

# **Understanding the Concept of Corporate Social Responsibility: Attributions from Islamic Perspective**

Ifzal Ahmad  
Khurram Shahzad  
Mueen Aizaz Zafar  
Khurram Khan \*

## **Abstract**

Majority of extant literature on the notion of corporate social responsibility (CSR) has mainly focused on the positive effects of CSR and its related outcomes. However, a few authors in their studies hinted towards the possible negative impacts of this notion too. But, a distinction between such practices from the ones which evoke positive outcomes is still generally unattended. This study has attempted to theoretically address this key grey area in the CSR literature. Utilizing the attribution theory and Islamic perspective of doing the good, this study differentiated CSR practices on the basis of stakeholders' attribution. Dividing CSR attributions into intrinsic and extrinsic, we contend that only intrinsic CSR attributions will evoke positive dispositions which consequently will lead towards positive outcomes. On the other hand, extrinsic CSR will eliminate positive dispositions which consequently will lead towards negative outcomes. Based on this argument, we have offered some propositions followed by theoretical and practical implications and future areas of research.

**Keywords:** Corporate social responsibility, Intrinsic CSR, Extrinsic CSR.

**KAUJIE Classification:** H4, N5

**JEL Classification:** A13, M14

## **1. Introduction**

Corporate Social Responsibility (CSR) – ‘context-specific organizational actions and policies that take into account stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance’ (Aguinis 2011, p. 855) – has become a buzz word in the professional and academic world alike. Researchers and practitioners have

---

\* **Ifzal Ahmad** is PhD Scholar, Faculty of Administrative Sciences, Air University, Islamabad and Assistant Professor, Karakoram International University, Gilgit, Pakistan. Email: a\_ifzal@yahoo.com **Dr. Khurram Shahzad** is Professor and Associate Dean, FMS, Riphah International University, Islamabad; **Dr. Mueen Aizaz Zafar** is Professor at FMS, Capital University of Science & Technology, Islamabad; **Khurram Khan** is Assistant Professor at FMS, Riphah International University, Islamabad, Pakistan.

now consensus that the notion gives competitive advantage (Porter & Kramer, 2006) and that it is here for the long haul (Vlachos et al. 2013a). CSR was first introduced in the developed countries such as US and EU and gradually spread over the globe with an astonishing alacrity. The main reasons behind the increased attention towards this notion are various corporate scandals and malpractices reported in various countries lately. For example, among some of the biggest scandals in the history of corporations are the Watergate scandal (Fernando, 2006), BCCI scandal in the UK, the case of Enron, the BP Oil spill and most importantly, the financial crises of 2008 etc. which have further intensified the call for a socially responsible organizations.

By looking at all these cases, one can easily conclude that these corporate scandals have occurred in the developed world. Therefore, in order to keep an eye on such future malpractices, civil society and the media outcry are forcing these organizations to adhere to the highest standards of business ethics and maintain a socially responsible behaviour. Previous studies suggest that CSR is also an essential tool to be successful (Economist, 2008). High level of CSR is essential for all the stakeholders including the society. A more responsible organization will strive for utilizing the resources more conscientiously as well as invest back in the community' well-being in order to fulfil its moral obligations. Hence, the objective of being responsible is twofold: 1) to stop the corrupt practices in the corporations, and 2) to behave responsibly and work for the social good of the society along with the economic goals. Therefore, a mere narrower approach i.e. achieving economic goals only, may not lead companies toward success anymore.

As far as the developing countries and in particular, the Muslim majority countries are concerned, CSR is still mostly considered as philanthropic activities and is limited to charitable giving to NGOs or schools, etc. Nevertheless, the notion is taking its roots because of the multinational firms' adoption of the latest CSR models on one side, and the notion's closest correlation with the teachings of Islam, on the other hand. However, skeptics still exist as to whether CSR practices adopted by firms really mean "doing good" or is it just a green-wash for their corrupt practices to safeguard themselves against public outcry? Similarly, as the notion has migrated from the West just like most of other management models in the past; therefore, the applicability of this notion also raises question marks. Particularly, from Islamic perspective, charitable giving in the form of *zakāh* & *'ushr* is obligatory on every such Muslim who can afford a decent living (Farooq et al. 2013) which is a form of CSR (if

organizations do such charities). However, such contributions are kept anonymous and marketing about the same is considered as a weak moral behavior (Loannou & Serafeim, 2012). The marketing of doing good in Islam is called *riy'ā* (i.e. show off) which is a sin according to the teachings of Qur'ān – the Holy Book of Muslims (Qur'ān, Chapter. 107).

