard to explain the results of individual employees on the basis of their performance. Emphasis on rewards Dimension interprets Rewards and Honors on the performance of individual basis rather than on seniority basis. Decisiveness measure how much employees are Independent and have free will in their job. [Fombrun \(1996\)](#), clarified different organization culture properties like: responsibility, trustworthy, reliability and credibility etc. to understand reputation. Organizational Values

and norms are important features of business organizational culture. [Musiime et al. \(2009\)](#) proved that concept of Reputation has based on cultural environment of the organization. Therefore, they concluded that CSR dimensions, activities are related to the culture of an organization, while organizational culture can be found everywhere in the organization's workplace, context, society.

Ethical Citizenship & Reputation

[Sacconi \(2004\)](#) elaborated meaning of Ethics in following words: "obedience or willingness to the Unenforceable". So willingness (obedience) of an organization constitutes an ethical leadership. Business organizations must obedient and willingly accept responsibility for the promotion while establishes and promote organizational context that provides a basis for culture of ethical leadership and integrity. The Business organization will operate under the effective leadership team and financial system of the organization will be transparent. The firm can undergo too much loses if the organization ignore its ultimate responsibility. [Maignan and Ferrell \(2001\)](#) identified following actions that should be performed in order to ensure the ethical leadership in organization. These actions are code of conduct, ethics training, and integrity in staff evaluations, and full product information. Code of conduct: organization continuously evaluates performance by continuous decision making process. Business Organization can fulfill the demands of their stakeholders such as: customers and employees, if organization is reflecting good performance and responsibility. Customers and Employees have also Expectations from the business organization. For these purpose, the organizations generally adopt and follow certain ethical values or code of ethics, while dealing with stakeholders.

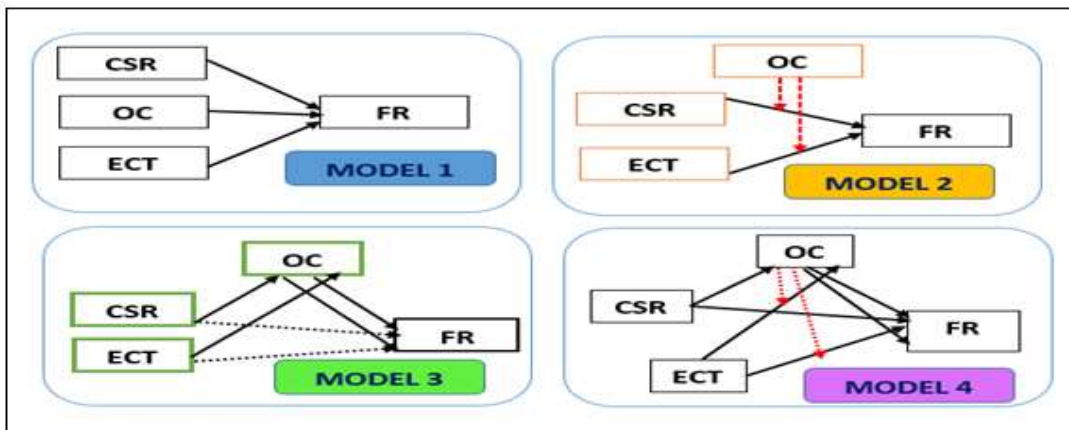
Organization always demonstrates and shares such code of ethics in meetings, newspapers and internet websites. Ethics training: In order to understand ethical values, organizations usually needs training practices. The Bank of Uganda constantly monitors institution that provides financial services. The purposes of such training practices are to develop Ethical values in the Human behavior of Business manager, so that they should take the ultimate responsibility and meet demands of their Stakeholders. Providing full product information [Boulding and Kirmani \(1993\)](#) while [Kirmani \(1997\)](#) investigates signaling theory. According to this theory, all stakeholders must possess information regarding the quality of services that organization provides. But during normal circumstances stakeholders are unaware about quality of service. [Kihlstorm and Riordan \(1984\)](#) interpret advertising and [Milgrom and Roberts \(1986\)](#) investigates prices in order to find quality of services. [Grace and Cohen \(2005\)](#) analyzed benefits that could be obtained from activities of ethical citizenship. The business organizations pay penalties as result of violations from the ethical or moral norms. Ethical values are necessary so as to enhance loyalty and integrity of employees and other stakeholders. By studying in depth empirical data on the reputation and ethical citizenship, hypothesis can be developed as:

