

# The Impact of Corporate Social Responsibility on Corporate Sustainability in the Lebanese Banking Sector: The Mediating Role of Organizational Culture

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## Abstract

*This study investigates the relationships between organizational culture, corporate sustainability, and corporate social responsibility (CSR) in the banking industry in Lebanon. Utilizing an extensive dataset and applying regression and mediation analyses, the research verifies the beneficial associations between Corporate Social Responsibility (CSR) and Organizational Culture. It also confirms the distinct effects of CSR and Organizational Culture on Corporate Sustainability, as well as the intermediary function of Organizational Culture in the CSR-Corporate Sustainability relationship. The results underline the significance of developing an internal culture that is in line with CSR in order to promote sustainable growth in Lebanese banks, as well as the transformational power of socially responsible activities.*

**Keywords:** Corporate Social Responsibility, Organizational Culture, Corporate Sustainability, Banking Sector, Mediation Analysis

## Introduction

Recent observations indicate that academics and researchers have found corporate social responsibility, or CSR, to be a popular issue. It is related to a number of themes and subjects. Papers on CSR and human resources, finance, culture, leadership, and other topics were available. The subject has been illuminating and examining top-notch research papers and other scholarly works on various CSR subjects. But it was also vital to look into this in the Middle Eastern countries (Am, 2016). Instead, the emphasis ought to be on the many customs observed in Lebanon. Therefore, the current study's goal is to look at CSR procedures in Lebanon's banks. The primary goal of the research is to examine how corporate social responsibility (CSR) and corporate sustainability development (CSD) initiatives interact in order to assess how well businesses are doing. In addition, the research project will look at how cultural practices affect corporate social responsibility (CSR) and how this affects company performance in terms of sustainability. Furthermore, the present study will center on the feasibility of the chosen strategic paths and choices, which are advantageous for the Corporate Financial Sustainability. For the proper study in Middle Eastern countries like Lebanon, consideration must be given to CSR, CSD, organizational performances, adoption of strategies in CSR activities, etc. (Chlela, 2020).

The main focus of this research is how investors' and stakeholders' roles relate to corporate social responsibility (CSR). Put another way, one would be interested in learning more about what investors and stakeholders anticipate from the firms' next initiatives and how corporate social responsibility will be crucial to their bottom line. Consequently, the performance of the companies will be enhanced. Given that the emphasis is on the companies, it is essential to have a deeper understanding of the cultural practices of the firms and how they impact the enterprises' sustainability. Therefore, there has to be a connection between the company's sustainability and its

cultural practices (Naz & Bögenhold, 2020). In addition to this, studies have been conducted on the contribution that socially conscious businesses make to corporate sustainability. This indicates that businesses are making significant contributions to social responsibility and enhancing their corporate sustainability in the community. Consequently, these businesses are able to thrive in the marketplace and endure in the cutthroat realm of business. As a result, it is possible to see how CSR functions in many business areas. This makes it necessary to learn more about the CSR domain in order to comprehend how organizations may expand sustainably. Thus, a thorough investigation is necessary to learn more about the nuances of corporate social responsibility in relation to the management of enterprises in Lebanon (Sleiman & Bassam, 2014).

Prior studies have shown the significance of corporate social responsibility (CSR) and related fields for the growth of enterprises in the United Kingdom, the United States, Europe, and Australia. Nonetheless, it's important to comprehend that CSR exists in nations like Lebanon. Previous study indicated the limitations in the understanding of the designated areas in which CSR is active in Lebanon (Несрин, 2020). Therefore, while presenting the enhancements of the enterprises in Lebanon, it is important to incorporate the specific declarations of importance with particular reference to CSR (Jamali, 2010; Sarkis & Daou, 2013). It is possible to notice the influence of corporate social responsibility (CSR) on Lebanese businesses, as well as the connections between CSR, sustainability, cultural practices, increasing performance at different levels, the importance of strategic choices and leadership, and attracting stakeholders and investors.