Relating this belief of Muslims with the CSR practices of organizations which are usually advertised and marketed to promote their positive self-image, another important question arises that whether all CSR practices will have a positive impact on the stakeholders, particularly, in the Muslim countries? Rupp & Mallory (2015) while discussing general implications of CSR talked about “the dark side” of this notion i.e. negative implications in response. Similarly, Lange & Washburn (2012) contended that if employees attribute CSR practices to just a lip service, then it may evoke negative reactions. Other authors such as Yoon et al. (2006) also argued that consumer's skepticism induces negative responses. Likewise, Aguinis & Glavas (2013) also talked about the embedded vs. peripheral CSR and indicated towards negative responses in the case of peripheral CSR actions. Therefore, there are chances that some CSR activities may evoke negative reactions. However, extant literature does not clearly make any distinction between the two. Hence, building our argument in lines along with the Islamic perspective of doing good can help clarify and make distinction between those CSR practices which have the potential to evoke positive reactions than the ones with negative reactions. In so doing, we are bringing a new perspective to existing body of knowledge on CSR in order to extend its implications and understandings further (Morgeson et al. 2013).

Therefore, this theoretical study is an attempt to differentiate CSR practices which may evoke positive reactions from the negative ones by using the Islamic perspective on doing good combined with the attribution theory (Kelley, 1967). It is very important to understand human behaviours from attributions' perspective because organizations are spending huge sums of money on CSR and therefore, they need to understand its impacts (both positive and negative) on the stakeholders in order to make informed decisions and utilize their resources more effectively. Leading authors like Harvey et al. (2014) and Weiner (1995) have expressed surprise over the under-utilization of attributions theory in business studies and have strongly recommended it because of its potential implications in this field. In addition to these main contributions, we are presenting an alternative mechanism of CSR and hoping to sensitize a new thinking towards the judgment of these practices which will open up further avenues with the potential of important implications for theory and

practice alike. Likewise, it is also hoped to bring the positive sides of Islamic teachings in the limelight for the rest of the world with the help of this study. These teachings are generally overshadowed in the wake of war on terror where criminals are misusing the name of Islam for their vested interests and bringing a bad image to the peace loving majority of Muslims living across the globe.

The rest of the paper is organized as follows: In the proceeding part, we will be explaining CSR from the attribution theory's perspective, followed by explanation of "doing good" from the Islamic perspective. Next, both perspectives will be combined in order to bring meaningful outcomes and to put forth our propositions. Finally, we will discuss key implications for theory and practice along with limitations and a discussion on future research areas which will conclude our paper.

## **2. CSR and attribution theory**

Despite being the widespread and multi-dimensional studies available on the concept of CSR, there is still a lack of consensus on conceptualization and operationalization of the construct (El-Akremit et al. 2015; Gond et al. 2010). Consequently, theorists suggest observing caution at the time of using a particular model of the notion. The reason being that different models presented by authors over the past couple of decades (e.g. Carroll, 1991; Maigna & Ferrell, 2001; Rupp et al. 2006 etc.) are not free from criticisms which underline some methodological and procedural weaknesses in their operationalization (read El-Akremit et al. 2015; Peloza, 2009 etc.).

Furthermore, among the most common theoretical underpinnings in these studies are the utilization of stakeholder's theory (Freeman, 1984), signaling theory (Spence, 1973), social exchange theory (Blau, 1964), social identity theory (Ashforth & Mael, 1989) and the justice perception (Rupp et al. 2013). Many individual level studies have adopted these common theories in their studies such as Porter & Kramer (2006) used the stakeholder's theory, Jones et al. (2014) utilized the signaling theory, Rupp et al. (2013, 2014) utilized the justice perception, Farooq et al. (2013) used the social exchange theory and De Roeck & Dellobe (2012) used the social identity theory in their studies.

Most of these studies conclude that CSR have positive impacts on various outcome variables. However, we contend that not all CSR activities may evoke positive reactions and that there may be negative responses towards some of them too (Rupp & Mallory, 2015). Therefore, identification of those activities is necessary in order to save organization's precious investments going in the wrong areas. To this



backdrop, we think that the attribution theory<sup>1</sup> (Kelley, 1967) is appropriate to differentiate among the two different types of CSR activities. This theory has been previously utilized by some CSR related studies (e.g. Du et al. 2007; Du et al. 2011 and Vlachos et al. 2013a); however, their works were focused only on the positive aspects of the notion. In support of using the attribution theory, Martinko et al. (2006) argued that research in business studies and organizational behavior “unequivocally documents that attributions play a significant role in behaviors associated with the topics [that are central to industrial/organizational psychology] such as individual differences, counterproductive behaviour, leader/member interactions, impression management, conflict resolution, training, selection interviewing, and performance appraisal” (p. 174).

Furthermore, Harvey et al. (2014) indicated that despite relevance and importance of this theory for industrial/organizational psychology, only 9% of total 7000 citations of attribution theory till 2014 were found to be related to business studies. It is also worth noting that the concept of attribution is different from that of the perception (a widely used concept in CSR studies) in a sense that perception is the processing of information about self or other people whereas, attribution goes a step forward and others try to find out the cause of a particular behaviour (Kelley, 1967) which will have different consequences.

