Corporate Responsibility and Corporate Reputation: Case of Gulf Petroleum & Investment Company

Arpita Dutta(1) and Amir Imeri(2)

AMA International University, Bahrain


Abstracts: Corporate Social Responsibility is “the responsibility of enterprises for their impact on society”. “An enterprise should have in place a process to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders”. As such, the main idea of this research is to examine the link between CSR dimensions and reputation of oil company, GPIC in the kingdom of Bahrain. This study also has integrated two theories, namely the RBV and the Stakeholder theory. The congruence model used was inspired by combining the theories, in order to study the effects of CSR on company reputation. The data for this study was analyzed, using SPSS 17. Descriptive, correlation and were run to test these hypotheses. The study found Ethics, and philanthropic had a direct significant relationship with company performance. The following conclusion was drawn based on the extracted results: there is very strong reliability in the data among all variables, the respondents confirmed the effectiveness of all variables, there are significant relationships between independent variables and dependent variables. Theoretical, practical and managerial implementations are also discussed, along with suggestions for future research avenues. The way GPICs follows its environmental policy, the way they take care and treat their and local communities are all part of their overall behaviour and this in turn has formed their public image. Studies have proved again and again that public image gets created because of company behaviour, hence business ethics influences public image. Public image is important factor for the growth and success in most cases, This study proved that any company that wants to expand and grow should have a strong sense of business ethics. The concept of social responsibility has turned out to be a significant theme in the global business. This could be accepted as the main motive for the competitive advantage for all companies worldwide.

Keywords: Corporate Social Responsibility, Company Reputation, Philanthropic, Ethic, Legal.

Introduction

Corporate Social Responsibility (CSR) is a vital component in the commerce world. It is generally believed that corporations are all interested in profit-gaining, and they care less about people, ecology, and civil liberty issues. In fact, these days the belief has changed. The entrepreneurs want to wipe away the pessimistic picture and establish that with their actions. More and more organizations are getting involved in socially responsible activities. Both small and medium sized enterprises are now working hard to establish various initiatives where equilibrium can be attained in areas of economic gains and community welfare.

The perception of social responsibility has developed in magnitude and worth. There
are more definitions of Corporate Social Responsibility. According to the EU, Corporate Social Responsibility is “the responsibility of enterprises for their impact on society”. “An enterprise should have in place a process to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders”. There are various dimensions that characterize CSR. Most importantly they are: stakeholder aspect, social aspect, economic aspect, voluntariness aspect and ecological aspect.

The concept of an organization's reputation depends on “the set of values and principles employees and managers associate with the company”. Reputed organizations focused on the following uniqueness:

a) Distinctiveness  b) focus  c) consistency  
d) identity  e) transparency

According to a different study: kindness, emotional identification, and linking with capability, the excellence of services and products delivered were seen “as the important components of knowledge and emotions held by various stakeholder groups concerning characteristic of a company and its actions”. Reputation was also seen by some people as an agreement about how a company will perform in any given condition. Company reputation also means combined findings of an organization based on analysis of the economic, social, and environmental effects credited to the organization overtime. Corporate identity results also from the analysis of employees of how outsiders perceive their organization. A study identified trust as social and relational and confidence as instrumental and calculative.

It is a known fact that good reputation brings about business success. Therefore the need of the hour is to adopt social responsibility which definitely acts as a key feature to assess a company's reputation. Reputation has been identified as antecedent of social responsibility. However, issues relating to responsibility are embedded within the functional relationships that underpin business activities.

This research generally will try to find a constructive association between CSR and improvement of reputation as there are many works that establishes a link between CSR and financial outcome and, in some cases, a link between reputation measures and financial performance. A positive connection has been found between CSR and financial performance. Again there are cases where for some companies, CSR activities have a slight or harmful impact on the reputation as those companies that have very low advertisement intensity. All this which suggests that for these companies the costs sometimes are more important than benefits.