Ethical Citizenship & CSR

Vissers (2005) while Porter and Kramar (2006) investigated that business organization are following the CSR Plans and Activities in order to make organizational context competent. Nkiko and Katamba (2010) suggested that organization should conducts training practices for CSR plans, because CSR plans are also integrated with ethical values and integrity of organizational norms. Based upon the clues from the existing research literature, proposes hypotheses are:

- H1: There is significant and positive relationship between the CSR and Firm Reputation.
- H2: There is positive relationship between Organizational Culture and Firm Reputation.
- H3: The organizational culture and CSR are positively correlated to each other.
- H4: There is positive relation between Ethical Citizenship and Firm Reputation.
- H5: Organization Culture moderate relationship between CSR and Firm Reputation.
- H6; Organization Culture moderate link amid ethical citizenship & Firm Reputation.
- H7; Organization culture mediate the relationship between CSR & Firm Reputation.
- H8; Organization culture mediate the relationship between EC and Firm Reputation.

Figure 1 Conceptual Diagram



RESEARCH METHODOLOGY

Population & Sample Size

In this research, 65 financial institutions constitute population, on basis of data provided by SBP. Because these institutions had been supervised by SBP as on Aug, 2015. The total Population constitutes 5,120,000 stakeholders (customers of banking and other financial institutions), which represent 16% of the total Pakistani population of 180 Million. All the 65 financial institutions were included in the sample. So the 65 institutions also represent a study sample. Cohen (2009) stated that research findings were tested on 95% confidence level, so there is 5% chance of Acceptance or rejection of the results. Mail questionnaires were used in research process and 500 Questionnaires were sent out. 418 questionnaires give response and returned in usable form. Mail questionnaires will be stared acceptable if

30% questionnaires give response. In research, 83.6% is response of mail questionnaires which generates a valid result.

Reputation Measurement

[Fombrun \(1996\)](#) introduced the concept of Reputation Quotient (RQ). Fombrun used an Index in order to measure the Core concept of Reputation Quotient. An index is a series of Questionnaires items used in measuring phenomenon. Fombrun introduced six constructs so as to explain concept of reputation in broad sense. The constructs are emotional appeal (EA), products and services (PDT), vision and leadership (VL), workplace (W), environment (EVT), financial performance (FP), and social responsibility. The Constructs were divided further into 20 items in order to elaborate the meanings of reputation. Except the social responsibility, the other five. Constructs were divided into further 17 items. Each item was analyzed on 5 point Likert scale. On this scale, 1 is used for strongly disagree; while 5 is used for strongly agree. The purpose of Likert Scale was to judge the level of agreement of the participants in order to measure the reputation. The reliability is shown in table number (1).

Corporate Social Responsibility Measurement

[Hopkins \(2000\)](#) suggested that meaning and concept of CSR is too broad that it is difficult to analyze the CSR with a single measurement. For this purpose, corporate responsibility index through internet consultation of stakeholders (CRITICS) was introduced with a little modification. It is subset of 20 Questions which analyzes the CSR property of the business organization. Five-point Scale was used and each question contains 5 options that ranges from 1) strongly agree, 2) agree, 3) undecided, 4) disagree, 5) strongly disagree. Thus, the purpose of the scale is to judge the Level of agreement regarding CSR. Mean value was also calculated (sum of total score divided by total number of the score observations) to find out composite measure of SCR for particular financial institutions. Reliability is shown in table number (1)

Organizational Culture Measurement

[Reilly et al. \(1991\)](#) introduced the organizational culture profile (OCP), in order to measure perceptions of External Stakeholders of the Financial Institutions. 5 Point Scale was used that contains 5 options and ranges from 1) strongly agree, 2) agree, 3) undecided, 4) disagree, 5) strongly disagree. The eight dimensions of the OCP (innovations, attention to detail, outcome orientation, aggressiveness, supportiveness, and emphasis on the reward, team orientation, and decisiveness) were translated in question form and were analyzed on 5-Point scale in order to investigate the level of agreement of the different participants regarding different statements.