Extant literature on the attribution theory has highlighted several dimensions of the notion, however, three of them are the most commonly cited i.e. locus of causality, stability and controllability (Harvey et al. 2014; Weiner, 1985). Locus of causality explains the intrinsic or extrinsic causes of particular events, where intrinsic means dispositional or

---

<sup>1</sup> Attribution Theory: The concept initially emerged from the work of Heider (1958) followed by Kelley (1967: 1973 etc.) and Weiner (1985; 1995 etc.). We posit that employees will also make social inferences where they will decide whether a particular behavior of organization is due to its self-control/intrinsic causes or some extrinsic pressure/situation (Harvey et al. 2014; Ross, 1977) is pushing it for this behavior. Theorists suggest that positive dispositional inferences may eliminate in case individuals perceive actions as driven by situational factors or extrinsic pressure (Kelly, 1973). Kelley (1967) further explained different indicators i.e. consensus, consistency and distinctiveness which affect employees' attributions i.e. intrinsic and extrinsic. Consensus is the common belief held of a certain outcome. Consensus is high if the outcome experienced is the same and will be low if outcome is different. Consistency is the degree of occurrence of certain outcome over time, where high consistency suggests regular occurrence of similar outcomes and low consistency means variations in outcomes over time. Likewise, distinctiveness is the difference of outcomes across a broader range of practices. High distinctiveness denotes exclusivity of outcomes in diverse situations and low distinctiveness denotes inclusivity of outcomes in diverse situations (Burton et al. 2014; Vlachos et al. 2013b).

behavioral characteristics such as effort or ability of a person being observed, while extrinsic means situational factors and pressures behind a person's behaviour (Harvey et al. 2014). For example, a student failing in the examination believes that he got failed due to his lack of effort or ability to prepare for the exam will be attributed towards intrinsic locus of causality. Whereas, extrinsic locus of causality for the same cause will be due to other situational factors such as teacher did not teach him well, evaluator had a personal grudge against him, etc.

Weiner (1985) argued that the locus of causality is more emotional dimension which usually triggers after any sudden event such as the failure in the exam. If the individual's locus of causality is intrinsic i.e. lack of effort or ability, he/she will more likely feel guilty and humiliation, whereas, in case of extrinsic locus of causality, anger and frustration will arise (Harvey et al. 2014). Weiner (1986) also covered the positive outcomes and effects on the attributions. Therefore, positive outcomes attributed towards intrinsic dimension will enhance his pride and other internally linked positive dispositions whereas extrinsic dimension will enhance his appreciation and gratefulness. Martinko et al. (2007) argued that due to the locus of causality, the leader-member relationship can be affected.

Similarly, the stability dimension is associated with the variation or stability of the causal factors (Harvey et al. 2014). Theorists argued that the stability or variation in other's behaviour may affect individual responses to the causal factors (Kelley, 1967). Weiner et al. (1971) argued that the ability of a person is more stable factor whereas; the effort of individual is more variable. The stability or variance in events may soften or exacerbate individual's emotional response. For example, if a student attributes its failure in exam to intrinsic and unchanging dimensions i.e. lack of ability (a relatively unchangeable dimension), then he is more likely to feel shame which will lead to withdrawal behaviour. However, if he/she attributes his failure to intrinsic and variant dimensions i.e. lack of effort (a more variant or changeable dimension) then he/she is more likely to feel guilty and may enhance motivation to exert more effort next time.

The third dimension is the controllability which suggests about extent of choice or volition one may perceive about an event (Weiner, 1985). For example, luck is more associated with uncontrollable side and effort is perceived to be more controllable (Harvey et al. 2014). In this study, we are focusing on the locus of causality dimension only because of its relevance to our topic. Further, while explaining the other two dimensions, Harvey et al. (2014) hinted towards potential overlapping among them.

Therefore, in order to avoid duplication of any kind, we will be using the locus of causality dimension only. The locus of causality differentiates intrinsic and extrinsic attributions of a person where intrinsic attributions will be regarded as dispositional or behavioural characteristics such as the effort and ability of a person, while extrinsic attributions will pertain to situational pressures and factors (Harvery et al. 2014). For example, in case an employee receives poor performance rating; if she attributes it to her own lack of effort or ability, it will be considered as intrinsic, whereas; if she thinks that her supervisor had some personal grudge and rated her poor, it will be considered as extrinsic.

Weiner (1995) argued that the locus of causality is more an emotional dimension which usually triggers after a sudden event such as the failure in the exam. Other studies suggest that people are 'intuitive psychologists' who also try to judge the underlying intentions of others' acts (Heider, 1958; Kelley, 1967). Hence the causal judgment is used to form their own inferences which further evoke reactions (both positive & negative) (Martinko et al. 2011). They suggest that positive dispositional inferences may eliminate under the circumstances when individuals perceive actions as driven by situational factors or extrinsic pressure (Kelley, 1973). Similarly, from organization's perspective, Du et al. (2007, p. 226) explain that "...extrinsic motives have the ultimate goal of increasing the brand's own welfare; whereas, intrinsic motives have the ultimate goal of doing good and/or fulfilling one's obligation to society." Intrinsic motivation is referred to fulfilling its social responsibilities towards the community and being a good citizen thus, more moral. Whereas, extrinsic motivation is referred to materialistic gains such as improving profitability, brand image and tax rebate etc. (Du et al. 2011) thus, more instrumental.