It has been widely believed that corporate social responsibility can also be associated with voluntary duties to serve environment and community. These voluntary activities improve the reputation of a company. Therefore, it will be beneficial for the companies to integrate CSR into their planning procedure to build a good reputation and increase their financial performance. Many studies also proved that corporate reputation considerably leads to long-term competitive advantages, and therefore can be considered to be an important factor of success.

These days Reputation is on the agenda of companies: 56% of the Top Management and Board of Directors believe that for every company, reputation is the main concern and is going to be a concern.

Objectives
This study has four objectives.

To look into the connection between economic responsibility and company reputation,

to analyze the connection between ethical responsibility and company reputation,

to analyze the connection between philanthropic responsibility and company reputation,
to examine the link between legal responsibility and company reputation.
Hypothesis

H1: There is a significant connection between economic and company reputation
H2: There is a significant connection between ethic and company reputation
H3: There is a significant connection between legal and company reputation
H4: There is a significant connection between philanthropic and company reputation.

Literature Review

Company Reputation

Reputation can be seen as the product of joint socially formed impressions of a company. Reputations can be seen as an asset that “generate concrete profit: improves prices for products, reduces capital and labor costs, improves loyalty of the employees towards their organization, decision making, and always proves advantageous when there is a crisis”. Therefore reputation is an indeterminate benefit with the capability for value creation.

According to a study, “reputations can form assessments of the credibility for a company” and are reflections of internal actions done within company’s which develop from various activities. Thus, reputations can be seen as having some basis in the activities of company as well perceptions of those activities is heterogeneous group of people. Being dependent on multiple perceptions of many different people, a firm’s reputation is subjective. Again it is to be noted that, reputation takes “time to form, cannot brought and is easily spoiled”. Also, reputations vary from one organization to another based on characteristics, hence, it can be said that reputation is a very intricate organizational characteristic. Corporate reputation can be studied by focusing on various reputation indexes.

A thorough research divulges that five elements of reputation need to be considered:

1. Financial performances;
2. Quality of core management;
3. Social and environmental responsibility performances;
4. Employee capabilities; and
5. The quality of the products/services provided.

Individuals consider these aspects when they assess reputation.

Many studies are prevalent on how organizations have decided to tackle reputation risk: The case of British Airports Authority point out that executives in each facet of their business, rate risks (safety, environment, financial and reputation/legal) on the basis of how likely a risk is there and the penalty of a risk. The reputation risk impact ranges from minor effect to a disastrous one.

Again it was found that risks generating from the perception of social or environmental performance could be considered a second order risk in some measurements, clearly proving that why reputation rankings appear to have a financial “halo” effect. The identification of reputation risk is very closely connected to efforts to manage such risks. However company’s today are trying hard to manage and supervise their reputation risks.

Diageo was found to be improving its reputation as a good corporate citizen” and they were found “to handle risk and manage different activities economically. This way they were able to take advantage of business opportunities, evade or lessen risks that can cause failure, reputational harm or business disappointment” there is also evidence that firms attempt to control their reputation risks by means of their CSR reports.

It is also found that a strong link exists between RRM and CSR reporting as the organizations get a warning if anything goes wrong in reputation and brand management”. It is therefore evident from various studies that one of the factors for successful business is “to have a good brand and reputation”. Though the consumers are concerned about prices of products, but they do care about social and environmental factors and it was also found that an ethical company is always preferred. A customer rewards such companies by paying a higher price and punishes unprincipled company by paying less.
On similar lines also a study proved that customers prefer companies with ‘fair and honest’ prices. Products which are ethically prepared and are sold by companies reputed for this value are selected by the customers and they forever remain loyal and promote the products of the company. In another study, it was found that an analysis of a company on its CSR activities significantly improved the assessment of the company’s product and improved the purchase intentions of the consumers, who are the most important who have immense money power.