The significance of doing the research in Lebanon might be attributed to a number of factors. First of all, the investigation has shown that this kind of study has been beneficial for the development of other nations (Alawamleh & Giacaman, 2020). Second, the research study is highly desired for the growth of firms in a nation such as Lebanon (Dirani, Jamali, & Harwood, 2011). Post-conflict scenarios shown how dire things are in Lebanon for companies looking to expand their company (Harfoush & Alena, 2019). Thirdly, it is essential to comprehend how to draw in investors and stakeholders for commercial endeavors (Abboud & AbdulRazek, 2010). Fourthly, it was important to understand the cultural customs followed by Lebanese businesses and organizations. This will make it possible to see how Lebanon's cultural settings have changed (Singh, El-Kassar, & Abdul Khalek, 2020) (Salloum, Sayah, & Azouri, 2015). Put another way, this may prompt questions about whether or not there have been any changes in Lebanon, whether or not cultural practices permit change as seen in other nations, what kind of cultural practices are necessary in Lebanon, and whether or not adoption of new practices will improve the performance of Lebanese businesses. Fifth, the study may focus on the existence and function of stakeholders and investors (Харфусш & Ванкевич, 2020). One may question whether or not other people should be included in Lebanese initiatives, or whether the number of Lebanese stakeholders and investors is enough to make the required investments. What kinds of initiatives or events may be launched in Lebanon to draw them in?

Sixth, a question on the many forms of social responsibility in Lebanon will be addressed (Macaron, 2018). What type of social obligations exist in Lebanon at the moment? Is it the case that these kinds of duties are enough for the firms? What additional duties will be assigned in Lebanon in order to raise the companies' performance levels? Is it feasible to implement novel and inventive social obligations, such to those seen in other Lebanon-based countries? Or does inventiveness need to be seen in the current societal obligations? Seventhly, one must also pay attention to the performances inside the companies (Pate & Wankel, 2014). What type of outcomes will be necessary for the businesses to thrive in Lebanon's markets? Can non-financial or simply financial performances be included or taken into account for the study?

Gaining an understanding of the CSR activities of Lebanese banks is the primary goal of the study. Stated differently, the goal of the investigation is to examine how cross-sectional integration of CSR and CSD strategies or practices relate to corporate social responsibility in order to showcase the company's achievements in Lebanon (Jamali & Neville, 2011; Dubruc, Mekdessi, & Khawaja, 2018; Lythreathis et al., 2020). The case study also looks at how organizational culture affects corporate social responsibility (CSR) and how it manifests itself as sustainability in company performance. In addition to these two, one may also question the validity of other

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strategic choices and moves that are very helpful for a company's financial sustainability and capacity to thrive in cutthroat marketplaces (Jamali & Sdiani, 2013; Radwan, 2016; Zein & Zein, 2020).

### Literature Review

The history of conversations on the role of companies worldwide is extensive. In addition, it is evident that issues are emerging as a result of the society's fast accelerating environmental and social transformations. Consequently, the corresponding role has drawn attention from several industries for more investigation (Dyllick & Muff, 2016). In order to attract stakeholders and investors to their sustainable and creative initiatives, firms are revamping their goods to consider the consequences on society and the environment, as well as looking for methods to go beyond the traditional financial performativity aims (Lozano, 2015). Additionally, impromptu performances have been noted in the environmental and social domains. This aids in their acquisition of the essential material benefits, such as price reduction and risk management, as well as intangible ones, such as improved standing in industry and heightened rivalry with other companies (Dyllick & Muff, 2016). Because of this, in addition to maximizing profits, there is potential for the many firms to contribute their common operations in a way that benefits society and the environment. It is becoming typical for academics and corporate empirical personnel to concentrate on this (Hahn, Figge, Aragón-Correa, & Sharma, 2017). As such, the realization of this potentiality is a first step toward establishing corporate sustainability (CS) and corporate social responsibility (CSR).

It has been noted that over the last several decades, both CSR and CS have advanced significantly and aided in the expansion of the businesses. Scholars and academics created information about the significance of commercial entities throughout these formative years. In addition to this function, it is possible to recognize their efforts in offering a range of fixes and solutions for social and environmental concerns. These also proved to be advantageous for economic expansion. It should be mentioned that some earlier research has shown the interchangeability of CSR and CS, while other studies have chosen to focus on the other quadrant. It was discovered in Bansal and Song's study that the genesis of CSR and CS are distinct from one another and provide a whole new avenue for investigation. Even yet, it is important to recognize that their ideas are converging when using comparable nomological networks, ontological presumptions, definitions, and measurement techniques (Bansal & Song, 2016). These writers contend that rather than assuming that both notions are the same and have no differences, one should continue exploring their uniqueness, complementarity, and integration of the two issues. As stated in Ashraf, Adams, Walker, and Magnan (2018), Bansal and Song's comparable lines serve as the foundation for their work (Bansal & Song, 2016). Their study focuses on how CSR and CS may operate together. Moreover, this is predicated on two options: either the conventional stage or the corporation's final accomplishment. As a result, this facilitates the essential provision for the ideas to exist independently of one another. It is important to recognize that the definitions of CSR and CS have evolved and are now quite similar (Ashrafi, Adams, Walker, & Magnan, 2018) (Bansal & Song, 2016). However, the overall viewpoint for both CSR and CS requires additional consideration and dialogue about their respective theories, conceptual frameworks, and interpretations.

