

## The Effect of CSR on Learning and Growth Perspective in Private Universities

Fahmi Fadhl Al-Hosaini<sup>1,2</sup>

<sup>1</sup>Department of Accounting and Finance, Faculty of Management, Universiti Teknologi Malaysia, 81310 UTM Johor Bahru, Malaysia

<sup>2</sup>Department of Accounting, Faculty of Administrative Sciences, University of Science and Technology, Yemen  
Email: fhyemen@gmail.com

Saudah Sofian

Corresponding Author, Department of Accounting and Finance,  
Faculty of Management, Universiti Teknologi Malaysia, 81310 UTM Johor Bahru, Malaysia  
Email: Saudah@utm.my

Doi:10.5901/mjss.2015.v6n4s1p129

### Abstract

The assessment of the strategic goals of organisations calls for an holistic understanding of the entire workforce; moreover that the human capacity development is also crucial. Moreover, the influence and inter-relationships of the financial performance of organisations have been well documented by researchers, particularly with respect to the non-financial performances, such as Corporate Social Responsibility (CSR), Internal Business Perspective (IBP), Learning and Growth Perspective (LGP). However, the influence of these components of non-financial considerations are yet to be given adequate research attentions. Furthermore, organizations' social influence, responsibilities, and their perceptions in the operating environments on one hand have not been given the required considerations. On the other hand, the organisations' human capacity developments have not been fully documented. This paper therefore investigates the effects of CSR of organisations, such as the Yemen's Private Universities (PUs) and Higher Education Institutions (HEIs) on the LGP. To achieve these, a structured questionnaire was administered for PUs faculties using the Partial Least Square-Structural Equation Modeling (PLS-SEM). The results obtained showed that the CSR has a positive influence on the LGP. This implied that the CSR influences the innovative drives for the workforce of the PUs management teams, which could culminate into better financial status of the PUs and HEIs.

**Keywords:** Corporate Social Responsibility; Learning and Growth Perspective; Higher Education Institutions; Private Universities; Structural Equation Modeling.

### 1. Introduction

Corporate Social Responsibility (CSR), according to Vilke (2011) is an innovative strategic management tool (Vilke, 2011) that is based on value-focused change (Jones, 2005), having tangible effects on the relationships between businesses and society, for sustainable organizations governance (Vilke, 2011).

In order to assess the CSR of organisations, there must be defined guidelines or framework for a number of different CSR management (Chalmeta and Palomero (2010). Thus, there are different definitions attached to CSR literature according to different researchers. According to Panapanaan *et al.* (2003), one of the reasons that contributed to the diversities in definitions as well as vagueness of social responsibility lies with the meaning of the term itself. Although the abbreviated form of social responsibility is now well-defined in the business lexicon, the meaning of the terms remain a subject under discussion (Roberts, 2003) as it is considered in a subjective manner (Frederick, 1986), ambiguous (McWilliams and Siegel, 2001), amorphous (Margolis and Walsh, 2001), unclear (Cramer *et al.*, 2004), and convoluted (McGuire, 1963). In fact, social responsibility, as a concept, has imprecise limits and attitudes as its nature has changed ever since its conception (Hill *et al.*, 2003). Of recent, some CSR definitions have been provided through the stakeholder viewpoint by Jones (2005). Stakeholder theory has been proposed as a tool to transform the premise of abstract nature clearer (Hopkins, 2003).

The reason for the emergence of CSR lies in the fact that there are needs in the society that should be fulfilled. A corporation will emerge in order to serve its needs when societies have demands. According to Handy (2002), a community is not something to be 'possessed' and a good business is a community with a purpose. Therefore, the existence of the corporation is not only to accomplish the needs of society, but also be in charge of the society as a whole.

On the other hand, The Learning and Growth Perspective tries to address the concern of sustaining the ability of the business to change and improve over time in order to achieve the organization's vision. It measures employee capabilities, information system capabilities, motivation, and empowerment and alignment (Gokhale, 2010). Kaplan and Norton (2001) defined it as organizational practices and methods that promote a culture that inspires innovation, organizational improvement and growth. Employee growth and learning processes is an alternate use of this term.

Learning and growth are two major features that every organization's strategy should incorporate. There are different varieties of leading indicators and intangible assets that can be used to depict these features. These include (Chuang, 2007), human, information, and organisation capital, culture, alignment, and teamwork. Thus, the organization must adopt a measurement method that they want as opposed to what they can. In Kaplan and Norton (2004), the importance of this perspective is measured through the ability of organisational human capital, employees, and knowledge systems on one hand, as well as their importance in communicating value creations to the organisations, on the other.