Ethical Citizenship Measurement

[Boulding and Kirmani \(1993\)](#); [Kirmani \(1997\)](#) while [Maignan and Ferrell \(2001\)](#) investigated the signaling theory in order to find level of agreement and judgment of organizational

stakeholders towards ethical citizenship of different financial institutions. The 5-point scale was analyzed on basis of four dimensions such as: code of conduct, ethics training, and integrity in staff evaluation, and provision of full product information. The scale contains five options that range from (1) not aware at all, (2) slightly aware, (3) somewhat aware, (4) moderately aware, (5) extremely aware. For measurement of composite value, the mean value was also calculated by summing the total score and dividing on the number of score observations.

Table 1 Reliability of Different Constructs.

Construct Name	Alpha
CSR Hopkins, (2000) Corporate Responsibility Index through CRITICOS	0.66
Organization Culture Reilly et al. (1991) ; Organizational Culture Profile (OCP), Ethical Citizenship;	0.66
Boulding and Kirmani (1993) ; Kirmani(1997) ; Maignan & Ferrell (2001)	0.68
Firm Reputation Fombrun (1996) Reputation Quotient (RQ).	0.79

Data Analysis

SPSS 23 is a reliable Computer Software used for analysis of Empirical data collection. To represent consistency in the data and to express significant relationship among variables Pearson’s product moment correlation coefficient (PMCC) was used. [Norusis \(2005\)](#) used “SPSS 13.0 guide to the data analysis” and regarded that it is better computer software for Data analysis as compared to other SPSS packages. [Norusis \(2005\)](#) used PMCC in instead of Spearman’s or Kendall’s rank correlation coefficients. In next step standard procedure of ([Barron & kenny, 1986](#)) method in regression were used for the moderation and mediation effect organization culture. Detail of ([Barron & Kenny, 1986](#)) procedure. Likert Scale was used to check the consistency of the data, the data thus regarded as significant was further analyzed by the PMCC. Samples were selected randomly in the form of purposive samples (a form of non-probabilistic sample). So, it means that the samples were selected on the subjective Judgment of the researcher. Financial Services Institutions were regarded as a Unit of analysis.

RESULT & DISCUSSIONS

Table 2 Correlation among Variables

	Mean	S.D	CSR	ECS	FR	OC	EDU	INC
AGE	2.001	.0923	0.87	0.76	0.23*	0.22*	0.87	0.45
GEN	-----	1.254	0.66	0.59*	0.42	0.40	0.66	0.56
CSR	3.221	0.765	1.00	0.29*	0.39**	0.44**	0.24	o.32

ECS	3.153	0.749	0.29*	1.00	0.19*	0.22*	0.32	0.45
FR	3.083	0.789	0.39**	0.19*	1.00	0.48*	0.53	0.61
OC	3.332	0.404	0.44**	0.22*	0.48*	1.00	0.45	0.33
EDU	3.210	1.232	0.24	0.32	0.53	0.45	1.00	0.55
INC	2.012	1.123	0.32	0.45	0.61	0.33	0.55	1.00

Age; Age of the Respondents; Gen; Gender: CSR; Corporate Social Responsibility.

ECS; Ethical Citizenship. FR; Firm Reputation. OC; Organization Culture. EDU; education. INC; Income.

*Correlation is significant at the 0.05 level (2-tailed). ** Correlation is significant at the 0.01 level (2-tailed).