Research methodologies have made it possible to see evidence from qualitative studies that supports bibliometric approaches. A new study that focuses on the research trends and patterns about CSR and CS is included in the bracket. In order to give the qualitative evaluation and demonstrate the relationship between CSR and CS, the authors used the bibliometric technique. This demonstrated how the two notions overlapped. It was thus beneficial to understand the fundamental factors that dictate the integrated corporate and commercial model for CSR and CS (Abad-Segura, Belmonte-Ureña, & Cortés-García, 2019). No other articles existed that might provide such information. The conceptual and evolutionary route model for both CSR and CS is therefore presented in the referenced publication. It is also said that the notions of CSR and CS were developed as a result of the original coining of the phrase "sustainable development." In the process, a number of linkages between the two concepts were also understood. This was accomplished using many hypotheses that were seen in a company. It's also important to remember that these investigations provide the essential insights into theoretical advancements. These in turn maintain the business identity and its standing in the community. Usually, adopting CSR and CS

initiatives does this. Instead, it should be said that the corporate entities create plans based on these actions, which comprise their business strategy. Seth and Thomas (1994) claim that theories of the business provide a framework for examining significant research issues as well as a viewpoint for considering organizational goals. As a result, several theories about the company have been developed, including the social contract theory, agency theory, institutional theory, evolutionary theory, resource-based theory, and stakeholder theory, among others. These theories serve as the foundation for the agendas that business organizations use to formulate their recommendations for business responsibility and sustainability-related research. In addition, it provides a clear description of how corporate and international companies behave and function within the CSR and CS circles (Lozano, 2015) (Starik & Kanashiro, 2013). Regarding these ideas, there are no shared understandings for the enterprises. The findings do, however, refer to debates on the institutional theory, resource-based theory, and stakeholder theory's practical applications. These are the most applicable theories. The integrated model for CSR and CS policies and activities is presented using these ideas as the fundamental foundation. Lastly, they present the company business strategy.

### **Relationship between CSR and Organizational Culture**

Numerous research in the literature supports the notion that corporate culture and CSR are positively correlated. Scholars contend that corporate social responsibility (CSR) programs influence the norms and values ingrained in workplace culture by demonstrating a dedication to moral and responsible conduct. Research by González-Rodríguez et al. (2019) and Espasandín-Bustelo et al. (2021), for example, highlights how CSR practices can create an organizational culture that values social responsibility and encourages ethical leadership and stakeholder participation.

### **Relationship between CSR and Corporate Sustainability**

The literature continuously emphasizes how CSR improves company sustainability. Businesses that include CSR practices are often in a better position to meet objectives related to sustainable development. Studies by Sheehy & Farneti (2021) and Ashrafi et al. (2020) highlight the ways in which corporate social responsibility (CSR) activities support social, environmental, and financial sustainability. Through the alignment of corporate operations with wider social demands, businesses may improve their long-term sustainability and make beneficial contributions to their local community.

### **3. Relationship between Organizational Culture and Corporate Sustainability:**

According to the literature, business sustainability and organizational culture are directly related. Sustainable practices may be propelled by a robust corporate culture that is characterized by a dedication to common values and objectives. Studies by Isensee et al. (2020) and Lăzăroiu (2020) highlight the ways in which sustainable ventures may be fostered by a culture that values creativity, flexibility, and moral behavior. These kinds of cultures are more likely to include sustainability concepts into decision-making procedures, which helps ensure long-term company sustainability.

**4. Organizational Culture as a Mediator in the CSR-Corporate Sustainability Relationship:** The idea that business sustainability and CSR are mediated by organizational culture is supported by extant literature. Studies conducted by Glavas (2016) and Afsar et al. (2020) indicate that a favorable company culture amplifies the efficacy of corporate social responsibility endeavors, directing their influence towards business sustainability. An corporate culture that places a high priority on social responsibility may serve as a catalyst, influencing employee behavior, decision-making procedures, and overarching organizational strategy to ensure that CSR activities produce lasting results.

### Comprehension of the Variables and their Relationship

Figure 1 makes it abundantly clear that there is a mediating influence between the DV, or CS, and the IDV, or CSR. The existence of organizational culture mediators may be seen. The findings of the SEM study will be necessary to determine if the mediation is complete or partial. But as Figure 1 makes evident, there are in fact four mediating effects—that is, a relationship between the CSR and the CS.