Human capital attempts to emphasize the investment on the employees who are responsible for critical internal processes to achieve an extraordinary level. The information capital backs up the infrastructure and strategies to assist the performance of human capital. The four elements of organisational capital namely culture, alignment, leadership, and teamwork facilitate and transform the behaviour of a successful organisation that is focused on strategy (Kaplan and Norton, 2004).

It is therefore viewed in this paper that strategic management tools and frameworks could be apt and adapted to the performance evaluation of Private Universities (PUs) and HEIs so that the overall success of these organisations based on their vision and mission could be achieved.

In this paper therefore, the influence of the CSR on Learning and Growth Perspective were being investigated in the context of Private Universities (PUs) of Higher Education Institutions (HEIs) in Yemen. Thus, the subsequent sub-sections are therefore arranged as follows; literature review with respect to CSR, LGP and their inter-relationships are highlighted in the next section. This is followed by the methodology adopted using structural equation modeling (SEM). Thereafter, the results obtained are highlighted while this is followed by the discussion and conclusion section.

## **2. Related Literature Reviews and Research Hypotheses**

In this section, some of the relevant reviews of literature conducted for this study are presented involving CSR, LGP and their inter-relationships in order to investigate the effect of CSR on LGP for the case of PUs in Yemen.

### **2.1 Corporate Social Responsibility (CSR)**

Regardless of the lack of consensus among scholars about CSR definitions, current research has proposed the manner in which a company deals with the organisation-stakeholders relationship. However, there has still been little research regarding the CSR understanding. As earlier argued, organisations influence the communities by their products, processes and services. This comes as a result of their contact with key stakeholders (Hopkins, 2003). However, CSR research has been concentrated on prominent organisations while little research has been dedicated to the type and level of social responsibility in smaller organisations (Schaper and Savery, 2004; Vyakarnam *et al.*, 1997). The work has been currently confined and there is significant amount of research required (Spence *et al.*, 2003). Moreover, researchers are of the consensus that CSR research would have academic as well as professional advantages (Hornsby *et al.*, 1994). The aim of research on prominent organisations claims that CSR as it is from this perspective, is suitable to be applied on a global scale to all organisations (Wilkinson, 1999). Moreover, Amran and Devi (2007), highlighted the global trends of linking financial performance of organisations with sustainable development while in their annual reports CSR in being included with line with assessment of the financial and non-financial performance of the organisations.

Significant evidence of firms' CSR pursuits and the benefits they obtain from it has been noted in literature. According to Porter and Kramer (2002), a company benefits from the CSR investments including expenditure incurred to enhance education and local quality of life. Investments of the like may also add to the expansion of the local market and assist in minimizing corruption in the local business environment which in turn, will improve the competitive edge of the company. Several scholars, company leaders and stakeholders emphasize the significance and the advantages that can be reaped from CSR activities as explained in the preceding paragraphs.

Porter and Kramer (2006) provided reasons in support of CSR; arguing that there are moral obligation, sustainability, license to operate and reputation. Moral obligation refers to the company's obligation to be a good citizen doing what is right thing while sustainability. According to the Norwegian Prime Minister, Gro Harlem Brundtland

(definition used by the UN), is satisfying the needs of the current without having to compromise the forthcoming generations' ability to meet their needs. Meanwhile, the concept of license requires every company to have an implicit as well as explicit consent from a wide group of stakeholders to conduct business. Finally, reputation is used by several firms to make use of CSR initiatives as this could enhance the firm's image, reinforce their brand and increase stock value.

## 2.2 Learning and Growth Perspective

According to Park and Gagnon (2006), the "learning and growth perspective (organization's employees, infrastructures, and environment, and reflects employee satisfaction, motivation, empowerment, and the capabilities of employees and information systems) are argued to facilitate the performance of the other three perspectives." Whereas, the model used in Bento *et al.* (2012), showed the influence of the financial dimension on the other three perspectives, it is always being directly affected by continuous improvements.

In addition, Kaplan and Norton (2001) considered the learning and growth perspective to be related to the organisations' internal skills and capabilities. Furthermore, the following are parts of the expected possible interactions between this perspective and others. Firstly, the Learning and growth perspective's relationship to internal business process. Secondly, the internal business perspective to customer perspective. Thirdly, customer perspective to financial perspective and finally, the employee learning and growth perspective to customer perspective. These are also incorporated into the research hypotheses.