### **3. The concept of doing good in Islam**

The concept of doing good in Islam revolves around believing in the sovereignty of Allah and that the entire universe belongs to Him and that all people will be resurrected on the Day of Judgment where they will be answerable to Allah for their deeds in this world. Those with the good deeds will be rewarded by sending them to heaven and the ones with the bad deeds will be punished by sending them to hell. This has been conveyed to the people through the Messengers of Allah (Prophets), lastly through Prophet Muhammad (PBUH) and the divine book of Qur'ān which is a code of conduct for the believers. Furthermore, the sayings of Prophet Muhammad (PBUH) (*aḥādīth*) are the interpretations of the Qur'ān and are given due importance by the believers. Though, we can provide a detailed explanation of the concept of doing good in Islam for

which one paper or article may not be enough; however, in order to avoid engaging in lengthy discussions, we would like to directly highlight those areas which are in line with our topic.

In Muslim majority countries, the concept of charitable giving is common as Muslims pay obligatory charity in the form of *zakāh* and *'ushr*. However, in most instances, such contributions are kept anonymous and the marketing of the same may evoke negative reactions (Farooq et al. 2013; Loannou & Serafeim, 2012). The reason being that Muslims believe that the essence of these charitable giving along with other good deeds are to please Allah Who will reward them for such acts in the life hereafter as well as earn them respect in this world. Among the other good deeds are praying five times a day; respecting elders; helping neighbours; not indulging in immoral activities, be honest and avoid cheating, stealing, corruption, lying, discrimination, unfair treatment, killing innocent people and breaking promises, etc. Therefore, If someone makes a show off of such activities, this natural essence gets damaged and people start to believe that the person is involved in such activities solely for worldly fame and has some underlying instrumental interest. This interpretation has been drawn by Muslims from the following famous *ḥadīth*:

Abu Hurairah (RA) said: I heard the Messenger of Allah (PBUH) saying, "The first to be judged on the Day of Resurrection will be a man who had died as a martyr. He will be brought forward. Allah will remind him of the favours He had bestowed upon him and the man will acknowledge them. Then He will ask him: 'What did you do to express gratitude for it?' The man will reply: 'I fought for Your Cause till I was martyred.' Allah will say: 'You have lied. You fought so that people might call you courageous; and they have done so.' Command will then be issued about him and he will be dragged on his face and thrown into Hell. Next a man who had acquired and imparted knowledge and read the Qur'ān would be brought forward, Allah will remind him of the favours He had bestowed upon him and the man will acknowledge them. Then He will ask him: 'What did you do to express gratitude for it?' The man will reply: 'I acquired knowledge and taught it, and read the Qur'ān for Your sake.' Allah will say to him: 'You have lied. You acquired knowledge so that people might call you a learned (man), and you read the Qur'ān so that they might call you a reciter, and they have done so.' Command will then be issued about him, and he will be dragged on his face and thrown into Hell. Next a man whom Allah had made affluent and to whom Allah had given plenty of wealth, will be brought forward, Allah will remind him of the favours He had bestowed upon him and the man will acknowledge them. He will ask him: 'What did you do to express gratitude for it?' The man will reply: 'I did not neglect any of the ways You liked wealth to be spent liberally for Your sake'. Allah will say to him: 'You have

lied. You did it so that people might call you generous, and they have done so.' Command will then be issued about him and he will be dragged on his face and thrown into Hell" (Zakariya, Riyad us Saliheen, *ḥadīth*. 1617, pp. 693).

The act of 'showing off' is considered a sin in Islam. Allah says in Qur'ān: So woe unto those performers of *ṣalāt* (hypocrites), those who delay their *ṣalāt* (from their stated fixed times); those who do good deeds only to be seen; and prevent *al-mā'ūn* (small kindnesses) (Qur'ān 107: 4-7). In another *ḥadīth*, the Prophet Muhammad (PBUH) said:

"He who lets the people hear of his good deeds intentionally, to win their praise, Allah will let people know his real intention (on the Day of Resurrection), and he who does good things in public to show off and win the praise of the people, Allah will disclose his real intention (and humiliate him)." (Bukhari, *ḥadīth*, 506).

Similarly, he also said: "If anyone wants to have his deeds widely publicized, Allah will publicize (his humiliation). And if anyone makes a hypocritical display (of his deeds) Allah will make a display of him." (Muslim, *ḥadīth*, 7115). In another instance, the prophet said: "Verily, deeds are rewarded by intention. And everyone will have the reward for that which he has intended" (Bukhari, *ḥadīth*, 1).