In order to test relationship between dependent and independent variable correlation test was conducted. From table (2) correlation coefficient amid corporate social responsibility and firm reputation is positive and significant with (r value=0.39 and p< .0.01). Relationship show that positive change in CSR interaction is strongly associated with creating positive or negative image (Reputation) of organization in the mind of customers. The relationship between Ethical Citizenship (EC) attribute of firms (organization) and their reputation (REP) is also interrelated to each other. That means all those firms that which focus on practicing ethical code of conduct in their business transaction have favorable reputation. The results from table (4.3) show that (r value is =0.19) and significance value is below than (0.05). Hence it is concluded that Ethical Citizenship behavior and firm reputation are positively and significantly related to each other. The two independent variables Ethical Citizenship behavior and ethical citizenship behavior may be term as one of important characteristics of CSR. These results indicate that (r=0.029 and p < 0.01) our results also supported by correlation results prospective. Finally, relationship between Organization culture (OC) shows variation in relation to the different variables i.e. (CSR= 0.44, p< 0.05; ETC= 0.22, p< 0.01; FR=0.48, p< 0.01).

Table 3 Regression Analysis

	Unstandardized Coefficient (B)	Standard. Error	Standardized Coefficient (B)	t	Sig.
Constant	1.432	.221		6.786	.000
CRS	3.452	.017	.721	2.011	.005
ECS	0.706	.051	.476	15.23	.000
OC	0.682	0.44	0.39	7.223	.002
Dependent Variable; Firm Reputation (FR)					
R	R Square	Adjusted R Square			
.634	.421	.407			

Predictors: Corporate Social Responsibility, Ethical Citizenship. Firm Reputation.

In regression analysis reputation of the firm was treated as dependent variable predicted by two important independent variable i.e. Ethical citizenship and CRS. Regression equation for the said relationship is $y = a + \beta_1\chi_1 + \beta_2\chi_2 + \beta_3\chi_3 + \dots + \beta_n\chi_n + \epsilon$

In the equation Y shows dependent variable (Reputation of the firm) regression constant is denoted by (a), while $\beta_1, \beta_2, \beta_3$ and β_n shows coefficient of beta values, and χ_1 (CSR), χ_2

(Ethical citizenship behavior) and χ^3 (Organization culture) that are commonly termed as independent variables. When values of standardized beta coefficient were entered in to the regression equation. Results from table (4.2) indicate that 42% variation in firm reputation is explained by corporate social responsibility and Ethical citizenship. Where other factors that may be responsible for variation in organization reputation are (demographic & social attributes). It is also shown that CSR has higher prediction potential ($\beta = 0.72$) as compare of ethical citizenship ($\beta = 0.47$).

Table 4 Mediation & Moderation Effect of Model.

Predictors	Firm Reputation		
	B	R2	ΔR^2
Predictor (CSR); Moderator (OC); D.V (FR)			
Step 1			
Control Variables		.322	
Step 2			
CSR	.633***		
OC	.006	.776	.429**
Step 3			
CSR*OC	.323**	.73	.018**
Predictor (EC); Moderator (OC); D.V (FR)			
Step 1			
Control Variables			
Step 2			
EC	.532**		
OC	.136	.641	.322**
Step 3			
EC*OC	-.179	.683	.007
Predictor (EC& CSR); Mediator (OC); D.V (FR)			
Step 1			
Control Variables	.322		
Step 2			
OC	.60**	.432	0.38**
Step 3			
CSR	0.59**		
EC	0.23	.488	0.07**

*p<.05, **p<.01, ***p<.001.

In order to check the moderating and mediating role of organization culture between CSR, the Ethical citizenship and firm reputation (Barron & Kenny, 1986) statistical technique was applied. In order to check the interactive effect of organization culture and CSR as well as ethical citizenship with firm reputation, we tailed moderate regression analysis technique. First of all, demographic variables were entered and controlled in first step. In the second

step organization culture, and CSR were entered to predict firm reputation. In the second step results indicate that CSR and CE are significantly related with firm reputation ($B = .633$, $p < .01$) and ($B = .532$, $p < .01$). thus, in the next step we regressed firm reputation on the international term of CSR and organizational culture. Results indicates that organizational culture have moderated effect between CSR and firm reputation ($B = .323$, $p < .01$). While international effect on ethical citizenship and organizational culture shows no significant results. $B = -.179$).