According to Glaveli and Karassavidou (2011), and Bento *et al.* (2012), there is evidence in management literature supporting the fact that the learning and growth perspective may lead to better financial results. Likewise, in Cohen *et al.* (2008), a direct relationship between learning and growth perspective on the financial perspective was established through a study involving 90 Greek companies. In addition, a significant and positive relationship between learning and growth perspective and the internal perspective that will eventually affect the customer perspective were also suggested. Also, in Bento *et al.* (2012), one of the hypotheses tested between learning and growth perspective with respect to the financial perspective shows that the learning and growth perspective had the weakest direct, positive impact on the financial perspective.

To recapitulate, it is argued that there is potential relationship between learning and growth perspective and financial performance organizations HEI in Yemen. Thus, it is included in this research theoretical framework.

## 2.3 The Relationship between Corporate Social Responsibility Perspective and Learning and Growth Perspective

Researchers have made a case for a positive relationship between CSR practices and the learning an growth perspective (Antal and Sobczak, 2005; Chang *et al.*, 2014; Chen and Hung-Baesecke, 2014). This is because CSR enhances opportunities for innovation, in support of the overall strategy of the organization. However, Gallego-Álvarez *et al.* (2011) identified negative relationship in their studies. They presented a relationship where CSR practices have a direct effect on innovation. For instance, Hillman and Keim (2001), argued that not all CSR projects create value in terms of innovation for companies because many of them increase costs. Although they can be positively valued by different stakeholder groups, stockholders may detect that their CSR and Innovation stocks' value decreases.

A number of ways though which service based learning though engagement in CSR initiatives creates a positive environment for innovation within a firm. They argue that experiences gained through engaging with communities provide an enriching opportunity for reflection and refreshment there in by stimulating innovation among employees within a firm. Employee involvement in service to communities, embedded thoughts, expressed through discussion and exploration of new ideas and propositions enhances creativity. This prepares ground for innovation and growth (Chang *et al.*, 2011). The Strategic CSR process in a firm is capable of interlocking and interlinking human capital development in a firm. This is achieved by developing employees into creative solution developers, thereby demonstrating the strategic value of CSR in innovation networks (D'amato and Roome, 2009).

Preuss (2010) contended another view by examining the link between CSR and learning and growth, and individual's willingness to be creative in going beyond the non-traditional areas, revealing that the process of CSR gives the firm an opportunity to consider the key role played by employees in these programs. Only those firms which appreciate their contribution will be able to benefit from the unique opportunity they can play in developing innovative solutions to the various challenges in the firm. Thus, the positive relation between CSR and the learning and growth perspective has been demonstrated continuously (von Weltzien Hoivik, 2011).

The intersection among CSR, Innovation, transferable knowledge and transferable learning. When companies

develop partnerships for implementing CSR programs they combine resources through which participants can receive benefits from their involvement (London, 2012). However, companies must be able to establish a learning organisation culture leveraging from CSR, empowering their human resource with sufficient skills in order for them to evolve from national to multinational organisations that tackle global responsibility. This highlights the link between CSR and Learning and Growth (Antal and Sobczak, 2005).

A survey of 462 employees reported by Chen and Hung-Baesecke (2014) of a multi-national company revealed interesting relationships between CSR and three management behavioural attributes which link CSR participation to the level of learning and growth. These attributes are role modeling, advocacy and facilitation. Further than that, the parallel application of multiple leadership styles are found to influence and generate a higher level of employee participation.

On the other hand, Gallego-Álvarez *et al.* (2011) identified a negative relationship between CSR and learning and growth. The researchers established a negative impact on the innovation within the firm, after testing the bi-directional relationship between the two variables. The implication of their findings therefore is that when CSR initiatives in the community are left hanging, they may contribute negatively to employee performance in terms of internal innovation capacity. The hypothesis being tested in this paper is formulated as follows: The CSR perspective has a direct, positive significant impact on the Learning and Growth perspectives.

### 3. Methodology

A well designed and structured questionnaire was used for data collection for this study. The respondents were the top management teams in the rank of Deans and Deputy Deans from 136 faculties for the PUs and HEIs in Yemen. This was grouped into four sections consisting of a total of 25 questions that those that were not up to the 0.7 threshold values were deleted, with a 5-point Likert scales, as adapted from Wu and Lu, (2012) for LGP while for CSR the items from Carroll (1991) and Smirnova (2012) were used, that ranged from Strongly Disagree (1) to Strongly Agree (5). Thereafter, the processed data were later analysed for PLS-SEM implementation. The objective of this paper was thereafter achieved through the regression analyses of the influence of CSR perspective on LGP perspective as originally conceptualised and hypothesized, which was later tested in order to achieve the goal of the study.