Finally, another *ḥadīth* says: "Verily, what I fear most for you is the lesser idolatry;" And he elaborated, "It is **showing off**. Allah the Exalted will say to them (who **show off**), on the Day of Resurrection when the people are being rewarded for their deeds: Go to those whom you wished to **show off** in the world and look for your reward with them." (Musnad Ahmad, *ḥadīth*, 23119).

All these quotes from Qur'ān and *ḥadīth* suggest that show off (*riy'ā*) is a serious sin. Muslims expect each other to hide their good deeds to please Allah only, thereby, fulfilling their moral and religious responsibility. A person who does this is considered as noble, genuine, credible and selfless. He/she is regarded and treated with respect in the society for such behaviours. Other people come to know about his good deeds through word of mouth from the beneficiaries themselves. For example, if A gives charity to a needy person B. The needy i.e. B himself may voluntarily tell other people about the A's act. Though B is not obligated to do so, nonetheless, it is a norm of a Muslim society or any other society for that matter that people does praise such people. Likewise, fulfilling their religious responsibility of helping others will please Allah too. On the contrary, a person who does marketing about such acts is considered as immoral attracting worldly fame. People believe that such

acts are evoked due to mere external stimuli of enhancing their public image or any other instrumental purpose.

#### **4. CSR, attribution theory and Islamic perspective of doing good combined**

By combining the argument of CSR from attribution theory's perspective with the Islamic perspective of doing good, we would like now to distinguish the CSR practices that may evoke positive reactions from the negative ones. As explained earlier that people judge others' behaviours and the causes behind such acts i.e. causal judgments. If they attribute these acts to other person's ability and effort with no situational pressure then it will be considered as moral and intrinsically induced behaviour.

The commonality between the Islamic perspective of doing good and the attribution theory's perspective (Kelley, 1967) is that acts are performed with two types of intentions i.e. a moral intention and an instrumental intention. A moral intention from Islamic perspective is considered as genuine act for doing good to please Allah. Therefore, it works like a double edge sword for them i.e. fulfilling their moral responsibility of helping the needy, which brings a good name to them in this world (as explained earlier) as well as pleasing Allah Who will reward them for these good deeds in the hereafter too. Similar psychological mechanism will be employed by the people (i.e. stakeholders - employees, customers, investors etc.) while judging the locus of causality of CSR practices of an organization (considered as a party/person). Therefore, CSR practices that are attributed to genuine efforts and abilities of the organizations to do good will be considered as moral and intrinsically induced motives (Du et al. 2011). For example, an organization claiming to be responsible treats its employees fairly, offers a return policy on products, takes credible steps towards carbon omission and values all the stakeholders equally. Subsequently, such activities will enhance positive dispositions of people (stakeholders) which will evoke positive reactions in return. Hence, we contend that intrinsic CSR practices will evoke positive dispositions and therefore positive returns in the form of enhanced brand reputation (Cravens & Plercy, 2015), customer satisfaction (Yoon et al. 2006) and employees' job satisfaction (Vlachos et al. 2013a) etc. Thus, we propose the following propositions:

***Proposition 1:*** *Not all CSR practices will evoke positive reactions as the mainstream CSR literature proposes.*

***Proposition 2:*** *Attributing CSR practices towards intrinsic causes i.e. intrinsic CSR will enhance positive dispositions.*

**Proposition 3:** *Positive dispositions will be translated to positive reactions from the stakeholders such as enhanced corporate reputation, customers' satisfaction, investors' confidence and employees' job performance etc.*

On the other hand, if an organization is involved in CSR practices which contradicts its claims, for example, if it does not offer proper development opportunities and maintains poor health, safety and unhygienic conditions for employees or adopts a strict no return policy for customers (Bauman & Skitka, 2012) etc., whereas, contributes in those charitable giving only which draw media attention, will be considered as immoral. The locus of causality of such CSR practices will be attributed towards situational or instrumental factors (Martinko et al. 2011) e.g. the pressure from competition, media attention or claiming tax rebates against such acts etc. From Islamic perspective, such acts will be considered as show off (*riy'ā*) which is a serious sin. People will think that this organization is not moral. Similarly, the attribution theory suggests that such CSR practices will be attributed to extrinsic causes and greenwashing i.e. 'an exploitation of a sacred cause' (Lange & Washburn, 2012) which will eliminate positive dispositions. Therefore, we contend that CSR practices which are attributed to extrinsic causes i.e. extrinsic CSR will eliminate positive dispositions and draw frustration and anger among people. This frustration may affect people's confidence over the organization and may negatively affect organizational' reputation (Cravens & Plercy, 2015), customers' satisfaction (Yoon et al. 2006) and employees' job performance, etc. Therefore, we propose that

**Proposition 4:** *Attributing CSR practices towards extrinsic causes i.e. extrinsic CSR will eliminate positive dispositions.*

**Proposition 5:** *Elimination of positive dispositions will be translated into negative reactions from the stakeholders such as reduction in corporate reputation, customers' satisfaction, investors' confidence, employees' job performance, etc.*

## **5. Implications and Future Research Directions**

### **5.1 Theoretical Implications**

The aim of this study was to theoretically extend the existing body of knowledge on the notion of CSR by offering an alternative mechanism. To this end, we attempted to address some key omissions in the extant literature as well as offer some new insights which will hopefully open up new avenues for future research. In so doing, several theoretical implications can be noted from our study.