Studies on organizations with bad reputation showed that there exist a strong link between the company and its cause. This is supported by the case of a tobacco company which as a part of their CSR activity contributes financially to cancer association than to a green cause, will drastically improve its reputation, since smoking of tobacco leads to deadly disease called cancer.

CSR have a positive impact on strategic alliances as found from many studies.

A country wide survey carried on different makes of a product concluded that competitive positioning of a brand on CSR is a chief feature in influencing the buying choice of a consumer. It has been further observed that if a brand and its consumers have same CSR beliefs then the customer will reward the brands with loyalty, against the competitors.

A strong association between awareness on CSR activities and procuring intentions of the consumers was studied in depth and it was very clearly established that the there definitely exists a optimistic relationship.

The findings of another study indicate that organizations that intend to use CSR for improving their reputation also believe in taking care of other domains like employees, customers, ecology, in their communication campaigns and market segmentation. They give importance to each domain differently and this very well reflects their outlook and beliefs.

**Company performance**

The growth and achievement of any firm depends on workplace, capital structure, information technology, corporate governance, HRM, trust, employees, ownership, customer relations management and corporate social responsibility.

The performance measurement or analysis will provide important input to the company so that it can take necessary action and enable the company to change its strategic orientation in order to ensure its success in the future. Furthermore, some other researchers stated numerous reasons to measure and analyze the performance such as to identify success, to identify where the problems exist and what necessary actions should be taken, to identify whether it meets the customer requirements or not, to help the organization understand its process, to show the improvements planned actually happened, and to ensure that critical choice are based on facts and not merely on guessing.

Measuring company performance has raised many questions by strategic management researchers on the methods of measuring performance. It is stated that performance is a multidimensional contrast in which its comprehensive understanding of the performance implication in relation to the constructs of interest cannot be explained in detail by any single index. However, company performance, on the other hand, can be measured according to many different methods.

Cash flow, employee satisfaction, and customer satisfaction are the most important things to be given importance while doing business.

**Corporate Social Responsibility (CSR)**

In previous decades, the Corporate Social Responsibility (CSR) concept has evolved to become a significant one among managers. Various views and definitions of the concept were proposed since the 1930s but the pioneering proper definition as it as the business people’s obligations to build up of plans, programmes and actions on the basis under the concept of CSR. Other research also provided a clarified description of businesses social responsibilities which include societal economical, legal, ethical, and discretionary expectations.
These four CSR areas have been repeatedly emphasized by Carroll in his articles (i.e. Carroll, 1991, 1979) which made his operationalization of the term popular in the responsibilities have been extended, businesses are now expected to carry more responsibilities.

Research Design

This study applied the quantitative method to achieve the research objectives. A survey, defined by as the distribution of questionnaires, was carried out on a chosen sample of respondents.

Section One was designed to probe the demographic and company profiles. This section was placed at the beginning.

Section Two was designed to extract information of the CSR practices in Bahrain based on four dimensions, namely ethics, legal, economics, and philanthropy responsibility. A five-point Likert scale was adopted for this section.

Section three comprised a series of questions to elicit information of the company reputation. A five-point Likert scale was adopted for this section.

Techniques of Data Analysis

To achieve the research objectives, the researcher used SPSS 19 as statistical tools to facilitate data analyses. Before running the inferential analyses, the researcher started with analysis of survey responses including response rates and profile of respondents. Then data screening performed on such issues as response bias, missing data, outliers (Mahalanobis distance), normality, linearity, and multicollinearity. All the above analysis and tests were run by using SPSS.

Findings of the study

Economic Responsibility

The employees strongly agreed that the economic measures taken by the company to carry out CSR activities in the Kingdom of Bahrain are in place and very effective. The respondents agreed that the company is performing in a manner consistent with maximizing earnings per share. GPIC is highly committed to being as profitable as possible and maintain a strong competitive position. The company is globally recognized for having a high level of operating efficiency and can without doubt be considered as a firm that is reliable as well as profitable. However, the respondents dismissed totally the idea that companies should focus more on economic returns rather than solving societal problems. They considered these types of companies suffering from bad reputation and has a negative image in the local as well as global arena.

