

The Effect of Corporate Social Responsibility in the National Commercial Bank in Saudi Arabia

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Abstract : The aim of the paper is to investigate the effect of corporate social responsibility (CSR) on the National Commercial Bank (NCB) in Saudi Arabia. In order to achieve this, a case study was made of the CSR activities of this bank from the perspective of its branch managers. The NCB was chosen as it was one of the first Saudi banks to engage in CSR and currently has a wide range of CSR initiatives. A qualitative research method was used. Open-ended questionnaires were administered to eighty branch managers of the NCB, with fifty-five usable questionnaires returned and twenty managers were interviewed as part of the primary research. Data from both questionnaires and interviews were analysed using qualitative content analysis. Six themes emerged from the questionnaire findings were used to develop the interview questions. These themes are the following: Awareness of employees about CSR in the NCB; CSR activities as a type of investment; Government and media support; Increased employee loyalty in the NCB; Prestige and profit to the NCB; and View of CSR in Islam. This paper makes a theoretical contribution in that it investigates and increases understanding of the effect of CSR on the NCB in Saudi Arabia. In addition, it makes a practical contribution by making recommendations which can support the development of CSR in the NCB. A limitation of the paper is that it is a case study of only one bank. It is therefore recommended that future research could be conducted with other banks in Saudi Arabia, or indeed, with a range of other types of firm within the financial services area in Saudi Arabia. In this way, the same issues could be explored but with a greater potential generalisability of findings of CSR within the Saudi Arabian financial services industry. In addition, this paper takes a qualitative approach and it is suggested that future research be carried out using mixed methods, which could provide a greater depth of analysis.

Keywords : branch managers, corporate social responsibility, national commercial bank, Saudi Arabia

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