Most of the existing studies on CSR have only studied the positive effects of this notion. For example, the micro level studies in particular such as De Roeck et al. (2014) and Vlachos et al. (2013b) found the positive impact of CSR on job satisfaction; Hansen et al. (2011) found that CSR reduces turnover intentions; Ahmad et al. (2014) found positive impact on job performance; and van Prooijen & Ellemers (2015) found positive impact on organizational attractiveness etc. Challenging the line of thinking that all CSR practices will lead to positive outcomes, we contend that it may not be the case always. We build our argument by looking into the past literature where authors suggest toward the ‘dark side’ of CSR (Rupp & Mallory, 2015, p. 6.2), ‘green-washing and exploitation of a sacred cause’ (Lange & Washburn, 2012) and the argument of Yoon et al. (2006) who argued that some CSR practices may lead to negative reactions etc. We further supported our case by building our argument based on the attribution theory (Kelley, 1967) which draws a clear distinction between the different attribution styles.

We also consulted the religious scriptures of Islam i.e. Qur’ān and *ḥadīth*. This huge untapped body of knowledge with numerous potential implications for business studies has been consulted for the first time from CSR’s perspective. Consulting all these sources and bringing them together clearly draws a distinction between CSR practices which may evoke positive reactions from those which may eliminate positive dispositions and enhance the chances of negative reactions. Such distinction has never been presented in past CSR related studies and therefore, our study certainly contributes to extend the CSR literature in this dimension too.

In so doing, we have also offered an alternative conceptualization to the CSR model of intrinsic and extrinsic attributions. Past studies largely ignored this dimensions despite its relevance and practicality. We contend that intrinsic CSR practices will be considered as genuine in fulfilment of organizational moral obligations; therefore, they will evoke positive dispositions. Positive dispositions will then be translated into positive outcomes. On the other hand, extrinsic CSR practices will be attributed more toward situational factors, instrumental purposes and a weak moral behaviour. Such practices will eliminate the positive dispositions which will eventually enhance rage, anger and frustration i.e. negative outcomes.

## **5.2 Managerial Implications**

Several managerial implications can also be noted from this study. First, the clear distinction between the good CSR practices with positive outcomes and bad CSR practices with negative outcomes may



fundamentally change the attitude of managers towards this notion. Hence, we argue that not all CSR practices will evoke positive reactions; and therefore, managers should be very careful in designing different CSR programs. They must thoroughly analyse a CSR idea from different perspectives to know exactly what consumers and other stakeholders actually value.

Similarly, managers must also think about their communication strategies of CSR. As explained earlier, stakeholders make causal judgments; therefore, caution must be observed while designing such strategies in order to avoid the attributions toward show off and morally weak attitude. For this purpose, they must also fulfil their commitments and walk the talk. There must be no contradictions between what the organizations claim to be and what they actually do. A slight suspicion in this regard may cause a huge dent in their corporate reputation.

Likewise, organizations operating in Muslim majority countries in particular must be cautious about the marketing of CSR programs. A more good idea would be that the beneficiaries of CSR should market the organization's contributions. Similarly, in order to encourage such genuine CSR programs, governments must also step in and recognize the efforts of such corporations by rewarding them and offering them tax rebates, etc. However, these favours must be done after thorough third party verification processes to filter out those organizations which are indulging for green-washing with no real intention of doing good.

Finally, a complete rethinking towards the notion of CSR is needed. CSR is not limited towards just philanthropy or charitable giving. It must be supported and designed at the top with the backing of executives. A more strategic focus is the need of the time as argued by many authors and leading journals that the notion can give competitive advantage (Economist, 2008; Porter & Kramer, 2006).

### **5.3 Limitations and Future Research Areas**

Since this is a theoretical study; therefore, empirical research may be needed to validate the propositions. Furthermore, our propositions are based on the perspective of the religion of Islam; to further validate these propositions, future studies from this perspective may be needed not only in the Muslim majority countries but also in the western world i.e. US and EU. Likewise, since past studies were only focused on the positive outcomes of CSR, future research may be needed to clarify whether there is a need to relook to the whole paradigm of CSR or not?