### 4. Statistical Analysis and Results

The PLS-SEM statistical analyses were implemented using SmartPLS 2.0 software for models' evaluations and fitness of the model. The fitness of the model in PLS are usually analysed through the measurement model and the structural model (Hair *et al.*, 2014; Hair *et al.*, 2011; Valerie, 2012; Chin, 1998) and are generally assessed by the following fit indices: validity and reliability of the inner model, composite reliability, average variance extracted (AVE), R square value, and bootstrapping. In this paper, the measurement model were evaluated by the measurement items of the main constructs, and with respect to these fit indices: convergent validity, discriminant validity as well as the Internal Consistency Reliability. Whereas, the structural model was assessed by R square value, Goodness of fit, and bootstrapping.

#### 4.1 Measurement Model / Outer Model

The measurement model or outer model is usually evaluated by the following fit indices: construct validity, convergent validity and discriminant validity (Hair *et al.*, 2014; Hair *et al.*, 2011; Valerie, 2012; Chin, 1998), according to the following criteria (Hair *et al.*, 2011; Hair *et al.*, 2014): factor loading  $\geq 0.70$ ; AVE value  $> 0.50$ ; consistency reliability (CR) and Cronbach's alpha values  $> 0.70$  thresholds.

##### 4.1.1 Convergent Validity

The Convergent Validity according to Hair Jr *et al.* (2014) is defined as the extent to which a measure correlates positively with alternative measures of the same construct, and could be assessed by factor loadings and the AVE values (Hair, 2010). In this paper, the Convergent Validity is shown in Table 1 and were appropriate for this investigation. All the factor loadings values for the measurement items are highly loaded and statistically significant, they are more than the required all threshold values of 0.70. Moreover, the AVE values shown are all higher than the 0.50 threshold value.

**Table 1.** Results of Factor Loading and Average Variance Extracted

Model Construct	Measurement Item / Indicators	Loading	Average Variance Extracted
Economic	Eco4	0.899	0.833
	Eco5	0.925	
Ethical	Ethic1	0.791	0.654
	Ethic2	0.762	
	Ethic3	0.835	
	Ethic4	0.798	
	Ethic5	0.839	
	Ethic6	0.824	
Learning and Growth	LGP2	0.794	0.602
	LGP3	0.754	
	LGP4	0.776	
	LGP5	0.778	
Low	L1	0.763	0.602
	L2	0.738	
	L3	0.811	
	L4	0.861	
	L5	0.716	
	L6	0.757	
Philanthropic	P1	0.761	0.618
	P2	0.808	
	P3	0.780	
	P4	0.785	
	P5	0.830	
	P6	0.761	
	P7	0.774	

#### 4.1.2 Discriminant Validity

Hair Jr et al. (2014) defined Discriminant Validity as the extent to which a construct is truly distinct from other constructs by empirical standards. This shows that the discriminant validity could be used to indicate the uniqueness of a construct and captures phenomena not represented by other constructs in the model (Hair Jr et al., 2014). Consequently, (Hair et al. (2011); Hair Jr et al. (2014)) suggested two measures for the assessment of Discriminant Validity: Cross Loading and Fornell-Larcker's 1981 criterion. Furthermore, Discriminant Validity can be deduced by using the correlation matrix, provided that the diagonal elements are the average variance square root extracted from the latent constructs. However, according to Ong'oa (2013), it could be determined by correlating the component scores of each latent variable with all other items. This means that the outer loading of an indicator on a particular construct that is greater than all of its loadings on the other constructs. Consequently, the Crossing Loadings for the Discriminant Validity is shown in Table 2.

**Table 2.** Loadings and Cross Loadings

	Economic	Ethical	Learning and Growth	Low	philanthropic
Eco4	0.899	0.414	0.480	0.372	0.246
Eco5	0.925	0.504	0.446	0.473	0.260
Ethic1	0.338	0.791	0.254	0.427	0.323
Ethic2	0.469	0.762	0.316	0.486	0.236
Ethic3	0.454	0.835	0.401	0.531	0.265
Ethic4	0.299	0.798	0.365	0.466	0.154
Ethic5	0.508	0.839	0.313	0.504	0.184
Ethic6	0.376	0.824	0.337	0.544	0.210
LGP2	0.358	0.339	0.794	0.400	0.305
LGP3	0.291	0.284	0.754	0.261	0.208

LGP4	0.449	0.314	0.776	0.359	0.361
LGP5	0.445	0.327	0.778	0.445	0.287
L1	0.256	0.489	0.377	0.763	0.195
L2	0.228	0.441	0.270	0.738	0.125
L3	0.297	0.404	0.421	0.811	0.334
L4	0.442	0.536	0.417	0.861	0.348
L5	0.424	0.436	0.253	0.716	0.175
L6	0.488	0.524	0.470	0.757	0.325
P1	0.237	0.321	0.340	0.309	0.761
P2	0.231	0.117	0.317	0.168	0.808
P3	0.285	0.271	0.325	0.286	0.780
P4	0.134	0.208	0.266	0.295	0.785
P5	0.212	0.224	0.248	0.231	0.830
P6	0.193	0.246	0.310	0.279	0.761
P7	0.230	0.135	0.282	0.235	0.774