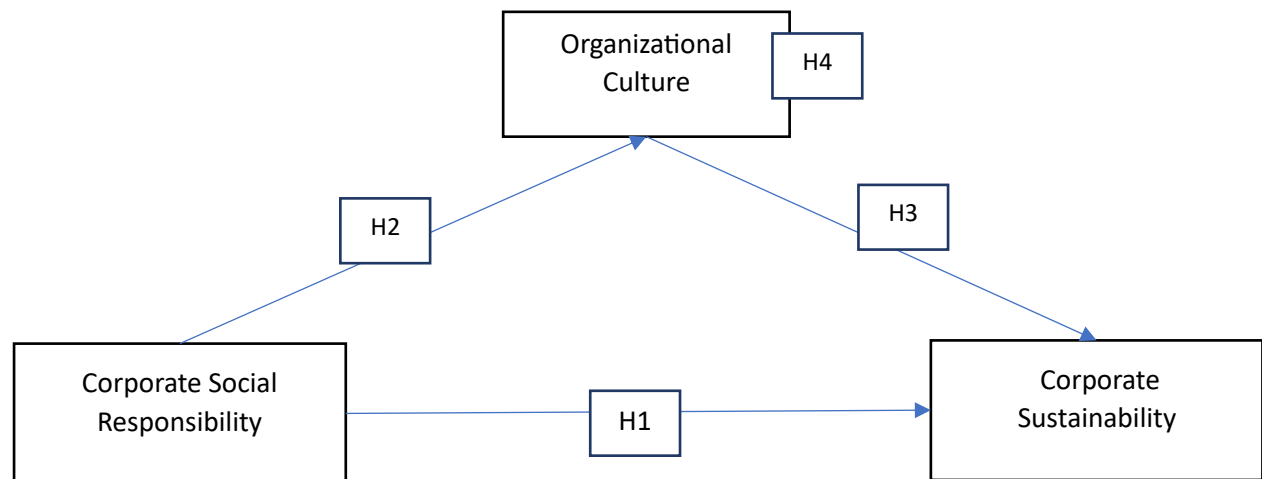


Figure 1 - Theoretical Model

Source: Developed by the researcher

Based in the research model above, the following hypotheses are going to be studied:

H1: there is a significant relationship between CSR and corporate sustainability.

H2: there is a significant relationship between CSR and organizational culture.

H3: There is a significant relationship between organizational culture and corporate sustainability.

H4: Organizational culture mediates the relationship between CSR and corporate sustainability.

### Research Methodology

The study employs a mixed methodological approach, prioritizing both qualitative and quantitative methodologies. The integration of both quantitative and qualitative research data is facilitated by the use of mixed techniques. This aids in comprehending the factors found in the qualitative study and enables the quantitative research to go forward. It aids in the creation of the research models. The variables in both study methodologies will be identified prior to the presentation of the research's final model (Lafont et al., 2020). As a result, after the questionnaire was designed and circulated for data collection, the quantitative data was obtained using the survey technique. Given that the study's goal is to look at banks' CSR policies. For the investigation, a sample must be chosen and identified. There were 150 responders in the sample.

### Data Analysis

#### 4.1 Reliability Test

The full questionnaire's reliability analysis yields a reliability value of .910, suggesting a high level of dependability for all of the questionnaire's questions. For every variable, the Cronbach Alpha results are shown in Table 2.

A Cronbach's Alpha of 0.710 over 22 items is shown by the overall dependability statistics in Table 1. This global measure lays the groundwork for the next studies by indicating a moderate to high degree of internal consistency dependability for the whole scale. Next, we look at Table 2, which gives the Cronbach's Alpha coefficients for each individual variable. The Cronbach's Alpha for the four-item Corporate Social Responsibility variable is 0.743. This number indicates an excellent degree of internal consistency on the scale of corporate social responsibility. In a similar vein, the 15-item Organizational Culture variable has a Cronbach's Alpha of 0.751, indicating good internal consistency for this construct. Finally, a dependable way to assess corporate sustainability is shown by the three-item Corporate Sustainability variable, which has a Cronbach's Alpha of 0.741.