Legal Responsibility

With a rating of above 4 in all the sub indicators, the respondents felt that GPIC is consistently performing with expectations of government and law. The company makes it a point to obey with rules and regulations of the land. And can be identified as a law-abiding corporate citizen. They all believed that a highly flourishing firm like GPIC fulfills its legal obligations and always strive to provide products and services that at least meet minimal legal requirements.

Ethical Responsibility

This variable also got a high rating of above 4, which indicates that they all believe that good corporate citizenship gives stress on doing things both morally or ethically. In moral management, ethical norms that hold on to a high standard of right manners are adopted.
morality not only believe in accepted and high levels of professional conduct, but also exit leadership based on ethical issues. Moral managers motive is to be profitable, based on fairness, justice, and due process. Law is seen by them as minimal ethical behavior and they prefer to operate well above what the law mandates. GPIC’s corporate reliability and principled behavior goes beyond mere compliance with laws and regulations and prevents ethical behavior from being compromised in order to achieve corporate goals. The respondents strongly agreed that organizations should be familiar with and value new or evolving fair moral norms adopted by society. GPIC considers it to be important to perform in a manner consistent with expectations of societal and ethical norms.

**Philanthropic Responsibility**

The respondents once again strongly agreed that organizations should base their actions with the philanthropic and charitable expectations of society. They strongly agreed to the fact that GPIC always lend a hand to the fine and performing arts. All the employees whole heartedly participate in voluntary and charitable activities for the Bahraini communities. GPIC also provides a lot of support to private and public educational institutions. And assists voluntarily those projects that enhance quality of life of the citizens of the country. This is the way the company strives to follow its values and goals which are the pillars of success for the company.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>EMPLOYEES</th>
<th>CUSTOMERS</th>
<th>Composite</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>WM</td>
</tr>
<tr>
<td>1</td>
<td>The reputation and business success went hand in hand the last year.</td>
<td>4.81</td>
<td>4.81</td>
</tr>
<tr>
<td>2</td>
<td>The company’s product and the purchase intentions of the consumers improved after the firm undertook CSR activities</td>
<td>4.39</td>
<td>4.40</td>
</tr>
<tr>
<td>3</td>
<td>The economic and social performance is better than their competitors.</td>
<td>4.37</td>
<td>4.40</td>
</tr>
<tr>
<td>4</td>
<td>Companies return on assets increased in the last year with improved reputation</td>
<td>4.51</td>
<td>4.52</td>
</tr>
<tr>
<td>5</td>
<td>The company’s reputations have improved the credibility of the company</td>
<td>4.83</td>
<td>4.84</td>
</tr>
<tr>
<td>6</td>
<td>The company manages the reputation risks by means of CSR reports</td>
<td>4.13</td>
<td>4.20</td>
</tr>
<tr>
<td>7</td>
<td>The company’s corporate reputation considerably contributed to long-term competitive advantage</td>
<td>4.58</td>
<td>4.58</td>
</tr>
<tr>
<td>8</td>
<td>The company’s adoption of CSR into the planning process in order to build a good reputation</td>
<td>4.58</td>
<td>4.62</td>
</tr>
<tr>
<td>9</td>
<td>The company’s good corporate citizenship has helped in improving the image of the company</td>
<td>4.57</td>
<td>4.59</td>
</tr>
<tr>
<td>10</td>
<td>The company provides assistance to private and public educational institutions and work for charitable institutions and try to bring about sustainable development in the country</td>
<td>4.72</td>
<td>4.74</td>
</tr>
<tr>
<td><strong>OVERALL WEIGHTED MEAN</strong></td>
<td><strong>4.55</strong></td>
<td><strong>4.57</strong></td>
<td><strong>4.15</strong> EFF AGREE</td>
</tr>
</tbody>
</table>

Table 1: Reputation and CSR

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It is therefore evident from various studies that one of the factors for successful business is “to have a good brand and reputation. Though the consumers are concerned about price but they do care about many factors and it was also found that an ethical company is always preferred. A customer rewards such companies by paying a higher price, and punishes unprincipled company by paying less.