On the other hand, the Fornell–Larcker’s 1981 criterion could also be used to depict the Correlations among Constructs and Discriminant Validity as shown in Table 3. This criterion stipulates that each latent constructs’ AVE should be higher than the constructs’ highest squared correlation with other latent construct and that the indicators’ loadings should be greater than all its cross loadings. The results obtained for this paper therefore show the appropriateness of the Discriminant Validity values for the outer model.

**Table 3.** Correlations among Constructs and Discriminant Validity

	Economic	Ethical	Learning and Growth	Low	philanthropic
Economic	<b>0.912</b>				
Ethical	0.507	<b>0.809</b>			
Learning and Growth	0.506	0.410	<b>0.776</b>		
Low	0.467	0.611	0.482	<b>0.776</b>	
philanthropic	0.278	0.284	0.381	0.333	<b>0.786</b>

#### 4.1.3 Internal Consistency Reliability

The internal consistency reliability of the model can be evaluated by composite reliability and Cronbach’s Alpha values for each construct, except for the demographic variables. Thus, on the one hand, Cronbach’s alpha and Composite Reliability values should be higher than 0.70 (Fernandes, 2012; Hair *et al.*, 1998; Hair *et al.*, 2011; Nunnally, 1978). The value of alpha coefficient of 0.70 is considered good, but if the value is more than 0.60, it is acceptable (Nunnally and Bernstein 1994; Sekaran and Bougie, 2010). This shows that an acceptable Cronbach’s alpha values in the range of (0.6 < Cronbach’s alpha < 0.7) can be declared as supported by Bhatnagar *et al.* (2014), Kline (2013), George and Mallery (2003).

Based on these fit indices criteria, the values obtained for Cronbach’s alpha and Composite Reliability for CSR and the measurement items as shown in Table 4 are all acceptable.

**Table 4.** Cronbach’s Alpha and Composite Reliabilities of Constructs

Names of Constructs	Composite Reliability	Cronbachs Alpha
Economic	0.909	0.800
Ethical	0.919	0.894
Learning and Growth	0.858	0.781
Low	0.900	0.867
philanthropic	0.919	0.897

## 4.2 Evaluation of the Structural Model (Inner Model)

The second step of analyzing in PLS-SEM is the evaluation of the structural / inner model. Thus, the analyses involve the use of the following fit indices (Awang, 2012; Chin, 2010; Fernandes, 2012; Hair *et al.*, 2013; Hair *et al.*, 2011; Masrom and Hussein, 2008): Coefficient of Determination ( $R^2$  value) and goodness of fit (GoF); as well as the final testing of the initially hypothesized relationships.

### 4.2.1 The Goodness of Model

The Goodness of the model used in this paper were the Coefficient of Determination ( $R^2$  value), and goodness of fit (GoF), as follow.

The Coefficient of Determination ( $R^2$  value), according to Hair *et al.* (2011); Hair *et al.* (2011), is considered as one of the means of evaluating the PLS-SEM structural model. However, the  $R^2$  values are considered according to research discipline. Thus, the acceptable values ranged between 0.25 to 0.75 for the management discipline, and are therefore classified as either being weak, moderate, or substantial (Hair *et al.*, 2011; Hair *et al.*, 2014). The  $R^2$  value is 0.329, and is within the moderate region. This shows that 33% of the variance in the LGP of the PUs could be explained by the CSR Perspective.

The Goodness of Fit (GoF) of the Model is the geometric mean of the AVE and the  $R^2$  and can be expressed according to this equation:

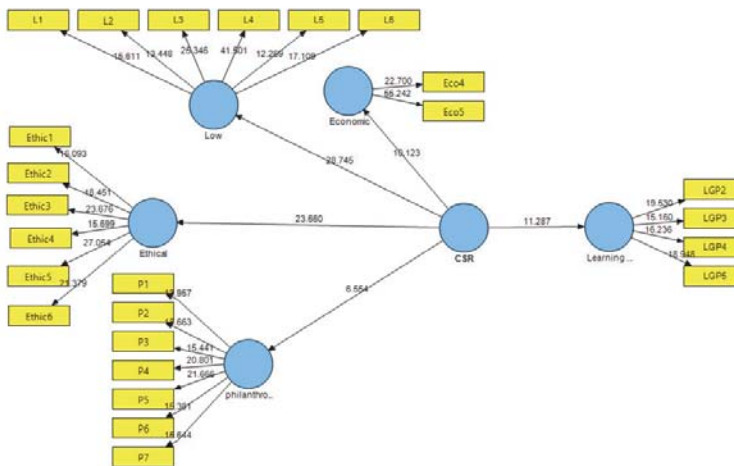
$$GoF = \sqrt{(R^2 \times AVE)}$$

Therefore, the computed GoF value is given by:  $GoF = \sqrt{(0.329 \times 0.602)} = 0.445$ .