**Table 1 - Reliability Statistics**

| Reliability Statistics |            |
|------------------------|------------|
| Cronbach's Alpha       | N of Items |
| .710                   | 22         |

**Table 2 - Cronbach's Alpha Coefficient of Variables**

| Variable                        | Item | Cronbach's Alpha |
|---------------------------------|------|------------------|
| Corporate Social Responsibility | 4    | 0.743            |
| Organizational Culture          | 15   | 0.751            |
| Corporate Sustainability        | 3    | 0.741            |

### Correlation Analysis

The relationships between corporate social responsibility (CSR), corporate sustainability, and organizational culture in the Lebanese banking sector are clarified by the correlation analysis in Table 3. The statistical analysis reveals that there is a somewhat positive connection ( $r = 0.431$ ,  $p < 0.001$ ) between Organizational Culture and Corporate Social Responsibility. This finding demonstrates a significant relationship between corporate culture and CSR and supports Hypothesis 2. Likewise, a statistically significant positive correlation ( $r = 0.423$ ,  $p < 0.001$ ) has been shown between business sustainability and social responsibility. This supports the first hypothesis, according to which business sustainability and social responsibility are strongly correlated. Furthermore, a statistically significant positive correlation ( $r = 0.609$ ,  $p < 0.001$ ) has been shown between business sustainability and organizational culture. This finding supports hypothesis 3 by showing a significant relationship between company sustainability and organizational culture. These correlation results provide a preliminary understanding of the connections among the significant variables. When you look into the intricate relationships between organizational culture, social responsibility, and business sustainability in the Lebanese banking sector, these correlation coefficients will serve as a starting point for your regression analysis and mediation testing.

**Table 3 - Correlation Analysis**

| Variables                       |                     | Corporate Social Responsibility | Organizational Culture | Corporate Sustainability |
|---------------------------------|---------------------|---------------------------------|------------------------|--------------------------|
| Corporate Social Responsibility | Pearson Correlation | 1                               |                        |                          |
|                                 | Sig. (2-tailed)     |                                 |                        |                          |
|                                 | N                   | 323                             |                        |                          |
| Organizational Culture          | Pearson Correlation | .431**                          | 1                      |                          |
|                                 | Sig. (2-tailed)     | .000                            |                        |                          |

|                          |                     |        |        |     |
|--------------------------|---------------------|--------|--------|-----|
|                          | N                   | 150    | 150    |     |
| Corporate Sustainability | Pearson Correlation | .423** | .609** | 1   |
|                          | Sig. (2-tailed)     | .000   | .000   |     |
|                          | N                   | 150    | 150    | 150 |

### Testing Hypothesis H1: Impact of CSR on Organizational Culture

In line with Hypothesis H1, regression analysis was done to evaluate the effect of corporate social responsibility (CSR) on organizational culture in the Lebanese banking industry. According to the model summary, 14.8% of the variation in organizational culture can be explained by the predictor variable, CSR (R Square = 0.148). This implies that the differences in organizational culture that have been noted are mostly due to CSR (table 1).

**Table 4 - H1 Model Summary**

| Model Summary                  |                   |          |                 |                            |
|--------------------------------|-------------------|----------|-----------------|----------------------------|
| Model                          | R                 | R Square | Adjusted Square | Std. Error of the Estimate |
| 1                              | .385 <sup>a</sup> | .148     | .144            | .924                       |
| a. Predictors: (Constant), CSR |                   |          |                 |                            |

The ANOVA findings highlight that CSR strongly predicts changes in organizational culture, and they also support the regression model's significance ( $p < 0.001$ ). The statistical confidence in the observed connections is provided by the considerable F-statistic of 34.908, which highlights the strength of the link.

**Table 5 - H1 ANOVA**

| ANOVA <sup>a</sup>                            |            |                |     |             |        |                   |
|---|------------|----------------|-----|-------------|--------|-------------------|
| Model   |            | Sum of Squares | df  | Mean Square | F      | Sig.              |
| 1   | Regression | 29.812         | 1   | 29.812      | 34.908 | .000 <sup>b</sup> |
|   | Residual   | 171.657        | 201 | .854        |        |                   |
|   | Total      | 201.469        | 202 |             |        |                   |
| a. Dependent Variable: Organizational Culture |            |                |     |             |        |                   |
| b. Predictors: (Constant), CSR                |            |                |     |             |        |                   |

**Table 6 - H1 Coefficient**

| Coefficients <sup>a</sup>                     |               |                             |            |                           |       |      |
|---|---------------|-----------------------------|------------|---------------------------|-------|------|
| Model   |               | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|   |               | B                           | Std. Error | Beta                      |       |      |
| 1   | (Constant)    | 1.728                       | .385       |                           | 4.493 | .000 |
|   | HRM Practices | .708                        | .120       | .385                      | 5.908 | .000 |
| a. Dependent Variable: Organizational Culture |               |                             |            |                           |       |      |

### Testing Hypothesis H2 and H3: Impact of CSR and Organizational Culture on Corporate Sustainability



Tables 7, 8, and 9 show the results of the regression analyses that were done to determine how Organizational Culture and Corporate Social Responsibility (CSR) affect Corporate Sustainability in accordance with Hypotheses H2 and H3.