On similar lines also a study proved that customers prefer companies with ‘fair and honest’ prices. Products which are ethically prepared and are sold by companies reputed for this value are selected by the customers and they forever remain loyal and promote the products of the company. In another study it was found that an analysis of a company on its CSR activities significantly improved the assessment of the company’s product and improved the purchase intentions of the consumers, who are the most important who have immense money power.

**Summary of The Above Tables**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal</td>
<td>3.816</td>
<td>.7055</td>
<td>100</td>
</tr>
<tr>
<td>Ethic</td>
<td>4.078</td>
<td>.4126</td>
<td>100</td>
</tr>
<tr>
<td>Economic</td>
<td>4.383</td>
<td>.2507</td>
<td>100</td>
</tr>
<tr>
<td>Philanthropic</td>
<td>4.611</td>
<td>.4027</td>
<td>100</td>
</tr>
</tbody>
</table>

**Table2: Summary of Legal, Ethical, Economic and Philanthropic Responsibilities and CSR**

In this study, the Means for variables like Ethical Responsibility, Economic Responsibility, Philanthropic responsibility, Legal, and Company Reputation are more than 4.3 in the 5points-Likert-scale; which means that the respondents confirmed the effectiveness of these variables in contributing towards Company performance, which in turn will enhance the reputation of the company. This finding supports the study that “reputations can form assessments of the credibility for a company” and are reflections of internal actions done within company’s which develop from various responsibilities like legal, ethical, Economic and Philanthropic.

The above findings rightly prove that the ideal role played by GPIC has fulfilled its four main responsibilities, namely, (a) ethical, (b) economic, (c) legal, and (d) discretionary (or philanthropic) and definitely through its noteworthy initiatives and programmes, has helped enhance the brands reputation not only in Bahrain but worldwide. Not only improved the reputation of the company amongst the customers but also helped in making their employees proud of the organization. All these have indirectly lead to reducing the operating costs . Corporate Social Responsibility has in fact been considered by the company as one of the pillars for the company’s success locally as well as globally.

Standard Deviation always measures how concentrated the data are around the mean; the more concentrated, the smaller the standard deviation. The smallest possible value for the standard deviation is 0, and that happens only in contrived situations where every single number in the data set is exactly the same (no deviation). Thus, this study has the smallest standard deviation of Economic Responsibility is: 0.2507 and the largest one of legal is: 0.7055.

**Correlation**

<table>
<thead>
<tr>
<th></th>
<th>Reputation</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic</td>
<td>Correlation</td>
<td>-.004</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.974</td>
<td>Correlation is not significant</td>
</tr>
<tr>
<td>Ethics</td>
<td>Correlation</td>
<td>.262</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.012*</td>
<td>Correlation is significant</td>
</tr>
<tr>
<td>Legal</td>
<td>Correlation</td>
<td>.183</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.083</td>
<td>Correlation is not significant</td>
</tr>
<tr>
<td>Philanthropic</td>
<td>Correlation</td>
<td>.219</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.037*</td>
<td>Correlation is significant</td>
</tr>
</tbody>
</table>

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

**Table3 : C0-relation Statistics**

**Hypothesis Testing**

H1: Result revealed that the proposed relationship between legal and company reputation was not significant ($β = .183$, $t = .083$) and hence the hypothesis was not supported.
H2: ethics and company reputation shows significant relationship ($\beta = .262, t = .012^*)$ and hence the hypothesis was supported.

H3: economic responsibility does not influence company reputation ($\beta = -.004, t = .974$) and hence the hypothesis was not supported.

H4: philanthropic shows significant relationship with company reputation($\beta = .219, t = .037^*$) and hence the hypothesis was supported.