This shows that when compared with Wetzels *et al.* (2009) threshold values (small = 0.1, medium = 0.25, and large = 0.36), the value is within the large region, since the computed value is more than the threshold value for large = 0.36.

### 4.2.2 Hypotheses Testing

This involves the assessment of the earlier postulated hypothesis by bootstrapping method in PLS-SEM. Thus, Figure 1 shows the PLS Bootstrapping (t-values) for the study model using SmartPLS software.



**Figure 1.** PLS Bootstrapping (t-values) for the study model

The results obtained are usually expressed in terms of the t-values, path coefficients, and the bootstrapping. The critical t-value obtained was above the 2.58 region with a significance level of 1% and a value of 11.287. Consequently, this shows that the relationship between CSR and LGP for the hypothesis being tested in this paper was highly significant

(Path = 0.564, t = 11.287) and therefore the hypothesis is accepted. Thus, the initial hypothesis formulated is therefore supported, which therefore shows the positive influence of CSR on LGP.

## 5. Discussion and Conclusion

The findings of this study indicate that the corporate social responsibility perspective has a direct, positive significant impact on the Learning and Growth Perspective.

CSR used in this paper has four constructs (Economic, Legal, Ethic and Philanthropic) that were used for the assessment of the indicators from the constructs, therefore they are intentionally omitted instead of repeated. This hypothesis is to investigate the direct and positive influence of CSR on Learning and Growth Perspective. Learning and Growth Perspective is concerned with how the business can accommodate changes and improvement over periods of time in order to achieve visions of organisations (Gokhale, 2010), it therefore offers the managements of the PUs opportunities to nature human training and capacity building. The employees must have the requisite skill that would make their commitment to learning to be appreciable.

In addition, the management teams of these PUs demonstrated commitments towards inspiring good and quality culture, that are being communicated to the employees, as well as in building sustainable operational benchmarks of best practices, that crosses over not only their faculties but also to other notable faculties. Through the incorporation of these indicators of Learning and Growth Perspective by the management teams of the PUs, then the employees quality goals would be affected towards better quality services to the divergent customers, which would therefore be culminate into better and improve Financial Performance.

Moreover, the findings showed that provisions of quality services and benchmarking best practices by the managements of these PUs. They are important indicators that could bring about training cultures to the customers through structured and quality training packages for both the employees and the customers as part of the Learning and Growth Perspective, would necessarily provide a window through which the CSR could be improved. The training and capacity development that are provided make the link between the managements and the employees to be translated to the customers, thereafter culminating into the positive and direct relationship between and within the elements of these two constructs.

In evaluating the measurement model estimates, quality services are provided to the employees of the PUs, resulting from the nature of the quality packages that were put in place through the Learning and Growth Perspective by the management teams. This is in form of the provision of quality services to the employees for the LGP construct. This is followed by the indicator for benchmarking, and the ability and readiness of employees to learn new things. Meanwhile, provisions of adequate CSR strategies improve the customers' perceptions towards the PUs as evident from the CSR factor loadings from all the CSR constructs. Thus, this paper highlighted that, based on the influence from the LGP, the CSR of the PUs improved the efficiency of the PUs management.

Consequently, the results obtained for this paper supported strongly the initial hypothesis being tested. Thus, this indicates that there is a strong positive and significant relationship between CSR and Learning and Growth Perspective. This is quite consistent with earlier reported studies Chang *et al.* (2014); Chen and Hung-Baesecke (2014); Antal and Sobczak (2005). However, there are other studies that reported negative relationship between CSR and Learning and Growth Perspective (Gallego-Álvarez *et al.*, 2011).

These findings would therefore be are very important in the context of the PUs in Yemen. It is important that the PUs through the CSR and Learning and Growth Perspective can lend more to the employees, in terms of human capacity development that can bring about better staff performance that will automatically affect the performance of the both the staff and the PUs. The resultant effects will lead to improved Financial Performance. Developing social skills, reducing the usual administrative button neck between management and operational staff, will avail the management to develop the employees and the entire workforce during training and development programmes.