A comprehensive overview of the performance of the regression model is given by the Model Summary (Table 7). The R Square value of 0.413 suggests that the predictors—CSR and organizational culture—can account for around 41.3% of the variability in corporate sustainability. This implies that these factors have a significant impact on the sustainability results in the banking industry in Lebanon.

**Table 7 - H2 and H3 Model Summary**

| Model Summary  |                   |          |                   |                            |
|--|-------------------|----------|-------------------|----------------------------|
| Model  | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1  | .643 <sup>a</sup> | .413     | .407              | .885                       |
| a. Predictors: (Constant), CSR, Organizational Culture |                   |          |                   |                            |

Additional evidence for the regression model's relevance ( $p < 0.001$ ) comes from the ANOVA findings (Table 8). The strong correlation between organizational culture and CSR in forecasting shifts in corporate sustainability is shown by the high F-statistic of 70.450. The found correlations' trustworthiness is further supported by this strong statistical significance.

**Table 8 - H2 and H3 ANOVA**

| ANOVA <sup>a</sup>                                     |            |                |     |             |        |       |
|--|------------|----------------|-----|-------------|--------|-------|
| Model  |            | Sum of Squares | df  | Mean Square | F      | Sig.  |
| 1  | Regression | 110.343        | 2   | 55.171      | 70.450 | .000b |
|  | Residual   | 156.627        | 200 | .783        |        |       |
|  | Total      | 266.969        | 202 |             |        |       |
| a. Dependent Variable: Corporate Sustainability        |            |                |     |             |        |       |
| b. Predictors: (Constant), CSR, Organizational Culture |            |                |     |             |        |       |

When looking at the Coefficients table (Table 9), it is clear that organizational culture (0.594) and CSR (0.495) have a positive influence on corporate sustainability. These positive unstandardized coefficients support this claim. Standardized information on the direction and intensity of these correlations may be obtained from the accompanying beta values, which are 0.233 for corporate social responsibility and 0.516 for organizational culture. Due to their respective contributions to the model's predictive power, the t-values for both predictors are highly significant ( $p < 0.001$ ).

**Table 9 - H2 and H3 Regression**

| Coefficients <sup>a</sup>                       |               |                             |            |                           |       |      |
|---|---------------|-----------------------------|------------|---------------------------|-------|------|
| Model   |               | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|   |               | B                           | Std. Error | Beta                      |       |      |
| 1   | (Constant)    | .126                        | .386       |                           | .325  | .745 |
|   | HRM Practices | .495                        | .124       | .233                      | 3.979 | .000 |
|   | Job Burnout   | .594                        | .068       | .516                      | 8.792 | .000 |
| a. Dependent Variable: Corporate Sustainability |               |                             |            |                           |       |      |



In conclusion, the results support Hypotheses H2 and H3, emphasizing the important roles that organizational culture and corporate social responsibility play in promoting corporate sustainability in the Lebanese banking industry. These findings reinforce the relationship between organizational culture and business sustainability and provide insightful information on the interactions between many elements that impact sustainable practices. They also have implications for organizational initiatives.

#### The Mediating Impact of Organizational Culture (H4)

##### *Outcome Variable: Organizational Culture*

The robustness of the regression model examining the mediating influence of organizational culture (H4) is shown by the Model Summary for the mediation study in Table 10, which shows statistical significance ( $p < 0.001$ ). The predictor variable(s) may account for around 14.8% of the variation in organizational culture, according to the R-squared value of 0.1480. This represents an appreciable percentage of the variability described in the mediation model.

**Table 10 - Organizational Culture as Outcome (Model Summary)**

| Model Summary |       |       |         |        |          |         |
|---------------|-------|-------|---------|--------|----------|---------|
| R             | R-sq  | MSE   | F       | Df1    | Df2      | P-value |
| .3847         | .1480 | .8540 | 34.9077 | 1.0000 | 201.0000 | .0000   |

Upon examining Table 11, we may get more profound understanding from the comprehensive coefficients for the outcome variable of organizational culture. Organizational Culture has a coefficient of 0.7080 with a standard error of 0.1198, and the intercept (Constant) is 1.7284 with a standard error of 0.3847. The statistical significance of the mediator is confirmed by the correlation between the t-value of 5.9083 and the p-value of 0.0000. The substantial and proven positive influence of Organizational Culture on the result is further confirmed by the confidence interval (LLCI to ULCI), which also attests to the dependability of the coefficient estimate.