Hence our hypothesis related to CSR and firm reputation moderated by the organization culture was accepted, while the ethical citizenship and firm reputation moderated by the organization culture was rejected. In the next stage organizational culture was checked as mediating variable between CSR, Ethical citizenship and firm reputation. For mediation we also entered control variables first stage. In the next step relationship between CSR, ethical citizenship and firm reputation was checked. The results indicant significant association ($B = .721$, $p < 0.01$; $.476$, $p < 0.01$). After organization culture as mediator CSR effect firm reputation has decreased ($B = .59$, $p < .01$) and ethical citizenship shows insignificant relationship ($B = 0.23$, p is insignificant) hence results prove that organizational culture mediate relationship between CSR and firm reputation while hypothetical relationship between ethical citizenship and firm reputation was partial mediated.

CONCLUSION

As from the results and discussion of data it is reveal that corporate social responsibility is highly associated with organization reputation in KPK financial institution. Which stress that for financial firms, it is necessary to participate in social activates across the communities near to their office, in order to win the heart of general masses. Sometime it is necessary to complete bilaterally with their competitors. Results of the current study also confirm the concept of stokehold theory related to CSR proposed by (Freeman., 1984; 1988) reinforced by (Lantos, 2001; Freeman, Wick & Parmer, 2004). According to these issues organization mostly indicate and support social programmers for their stake holders. By emphasizing on CSR activities organization can portray their positive image and emotionally attach to the potential customers (Williams & Siegel, 2001). It is found that manager may took keen interest in initiating the CSR policies, as they emphasizing on other investment decisions. Ethical Citizenship behavior refers to particular conduct /behavior of individuals. It means that proper code of conduct must be initiated to ensure that employees train themselves in accordance to the organization philosophy. Also ensure that employees may provide full fledge information to customer with full zeal and zest. Finding of study reveal that some of employees do not provide detailed information to customer during initial stage, results are in line with (Carr, 1968).

Findings of the study conducted by (Katamba, 2010) which emphasize that up to some extant dishonesty may be used as a tool for business success. Same results are found in

the current study also, so if researcher may eliminate the concept of ethical citizenship, it will not seriously affect organization goodwill. Where most of the customers are unaware of the employee's unethical behavior. Companies also try to trap customers by their word. But still the business of such organizations is growing day to day. It is concluding that although is an important component of business, but it is not followed in its truly spirit in Pakistan. The current study show positive relationship between CRS philosophy and ethical citizenship as both are interrelated. Various attributes of ethical citizenship like (providing proper code of ethics to employees, obligation of providing full fledged information about product /services. Proper training for behavior modifications) are important for the internal customer (employees) as well as external customers (supplier, policy purchaser, prominent customers) relation. Finding of the study also in line with the signaling theory proposed by ([Boulodig & Kirmani 1993](#)), that emphasize on environment of organization which play a pivotal role in organization success.

It is found that during advertisement for jobs, organization must focus on the inspirational picture of organization culture/environment for attracting the potential pool of qualified candidates (marketing and sells related job). [Katamba and Boie \(2008\)](#) study two different organizations one that have positive CSR at work place while other have in market place. Finding indicates that it is employees that make reputation of the company, based on the information available to them at work place. Such amalgamation of socially responsibilities work force and customers focus on creating the environment of ethical citizenship which leads to organization success as demonstrated by ([Visser, 2005: Porker & Kamran, 2006](#)) became the successful strategy for financial institutions of Pakistan. In the current study three diverse concepts were measured at same time. Results indicate that it is organization culture that mediate relationship between CSR practices and firm reputation. While Ethical citizenship and firm reputation is partially mediated by organization culture. In final model moderating role of organization culture was measured, result couldn't support moderating effect of OC between CSR, ethical citizenship and firm reputation. Hence, it is novel study in the field of corporate world that investigate diversified relationship between different concepts with in single study frame work.