## References

- Amran, A. B. and Devi, S. S. (2007). Corporate social reporting in Malaysia: an institutional perspective. *World Review of Entrepreneurship, Management and Sustainable Development*, 3(1), 20-36.
- Antal, A. B. and Sobczak, A. (2005). Beyond CSR: Organizational learning for global responsibility: Discussion papers/Wissenschaftszentrum Berlin für Sozialforschung (WZB), Abteilung: Innovation und Organisation, Forschungsschwerpunkt: Organisationen und Wissen.
- Awang, Z. (2012). *Structural equation modeling using AMOS graphic*: Penerbit Universiti Teknologi MARA.



- Bento, A. I., Bento, R. and White, L. F. (2012). Validating Cause-and-Effect Relationships in the Balanced Scorecard. *Cambridge Business & Economics Conference*.
- Bhatnagar, R., Kim, J. and Many, J. E. (2014). Candidate Surveys on Program Evaluation: Examining Instrument Reliability, Validity and Program Effectiveness. *American Journal of Educational Research*, 2(8), 683-690.
- Chalmeta, R. and Palomero, S. (2010). Methodological proposal for business sustainability management by means of the Balanced Scorecard. *Journal of the operational research society*, 62(7), 1344-1356.
- Chang, Y.-J., Chen, Y.-R., Wang, F. T.-Y., Chen, S.-F. and Liao, R.-H. (2014). Enriching Service Learning by its Diversity: Combining University Service Learning and Corporate Social Responsibility to Help the NGOs Adapt Technology to Their Needs. *Systemic Practice and Action Research*, 27(2), 185-193.
- Chang, Y.-J., Wang, T.-Y., Chen, S.-F. and Liao, R.-H. (2011). Student engineers as agents of change: combining social inclusion in the professional development of electrical and computer engineering students. *Systemic Practice and Action Research*, 24(3), 237-245.
- Chen, Y.-R. R. and Hung-Baesecke, C.-J. F. (2014). Examining the Internal Aspect of Corporate Social Responsibility (CSR): Leader Behavior and Employee CSR Participation. *Communication Research Reports*, 31(2), 210-220.
- Chin, W. W. (2010). How to write up and report PLS analyses *Handbook of partial least squares* (pp. 655-690): Springer.
- Chuang, M. (2007). *The Balanced Scorecard: Creating a management system for private technical universities in Taiwan*. (3243815 Ed.D.), Spalding University, Kentucky, United States. Retrieved from <https://vpn.utm.my/docview/304741860?accountid=41678> ProQuest Dissertations & Theses Full Text database.
- Cohen, S., Thiraios, D. and Kandilorou, M. (2008). Performance parameters interrelations from a balanced scorecard perspective: An analysis of Greek companies. *Managerial Auditing Journal*, 23(5), 485-503.
- Cramer, J., Jonker, J. and van der Heijden, A. (2004). Making sense of corporate social responsibility. *Journal of Business Ethics*, 55(2), 215-222.
- D'amato, A. A. and Roome, N. (2009). Leadership of organizational change toward an integrated model of leadership for corporate responsibility and sustainable development: A process model of corporate responsibility beyond management innovation: ULB-Universite Libre de Bruxelles.
- Fernandes, V. (2012). Re-discovering the PLS approach in management science. *Management*, 15(1), 101-123.
- Frederick, W. C. (1986). Toward CSR<sub>3</sub>: Why Ethical Analysis is Indispensable and Unavoidable in Corporate Affairs. *California management review*, 28(2), 126-141.
- Gallego-Álvarez, I., Prado-Lorenzo, J. M. and García-Sánchez, I.-M. (2011). Corporate social responsibility and innovation: a resource-based theory. *Management Decision*, 49(10), 1709-1727.
- George, D. and Mallery, P. (2003). *SPSS for Windows step by step : a simple guide and reference 11.0 update*. Boston: Allyn and Bacon.
- Glaveli, N. and Karassavidou, E. (2011). Exploring a possible route through which training affects organizational performance: the case of a Greek bank. *The International Journal of Human Resource Management*, 22(14), 2892-2923.
- Gokhale, A. (2010). *INCREASING EFFECTIVENESS OF THE ZACHMAN FRAMEWORK USING THE BALANCED SCORECARD*. University West Lafayette, Indiana.
- Hair, J., Anderson, R., Tatham, R. and Black, W. (1998). *Multivariate Data Analysis*. NJ: Prentice-Hall, Upper Saddle River.
- Hair, J., Ringle, C. and Sarstedt, M. (2013). Editorial-Partial Least Squares Structural Equation Modeling: Rigorous Applications, Better Results and Higher Acceptance.
- Hair, J. F., Ringle, C. M. and Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *The Journal of Marketing Theory and Practice*, 19(2), 139-152.
- Hair Jr, J. F., Hult, G. T. M., Ringle, C. and Sarstedt, M. (2014). *A primer on partial least squares structural equation modeling (PLS-SEM)*: SAGE Publications, Incorporated.
- Handy, C. (2002). What's a Business For? *Harvard business review*, 80(12), 49-56.
- Hill, R. P., Stephens, D. and Smith, I. (2003). Corporate social responsibility: an examination of individual firm behavior. *Business and Society Review*, 108(3), 339-364.
- Hillman, A. J. and Keim, G. D. (2001). Shareholder value, stakeholder management, and social issues: what's the bottom line? *Strategic Management Journal*, 22(2), 125-139.
- Hopkins, M. (2003). *The planetary bargain: Corporate social responsibility matters*: Routledge.
- Hornsby, J. S., Kuraiko, D. F., Naffziger, D. W. and LaFollette, W. R. (1994). The ethical perceptions of small business owners: A factor analytic study. *Journal of Small Business Management*, 32, 9-9.
- Jones, M. T. (2005). The transnational corporation, corporate social responsibility and the 'outsourcing' debate. *Journal of the American academy of business*, Cambridge, 6(2), 91-97.
- Kaplan, R. and Norton, D. (2004). *Strategy Maps: Converting Intangible Assets into Tangible Outcomes* (Boston, MA: Harvard Business School Press).
- Kaplan, R. S. and Norton, D. P. (2001). *The strategy-focused organization: How balanced scorecard companies thrive in the new business environment*. Harvard Business Press.
- Kline, P. (2013). *Handbook of psychological testing*: Routledge.
- Margolis, J. D. and Walsh, J. P. (2001). *People and profits?: The search for a link between a company's social and financial performance*: Psychology Press.