**Table 11 - Organizational Culture as Outcome Variable (Model)**

| Model                  |             |       |        |         |       |        |
|------------------------|-------------|-------|--------|---------|-------|--------|
|                        | Coefficient | SE    | t      | P-value | LLCI  | ULCI   |
| Constant               | 1.7284      | .3847 | 4.4928 | .0000   | .9698 | 2.4870 |
| Organizational Culture | .7080       | .1198 | 5.9083 | .0000   | .4717 | .9443  |

When the results are taken as a whole, they provide compelling evidence in favor of Hypothesis H4, showing that organizational culture plays a key mediating role in the interaction between corporate sustainability and social responsibility (CSR) in the Lebanese banking industry. The model's statistical significance and the positive and substantial coefficient for organizational culture highlight how important organizational culture is in determining how CSR affects sustainable behaviors. This comprehensive understanding advances the conversation on the ways in which business sustainability, organizational culture, and CSR programs are intertwined in the Lebanese banking industry.

##### *Outcome Variable: CSR*

Table 12 presents the Model Summary of the Corporate Social Responsibility (CSR) mediation study, emphasizing the statistical significance ( $p < 0.001$ ) of the regression model. The predictors, Organizational Culture and CSR, account for around 41.3% of the variation in Corporate Sustainability, according to the R-squared value of 0.4133. With regard to Corporate Sustainability in the Lebanese banking industry, this strong explanatory power emphasizes the significant impact that CSR has.

**Table 12 - Model Summary for CSR**

| Model Summary |       |       |         |        |          |         |
|---------------|-------|-------|---------|--------|----------|---------|
| R             | R-sq  | MSE   | F       | Df1    | Df2      | P-value |
| .6429         | .4133 | .7831 | 70.4495 | 2.0000 | 200.0000 | .0000   |

The model including CSR's detailed coefficients are shown in Table 13. 0.1257 is the intercept (constant), while the standard error is 0.3864. The organizational culture coefficient is 0.5938 with a standard error of 0.0675, while the CSR coefficient is 0.4947 with a standard error of 0.1243. The t-values and p-values of CSR and organizational culture, respectively, both demonstrate strong positive effects on corporate sustainability.

**Table 13 - Model for CSR**

| Model                  |             |       |        |         |        |       |
|------------------------|-------------|-------|--------|---------|--------|-------|
|                        | Coefficient | SE    | T      | P-value | LLCI   | ULCI  |
| Constant               | .1257       | .3864 | .3253  | .7453   | -.6363 | .8878 |
| CSR                    | .4947       | .1243 | 3.9795 | .0001   | .2496  | .7398 |
| Organizational Culture | .5938       | .0675 | 8.7919 | .0000   | .4606  | .7270 |

#### *Direct Effect*

Referring now to Table 14, it is seen how organizational culture directly affects corporate sustainability via CSR. The effect is 0.4947, significant t-value 3.9795 ( $p = 0.0001$ ), standard error 0.1243. The strength of this direct impact is further reinforced by the confidence interval (LLCI to ULCI).

**Table 14 - Organizational Culture Direct effect on CSR on Corporate Sustainability**

| Organizational Culture Direct effect on CSR on Corporate Sustainability |       |        |         |       |       |
|---|-------|--------|---------|-------|-------|
| Effect  | se    | t      | p-value | LLCI  | ULCI  |
| .4947   | .1243 | 3.9795 | .0001   | .2496 | .7398 |

#### *Indirect Effect*

The indirect relationship between organizational culture and corporate sustainability as measured by CSR is seen in Table 15. With a BootSE (Bootstrapped Standard Error) of 0.1010, the result is 0.4204. Confidence limits are provided by the BootLLCI to BootULCI interval, which shows that the indirect impact is statistically significant ( $p < 0.001$ ). This highlights how organizational culture has a significant mediating role in determining how CSR affects corporate sustainability.

**Table 15 - Organizational Culture Indirect effect on CSR on Corporate Sustainability**

| Organizational Culture Indirect effect on CSR on Corporate Sustainability |        |          |          |
|---|--------|----------|----------|
| Effect  | BootSE | BootLLCI | BootULCI |
| .4204   | .1010  | .2470    | .6371    |

In conclusion, all of these findings support the hypothesis that organizational culture mediates the link between corporate sustainability and social responsibility (H4). The mediation model's statistical significance and significant explanatory power are highlighted by the model summary and coefficients, which provide a detailed knowledge of how organizational culture partly mediates the relationship between CSR and sustainable practices in the Lebanese banking industry.

### Discussion

The analysis's findings provide insightful information on the intricate interactions that exist between organizational culture, corporate sustainability, and social responsibility (CSR) in the Lebanese banking industry. The results support the theories and provide insight into the complex interactions between these important concepts.