Ethics and Reputation

It is impossible to discuss reputation without considering the link between business ethics and public image. Public views the corporations based on the image they have created in the market. The findings proved that GPICs good image both locally as well as globally are actually the result of the way in which the company acts with respect to the different things around it. The way GPICs follows its environmental policy, the way they take care and treat their and local communities are all part of their overall behavior and this in turn has formed their public image. Studies have proved again and again that public image gets created because of company behavior, hence business ethics influences public image since they determine the behavior. Public image is important factor for the growth and success in most cases. This study proved that any company that wants to expand and grow should have a strong sense of business ethics. Companies with strong reputations in the field of ethical business behavior attract and obtain more investment from people that are new into the market. A strong tradition of ethical business behavior definitely helps in enhancing the reputation of the company.

It is therefore rightly said that social responsibility is the decisions and actions of the businessmen taken to achieve the company direct economic and technical obligations [Auger et. Al, 2003; Andriof and Waddock; 2002]. Since the extent of business responsibilities have been extended, businesses are now expected to carry more responsibilities, because it is felt that reputation is a very important asset for a company and really difficult to rebuild should it be lost.

Similarly, another study also contended that businesses have responsibilities towards society that exceeds that of economic and legal obligations (Deephouse and Carter; 2005) because social responsibility can be considered as an obligation of a person to think about the impact of his choices and actions upon the entire social system [Barnett, 2007]. The study rightly supports the idea that Ethics is a crucial component of individual and group behaviors and is at the heart of GPICs responsibilities.

Philanthropy and Reputation

According to a study, positive view of philanthropy and corporate citizenship ideas is directly correlated with overall business value.

Customers hold positive approach toward all types of corporate giving; however, more consumers favor all those companies that have non-purchase-based giving programs versus other forms of corporate charitable support. The study therefore supported the fact that consumers favor GPIC over other companies that give based on profits as compared with companies that give based on purchases. Moreover customers have a strong belief that GPIC's primary motivation for the purchase-based giving was to benefit the charity.

Therefore, there is no surprise that GPIC is well known for dedicated corporate citizenship efforts and initiatives.

Through its broader corporate citizenship programs, the company has experienced extremely positive impacts on their reputation because of engaging, proactive CSR campaigns. Privacy policies, environmentalism, ethics, supply chain, human rights, or good governance, are very important and critical issues and every company should take meaningful action in this field.

For supporting volunteerism and employee giving, it is necessary to develop a culture of proactive giving from the top down. There is no

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doubt that GPIC balances the efforts between a focus area and actively encouraging employees to follow their own passions.

Summary of Findings

The study found that economic measures taken by the company to carry out CSR activities in the Kingdom of Bahrain are in place and very effective. The respondents agreed that the company is performing in a manner consistent with maximizing earnings per share. GPIC is highly committed to being as profitable as possible and maintain a strong competitive position. The company is globally recognized for having a high level of operating efficiency and can without doubt be considered as a firm that is reliable as well as profitable. However, the respondents dismissed totally the idea that Companies should focus more on economic returns rather than solving societal problems. They considered these types of companies suffering from bad reputation and has a negative image in the local as well as global arena.

With respect to Legal responsibility of GPIC, the respondents felt that GPIC is consistently performing with expectations of government and law. The company makes it a point to obey with rules and regulations of the land. And can be identified as a law-abiding corporate citizen. They all believed that a highly flourishing firm like GPIC fulfills its legal obligations and always strive to provide products and services that at least meet minimal legal requirements.

The study on Ethical responsibility indicates that the respondents believe that good corporate citizenship gives stress on doing things both morally or ethically. In moral management, ethical norms that hold on to a high standard of right manners are adopted. Managers who give importance to morality not only believe in accepted and high levels of professional conduct, but also exhibit leadership based on ethical issues. GPIC’s corporate reliability and principled behavior goes beyond mere compliance with laws and regulations and prevents ethical behavior from being compromised in order to achieve corporate goals.