- Masrom, M. and Hussein, R. (2008). *User Acceptance of Information Technology: Understanding Theories and Models*: Venton Pub.
- McGuire, J. W. (1963). *Business and society*: McGraw-Hill New York.
- McWilliams, A. and Siegel, D. (2001). Corporate social responsibility: A theory of the firm perspective. *Academy of management review*, 26(1), 117-127.
- Nunnally, J. (1978). *Psychometric theory*: New York: McGraw-Hill.
- Nunnally, J. and Bernstein, I. (1994). *Psychometric theory* 3rd ed. 1994 McGraw-Hill. New York, NY.
- Panapanaan, V. M., Linnanen, L., Karvonen, M.-M. and Phan, V. T. (2003). Roadmapping corporate social responsibility in Finnish companies. *Journal of Business Ethics*, 44(2-3), 133-148.
- Park, J. A. and Gagnon, G. B. (2006). A causal relationship between the balanced scorecard perspectives. *Journal of Human Resources in Hospitality & Tourism*, 5(2), 91-116.
- Porter, M. E. and Kramer, M. R. (2002). The competitive advantage of corporate philanthropy. *Harvard business review*, 80(12), 56-68.
- Porter, M. E. and Kramer, M. R. (2006). The link between competitive advantage and corporate social responsibility. *Harvard business review*, 12, 78-93.
- Preuss, L. (2010). *Barriers to innovative SCR: the impacts of organisational learning, organisational structure and the social embeddedness of the firm*
- Roberts, S. (2003). Supply chain specific? Understanding the patchy success of ethical sourcing initiatives. *Journal of Business Ethics*, 44(2-3), 159-170.
- Schaper, M. and Savery, L. K. (2004). Entrepreneurship and philanthropy: the case of small Australian firms. *Journal of Developmental Entrepreneurship*, 9(3), 239-250.
- Sekaran, U. and Bougie, R. (2010). *Research methods for business: A skill building approach*. Wiley: London.
- Spence, L. J., Schmidpeter, R. and Habisch, A. (2003). Assessing social capital: small and medium sized enterprises in Germany and the UK. *Journal of Business Ethics*, 47(1), 17-29.
- Vilke, R. (2011). Advanced tools for community value-based change: CSR integrated Balanced Scorecard systems. *Transformations in Business and Economics*, 10(3), 172-186.
- von Weltzien Hoivik, H. (2011). Embedding CSR as a learning and knowledge creating process: The case for SMEs in Norway. *Journal of Management Development*, 30(10), 1067-1084.
- Vyakarnam, S., Bailey, A., Myers, A. and Burnett, D. (1997). Towards an understanding of ethical behaviour in small firms. *Journal of Business Ethics*, 16(15), 1625-1636.
- Wilkinson, A. (1999). Employment relations in SMEs. *Employee relations*, 21(3), 206-217.