The study shows that there is a strong positive correlation (H2) between organizational culture and corporate social responsibility (CSR). This indicates that companies that implement CSR policies likely to have more cohesive and positive internal cultures. This is consistent with other research that highlights how CSR influences good organizational attitudes and practices. The beneficial effects of corporate social responsibility (CSR) on organizational culture demonstrate how socially conscious programs have the power to influence Lebanese banks' internal cultures.

Additionally, the research demonstrates a strong positive correlation among Corporate Sustainability, Organizational Culture, and CSR. According to the regression studies, Corporate Sustainability Variance is separately influenced by Organizational Culture and CSR (H1 and H3). This emphasizes how complex sustainability is, implying that socially conscious actions together with a supportive corporate culture work together to shape sustainable results in the banking industry in Lebanon.

The link between Corporate Sustainability and CSR is mediated by Organizational Culture, as shown by the mediation analysis (H4). The substantial indirect effect, which provides empirical evidence that the influence of CSR on Corporate Sustainability is largely funneled via the company culture, supports this mediation effect. This result is consistent with the hypothesis that beneficial benefits of corporate social responsibility (CSR) on sustainability activities are enhanced by a supportive organizational culture. Companies that cultivate a socially conscious culture are better equipped to incorporate sustainable practices into their daily operations.

These findings have consequences that go beyond the scholarly domain and include real-world issues for Lebanese banks as well as perhaps international organizations. Understanding the mutually beneficial link that exists between organizational culture, business sustainability, and corporate social responsibility, financial institutions should strategically coordinate their CSR programs with internal culture development activities. In addition to improving the organization's image, this all-encompassing strategy may help the Lebanese banking industry achieve its larger objective of sustainable growth.

It is essential to recognize the limits of the research, however. The findings may not apply to other sectors or geographical areas due to the cross-sectional nature of the data, which makes it difficult to prove causation. In order to improve the results' robustness and generalizability, future studies should use longitudinal designs and take contextual variables into account.

To sum up, this research offers a thorough analysis of the connections among Corporate Sustainability, Organizational Culture, and CSR in the banking industry of Lebanon. The results highlight how these concepts are interrelated, which adds to the expanding body of research on CSR and sustainability. These observations have applications for businesses looking to include socially conscious procedures and foster a positive workplace culture in order to promote sustainable growth.

### Conclusion and Recommendations

In summary, this study examined the complex interrelationships between organizational culture, corporate sustainability, and social responsibility (CSR) within the framework of the banking industry in Lebanon. The research effectively verified the suggested conjectures, unveiling a noteworthy affirmative correlation between Corporate Social Responsibility (CSR) and Organizational Culture, separate effects of CSR and Organizational Culture on Corporate Sustainability, and the intermediary function of Organizational Culture in the CSR-Corporate Sustainability relationship.

The correlation that exists between Corporate Social Responsibility (CSR) and Organizational Culture highlights how socially responsible activities have the ability to fundamentally alter the internal dynamics of banks in Lebanon. The research highlights the many aspects of sustainable development in the banking industry by shedding more light on the separate contributions of corporate social responsibility (CSR) and organizational culture to corporate sustainability.

The examination of mediation offers a comprehensive comprehension of the internal processes involved, indicating that the influence of Corporate Sustainability and CSR is partially mediated by the corporate culture. This study emphasizes how crucial it is to have an internal culture that is socially responsible and supportive in order to improve the overall sustainability efforts of Lebanon's financial institutions.

Looking forward, by using longitudinal designs to prove causation and investigating the contextual subtleties that could affect the associations found, future research might expand on this knowledge. Furthermore, taking into account how CSR and sustainability are changing, adding dynamic variables, and examining the possible effects of outside variables like changes in regulations or changes in the world economy could provide deeper understanding of the dynamics of sustainable practices in the banking industry.

This research has limitations despite its contributions. Since the data are cross-sectional, it is difficult to determine a cause-and-effect relationship, and the conclusions may not hold true for other industries except the banking industry in Lebanon. Moreover, response biases may be introduced by depending only on self-reported metrics. Subsequent studies may overcome these constraints by using a variety of approaches, including experimental designs and the integration of objective sustainability performance measures.

In summary, this study adds significant understanding of the complex interrelationships of corporate sustainability, organizational culture, and CSR in Lebanese banks. It establishes the groundwork for further research into sustainable practices in the banking industry and provides a road map for companies looking to integrate social responsibility programs with internal culture dynamics for long-term and significant sustainable growth.

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