With respect to Philanthropic responsibility, the study found that GPIC always lends a hand to the fine and performing arts. All the employees whole heartedly participate in voluntary and charitable activities for the Bahraini communities. GPIC also provides a lot of support to private and public educational institutions. And assists voluntarily those projects that enhance quality of life of the citizens of the country. This is the way the company strives to follow its values and goals which are the pillars of success for the company.

With respect to Reputation measures adopted by the company, the study rightly proves that the ideal role played by GPIC has fulfilled its four main responsibilities, namely, (a) ethical, (b) economic, (c) legal, and (d) discretionary (or philanthropic) and definitely through its noteworthy initiatives and programmes, has helped enhance the brands reputation not only in Bahrain but worldwide. Not only improved the reputation of the company amongst the customers but also helped in making their employees proud of the organization. All these have indirectly lead to reducing the operating costs. Corporate Social Responsibility has in fact been considered by the company as one of the pillars for the company’s success locally as well as globally.

Hypothesis Testing

H1: Result revealed that the proposed relationship between legal and company reputation was not significant (β = .183, t = .083) and hence the hypothesis was not supported.

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H3: economic responsibility does not influences company reputation (β = -.004, t = .974) and hence the hypothesis was not supported.

H4: philanthropic shows significant relationship with company reputation (β = .219, t = .037*) and hence the hypothesis was supported.
Conclusions

The main objective of this study was to investigate the effects of CSR on company reputation in the oil companies in the kingdom of Bahrain. Essentially, this study was greatly motivated by inconclusive findings in recent relevant literature concerning the relationship between CSR and company reputation. However, the inconsistent conclusions about this relationship have been important unresolved issues that need further examination.

Generally, CSR has been recognized, in the last few decades, to be one of the most popular and commonly practiced management philosophies adopted by companies to create a competitive advantage and enhance their overall performance and improve the reputation of the company. Moreover, extensive research work has been conducted by researchers to examine the impact of CSR practices on company reputation and competitive advantage. These extensive researches were reflected in the majority of studies examining the CSR effects in the context of all types of companies such as services, manufacturing, SMEs and the public sector companies as well.

It was clear to the researcher that achieving these objectives should help academic research to describe, understand and explain CSR practices in the Kingdom of Bahrain. Articulating the context and purpose of the project would not be enough. The researcher was aware that the rigor of his inquiry would be demonstrated by how he exposed the collected data to critique and how his conclusions would be supported by the development of usable knowledge. In order to take a proper action and have usable knowledge, the researcher had to obtain a conceptual framework that helped him measure the validity and the reliability of the findings.

Adopting a specific conceptual framework and collecting the data from the company were meant to make generalizations, which are useful insights for researchers. Having a conceptual framework was also meant to focus the scope of the research without losing sight of the emergent issues.

The following conclusion was drawn based on the extracted results:

There is very strong reliability in the data among all variables.

The respondents confirmed the effectiveness of all variables.

There are significant relationships between independent variables and dependent variables.

Recommendations

Based on the conclusion, the following recommendations are offered:

First, the researcher used only one instrument that is questionnaire survey. Thus, the researcher suggests that the qualitative method, in-depth interviews, is more suitable to measure the antecedents of CSR and the effects of CSR on company performance and among Bahrain oil companies. This can be better achieved when the researcher builds trust relationship with them.

Second, as mentioned earlier, this study has been conducted to investigate CSR only in GPIC, Kingdom of Bahrain. Therefore, future studies should increase the sample size to be more comprehensive and targeting other oil companies as well as sectors such as private companies, SMEs and maybe government agencies.

Third, as indicated earlier, research on CSR in the Arab countries has not been conducted. This is the first study about CSR and Reputation in Gulf Petroleum Investment Company in particular and Arab countries in general. Thus, the researcher suggests conducting an in-depth research in amongst oil companies in Bahrain.
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