Recommendations

- ✓ Some sort of amount must be specified by financial institutions for the wellbeing of social up gradations i.e. (Community services, Environment protection policies, support humanity via charitable giving's and other sources).
- ✓ As the concept of CSR responsively is yet in the introductory stage in Pakistan as well as other developing countries, that's why it will take time to apply the concept of CRS in its true manner. (As currently most of the firm's e.g. mobile services and textile sector as well as cement industry is trying to implement the concept up to some extent, but still the validity of the concept from international prospective will take time).

- ✓ Infect via appropriate strategies of CRS firm reputation can be flourished, and in countries like Pakistan if relationship between various suppliers of the organization strictly follow rule of (ISO-14000, ISO-9001, 9002, 9003 etc.). This will be helpful in creating positive image of institutions in the eyes of customers.
- ✓ State bank of Pakistan should implement its policies with full zeal and zest, in order to avoid the misconception of customers about reputation of financial firms from the prospective of CSR and ethical Citizenship attitude.
- ✓ Financial Institutions may sign MoUs with local educational network for joint efforts for the betterment of society, it will create positive image in the minds of students, their family and surrounding communities.
- ✓ Other variables like organization cynicism, organization politics, employees' self and collective efficacy, employees' emotional intelligence and employees intrinsic as well as extrinsic variable may be used as possible mediators, moderators to better understand the concept.
- ✓ The current study fame work may be implemented in different business, as it will play an important role in attracting national and international stakeholders across the globe toward Pakistan (CPEC Project).

REFERENCES

- Baron, R. M., & Kenny, D. A. (1986). "The moderator-mediator variable distinction in social psychology research: Conceptual, Strategic, and Statistical consideration". *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Barrett, M. (2018). Worthless Cheques and Financial Honour: Cheque Fraud and Canadian Gentlemen Officers during the First World War. *Histoire social/Social history*, 51(104), 301-328.
- Birch, D. (2003). Corporate Social Responsibility: Some Key Theoretical Issues and Concepts for New Ways of Doing Business, *Journal of New Business Ideas and Trends*, 1(1), 1-19.
- Boulding, W., & Kirmani A. (1993). A Consumer-Side Experimental Examination of Signaling Theory, *The Journal of Consumer Research*, (20) 1, 111-123.
- Brown, T.J., Dacin, A.P., Pratt, G.M., & Whetten, A. D. (2006). Identity, intended image, construed image, and reputation: *An interdisciplinary framework and suggested Terminology*, *Academy of Marketing Science*. Spring, 34. 99
- Carroll, A. B. (1999). The Corporate social responsibility, *Business and Society*, 38 (3), 268-96.
- Carroll, B. (1979). A three-dimensional conceptual model of corporate social performance,' *Academy of Management Review*, 4 (4), 497-505.
- Ditlev, C. D., & Wenstøp, D. F. (2013). How stakeholders view CSR as the motivators. *Social responsibility journal*.
- Dunne, E. (2021). The Future for Employees Affected by Irish Corporate Insolvencies: A Deja Vu or Can Ireland Find a Solution? *UC Dublin L. Rev.*, 21, 99.