## References

- Aguinis H. (2011). Organizational responsibility: Doing good and doing well. In Zedeck S (Ed.), *APA handbook of industrial and organizational psychology*, (Vol. 3, pp. 855–879). Washington, DC: American Psychological Association.
- Aguinis, H., & Glavas, A. (2012). What we know and don't know about corporate social responsibility: A review and research agenda, *Journal of Management*, 38, 932–968.
- Aguinis, H., & Glavas, A. (2013). Embedded versus Peripheral Corporate Social Responsibility: Psychological Foundation, *Industrial and Organizational Psychology: Perspectives on Science and Practice*, 6, 314-332.
- Ahmad, I., Shehzad, K., & Zafar, A. M. (2014). Impact of CSR perceptions on Dimensions of Job Performance with Mediating Effect of Overall Justice Perception, *European Journal of Business & Management*, 6 (20). 94-108.
- Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of Management Review*, 14(1): 20-39.
- Bauman, C.W., & Skitka, L.J. (2012). Corporate Social Responsibility as a source of employee satisfaction, *Research in Organizational Behavior*, 32 (2012) 63-86.
- Blau, P. (1964). *Exchange and power in social life*. New York, NY: Wiley publishers.
- Bukhari, I. (194 A.H – 256 A.H). *Sahih Bukhari*, Vol. 8, Book 76, *ḥadīth* 506.
- Bukhari, I. (194 A.H – 256 A.H). *Sahih Bukhari*, Vol. 1, Hadith 1.
- Burton, J. P., Taylor, S. G., & Barber, L. K. (2014). Understanding internal, external and relational attributions for abusive supervision. *Journal of Organizational Behavior*, 35, 871-891.
- Carroll, A.B. (1991). The pyramid of corporate social responsibility: toward the moral management of organizational stakeholders, *Business Horizons*, Jul-Aug, 42.
- Cravens, D.W., & Plercy N. G. (2015). *Strategic Marketing*, Pearson Education Inc
- De Roeck K, & Delobbe N. (2012). Do environmental CSR initiatives serve organizations' legitimacy in the oil industry? Exploring employees' reactions through organizational identification theory, *Journal of Business Ethics*, 110, 397–412.

- De Roeck, K., Marique, G., Stinglhamber, F., & Swaen, V. (2014). Understanding employees' responses to corporate social responsibility: mediating roles of overall justice and organizational identification. *International Journal of Human Resource Management*, 25(1), 91-112.
- Du, S., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning, *International Journal of Research in Marketing*, 24(3), 224-241.
- Du, S., Bhattacharya, C. B., & Sen, S. (2011). Corporate social responsibility and competitive advantage: Overcoming the trust barrier, *Management Science*, 57(9), 1528-1545.
- Economist*, (2008). Just good business. Special report on CSR. January, 19<sup>th</sup>.
- El-Akremiti A., Gond, J. P., Swaen, V., De Roeck, K., & Igalens, J. (2015). How do employees perceive corporate social responsibility? Development and validation of multidimensional corporate stakeholder responsibility scale, *Journal of Management*, doi: 10.1177/0149206315569311
- Farooq, O., Payaud, M., Merunka, D., & Vallete-Florence, P. (2013). The Impact of Corporate Social Responsibility on Organizational Commitment: Exploring Multiple Mediation Mechanisms, *Journal of Business Ethics*, DOI: 10.1007/s10551-013-1928-3.
- Fernando, A.C. (2006). *Corporate Governance, Principles, Policies and Practices*, Pearson
- Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Boston: Pitman.
- Gond, J-P., El-Akremiti, A., Igalens, J., & Swaen, V. (2010). Corporate Social Responsibility Influence on Employees, *International Center for Corporate Social Responsibility*, No. 54-2010, ISSN 1479-5124.
- Hansen, S. D., Dunford, B. B., Boss, A. D., Boss, R. W., & Angermeier, I. (2011). Corporate social responsibility and the benefits of employee trust: A cross-disciplinary perspective. *Journal of Business Ethics*, 102(1), 29-45.
- Harvey, P., Madison, K., Martinko, M., Crook, R. T., & Crook, A. T. (2014). Attribution theory in the organizational sciences: The road traveled and the path ahead, *Academy of Management Perspectives*, Vol. 28 (2), 128-146.
- Heider, F. (1958). *The psychology of interpersonal relations*. Hillsdale, NJ: Lawrence Erlbaum Associates