- Fombrun, C. J. (1996). *Reputation, Realizing Value from Corporate Image*, Harvard Business School Press, Boston, MA.
- Fombrun, C. J., & Shanley, M. (1990). What's in a name? Reputation-building and corporate strategy, *Academy of Management Journal*, 33 (2), 233 - 258.
- Fombrun, C.J., & Van Riel, C.B.M. (2004). *Fame and Fortune: How successful companies build winning Reputations*, FT Prentice-Hall, Upper Saddle River, NJ.
- Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*, Pitman, Boston, MA.
- Freeman, R. E., Wicks, A. C., & Parmar, B. (2004). Stakeholder theory revisited and the corporate objective revisited, *Organizational science*, 15 (3), 364-369.
- Gao, Y. (2011). CSR in an emerging country: Content analysis of CSR reports of listed companies. *Baltic Journal of management*.
- Grace, D., & Cohen, S. (2005). *Business Ethics: Australian Problems and Cases*. Oxford University Press.
- Hofstede, G., Neuijen, B., Ohay, D., & Sanders, G. (1990). Measuring organizational cultures: A qualitative and quantitative study across twenty cases, *Administrative Science Quarterly*, 35, 286-316.
- Hopkins, M. M. (2012). *The planetary bargain: Corporate social responsibility matters*. Routledge.
- Hsu, K. T. (2012). The advertising effects of corporate social responsibility on corporate reputation and brand equity: Evidence from life insurance industry in Taiwan. *Journal of business ethics*, 109(2), 189-201.
- Kasekende, L. A. (2002). *Financial Sector Reforms in Developing Economies: the experience of Uganda*, Paper Presented at Institute for Development Policy and Management. University of Manchester, UK.
- Kasekende, L. A., & Sebudde, K. R. (2001). *Contribution of foreign ownership in banking sector: Uganda's Financial Sector*, Paper presented at the John F. Kennedy School of Government, Harvard University.
- Katamba, D. (2010). *The Corporate social responsibility, organizational culture, ethical citizenship and reputation of financial institutions in Uganda*. Master Degree Thesis submitted to the School of Graduate Studies, Makerere University, Uganda.
- Katamba, D., & Gisch-Boie, S. (2008). *CSR in Uganda: Perceptions, approaches and needs of companies*, http://www.livingearth.org.uk/africa_programmes/uganda/CSR_study.pdf, accessed 20th January, 2009.
- Kharabara, V., Kharabara, V., & Greshko, R. (2022). Financial fraud in the banking sphere: essence, types and current state. *Political Science and Security Studies Journal*, 3(2), 11-19.
- Kihlstrom, R. E., & Riordan M. H. (1984). Advertising as a signal, *Journal of political economy*, 92, 427 - 450.

- Kirmani, A. (1997). Advertising repetition as a signal of quality: If it's advertised so often, something must be wrong, *Journal of Advertising*, XXVI (3), 77-86.
- Kivelege, S. B. K. (2019). Assessment of The Factors Hindering Detection and Prevention of Money Laundering Activities: A Case of National Bank of Commerce (NBC) (Doctoral dissertation, Mzumbe University).
- Lantos G. P. (2001). The boundaries of strategic corporate social responsibility, *Journal of consumer marketing*, 18 (7), 595-630.
- Macintosh, E., & Doherty A. (2007). Extending the Scope of Organizational Culture: The external perception of an internal phenomenon, *Sport Management Review*. Volume 10, Issue 1, May 2007, Pages 45-64.
- MacKenzie, D. L. (2006). What works in corrections: reducing the criminal activities of offenders and delinquents. Cambridge University Press.
- Maignan I., & Ferrell, O.C. (2001). Corporate citizenship as a marketing instrument concepts, evidence and research Directions, *European Journal of Marketing*, 35 (3/4), 457-484.
- Mangala, D., & Soni, L. (2022). A systematic literature review on the frauds in banking sector. *Journal of Financial Crime*.
- McWilliams, A., & Siegel D., (2001). Corporate social responsibility: A theory of the firm perspective, *Academy of Management Review*, 26 (1), 117-127.
- Milgrom, P., & Roberts, J. (1986). Price and advertising signals of product quality, *Journal of political economy*, 94, 796 - 821.
- Moneva, J. M., & Ortas, E. (2010). Corporate environmental and financial performance: multivariate approach, *Industrial Management & Data Systems*, 110 (2), 193-210.
- Moon, J., & Shen, X. (2010). CSR in China research: Salience, focus and nature. *Journal of business ethics*, 94(4), 613-629.
- Musiime, A., Ntayi, J. M., & Musigire, S. (2009). The Marketing Culture, Psychology Wellness, Ethical Climate, Service Performance and Loyalty, Proceedings of the 10th Annual Conference IAABD, 618.
- Nienaber, M., Hofeditz, M., & Searle, R. H. (2014). Do we bank on regulation or reputation? A meta-analysis and meta-regression of organizational trust in the financial services sector. *International journal of bank marketing*.
- Nkiko, C. M., & Katamba, D. (2010). Uganda CSR Profile, in Wayne Visser & Nick Tolhurst, *World Guide to CSR: A country by country analysis of corporate sustainability and responsibility*, Green Leaf Publishers, UK, London.
- Ntayi, J. M., Luganda, F., & Mersland, R. (2009). Barriers hindering disabled people access to Microfinance services, 2nd international research workshop on Microfinance Management and Governance Kristiansand, Norway 31 May - 1September, 2009.
- Park, J. (2019). Institutional Implantation: The International Communities and Their Roles in Building Industrial Relations Systems in Emerging Markets.

- Podnar, K., & Golob, U. (2007). CSR expectations: focus of corporate marketing corporate Communications: *An International Journal*, 12 (4), 326-340.
- Porter, M., & Kramer, M. (2006). Strategy and Society: The Link between competitive advantage & corporate social responsibility, *Harvard Business Review*, December,78-92.
- Reilly, C., Chatman, J., & Caldwell, D. (1991). People and organizational culture: AQ-sort approach to assessing person-organization fit, *Academy of Management Journal*, 34, 487-516.
- Rindova, P., Williamson, O., Petkova, P., & Sever, J. M. (2005). Being good or being known: An empirical examination of the dimensions, antecedents, and consequences of organizational reputation, *Academy of Management Journal*, 48(6), 1033- 1049.
- Rindova, V. P., Petkova, A. P., & Kotha, S. (2007). Standing out: How new firms in emerging markets build reputation in the media, *Strategic Organization*, 5(1), 31-70.
- Rindova, V.P., &Petkova, A.P. (2005). Entrepreneurial reputation, in M. A. Hitt and R.D. Ireland (Eds.), *Blackwell Encyclopedia of Management*, 2nd Edn., 3, Entrepreneurship: Blackwell Publishing, Malden, MA, 107 - 111.
- Sacconi, L. (2004). A Social Contract Account for CSR as Extended Model of Corporate Governance (Part II): Compliance, Reputation and Reciprocity. *Journal of Business Ethics*, 11, 77-96.
- Schaltegger, S., Hörisch, J., & Freeman, R. E. (2019). Business cases for sustainability: A stakeholder theory perspective. *Organization & Environment*, 32(3), 191-212.
- Thilmany, J. (2007). Supporting Ethical Employees, *HR Magazine*, 52, 2, 105-110.
- Tullberg, S., &Tullberg, J. (1996). On Human Altruism: The discrepancy between normative and factual Conclusions. *Oikos*, 75 (2), 327-329.
- Vilchez, J., Castillo, W., Asis, E., Castillo, N., Vásquez, R., Mázmela, P., & Chauca, O. (2021). The Impact of Banking Ethics On the Financial Performance of Banks: The Moderating Effects Norms. *Nveo-Natural Volatiles & Essential Oils Journal| NVEO*, 1111-1124.
- Visser, W. (2005). Revisiting Carroll CSR Pyramid: African Perspective. *Corporate Citizenship in a Development Perspective. Journal of Business Ethics*, 56(2), 163-183.
- Wartick, S. L., & Cochran, P. L. (1985). The evolution of the corporate social performance model. *Academy of management review*, 10(4), 758-769.
- Wood, D.J. (2008). Corporate responsibility and stakeholder theory: challenging theneco Classical paradigm, in Agle, B.R., Donaldson, T., Freeman, R.E., Jensen,M.C.,Mitchell, R.,