- Jones, P. Hillier, D. & Comfort, D. (2014). Assurance of the leading UK food retailers' corporate social responsibility/sustainability reports. *Corporate Governance*, 14:130–38
- Kelley, H. H. (1967), Attribution theory in social psychology. In D. Levine (Ed.), *Nebraska symposium on motivation*: Lincoln: University of Nebraska Press.
- Kelley, H. H. (1973). The processes of causal attribution. *American Psychologist*, 28, 107–128.
- Lange, D., & Washburn, N. T. (2012). Understanding attributions of corporate social irresponsibility, *Academy of Management Review*, 37, 300–326.
- Loannou, L., & Serafeim, G. (2012). What drives corporate social performance? The role of nation-level institutions. *Journal of International Business Studies*, 43(9), 834–864.
- Maignan, I., & Ferrell, O. C. (2001). Antecedents and benefits of corporate citizenship: an investigation of French businesses. *Journal of Business Research*, 51(1): 37-51.
- Martinko, M. J., Douglas, S. C., & Harvey, P. (2006). Attribution theory in industrial and organizational psychology: A review. In Hodgkinson, G. P. & Ford, J. K. (Eds.), *International review of industrial and organizational psychology* (Vol. 21, pp. 127–187). Chichester, UK: Wiley.
- Martinko, M., Moss, S., Douglas, S., & Borkowski, N. (2007). Anticipating the inevitable: When leader and member attribution styles clash. *Organizational Behavior and Human Decision Processes*, 104, 158–174.
- Martinko, M. J., Harvey, P., & Dasborough, M. T. (2011). Attribution theory in the organizational sciences: A case of unrealized potential. *Journal of Organizational Behavior*, 32(1), 144–149.
- Masnad Ahmad, Hadith, 23119. Available [Online] at: <https://islaahh.wordpress.com/2012/12/05/riyakari-showing-off-in-worship/> Date visited: 01/04/2016
- Morgeson, F. P., Aguinis, H., Waldman, D. A., & Siegel, D. S. (2013). Extending corporate social responsibility research to the human resource management and organizational behavior domains: a look to the future, *Personnel Psychology*, 66(4): 805-824.
- Muslim, I. (Unknown). *Sahih Muslim*. Book 42, *ḥadīth* 7115.

- Peloza, J. (2009). The challenge of measuring financial impacts from investments in corporate social performance, *Journal of Management*, 35, 1518–1541.
- Porter, M. E., & Kramer, M. R. (2006). Strategy and society. The link between competitive advantage and corporate social responsibility, *Harvard Business Review*, 12: 78-92.
- Qur'ān, *Sūrah al-Mā'ūn*, Chapter 107: Verse 4 – 7.
- Ross, L. (1977). The intuitive psychologist and his shortcomings: Distortions in the attribution process. In L. Berkowitz (Ed.), *Advances in experimental social psychology*, 10: 174-221, New York: Academic Press.
- Rupp, D.E., Ganapathi, J., Aguilera, R.V., Williams, C.A. (2006). Employee reactions to corporate social responsibility: an organizational justice framework, *Journal of Organizational Behavior*, 27:537–43.
- Rupp, D. E., Shao, R., Thorton, M. A. and Skarlicki, D. P. (2013). Applicants' and employees' reaction to corporate social responsibility: The moderating effects of first-party justice perceptions and moral identity, *Personnel Psychology*, 66, 895-933.
- Rupp, D.E., Mallory, B.D. (2015). Corporate Social Responsibility: Psychological, Personal-Centric and Progressing, *The Annual Review of Organizational Psychology and Organizational Behavior*, 2:6.1–6.26.
- Spence, M. (1973). Job market signaling. *Quarterly Journal of Economics*, 87: 355-374.
- van Prooijen, A. M., & Ellemers, N. (2015). Does It Pay to Be Moral? How Indicators of Morality and Competence Enhance Organizational and Work Team Attractiveness, *British Journal of Management*, 26, 225-236.
- Vlachos, P.A., Panagopoulos, N.G. & Rapp, A.A. (2013a). Feeling Good by Doing Good: Employee CSR-Induced Attributions, Job Satisfaction and the Role of Charismatic Leadership, *Journal of Business Ethics*, DOI: 10.1007/s10551-012-1590-1.
- Vlachos, P.A., Epitropaki, O., Panagopoulos, N.G., & Rapp, A.A. (2013b). Causal Attributions and Employees Reactions to Corporate Social Responsibility, *Industrial and Organizational psychology: Perspective on Science and Practices*, DOI: 10.1111/iops.12061
- Weiner, B. (1985). An attributional theory of achievement motivation and emotion. *Psychological Review*, 92(4), 548–573.

- Weiner, B. (1986). *An attributional theory of motivation and emotion*. New York: Springer-Verlag.
- Weiner, B. (1995). *Judgments of responsibility: A foundation for a theory of social conduct*. New York: Guilford Press.
- Weiner, B., Frieze, I., Kukla, A., Reed, L., Rest, S., & Rosenbaum, R. M. (1971). *Perceiving the causes of success and failure*. Morristown, NJ: General Learning Press.
- Yoon, Y., Gu'rhan-Canli, Z., & Schwarz, N. (2006). The effect of corporate social responsibility (CSR) activities on companies with bad reputations, *Journal of Consumer Psychology*, 16(4), 377–390.
- Zakariya, A. M. (Unknown). Riyad Us Saliheen, Prohibition of Show-off, Chapter 288. *ḥadīth* No. 1617. Pp. 693-694.