#### AMERICAN UNIVERSITY OF BEIRUT

## RESPONSIBLE LEADERSHIP IN LEBANON AND ITS EXPLORATORY STUDY

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A project submitted in partial fulfillment of the requirements for the degree of Master in Human Resource Management to the Suliman S. Olayan School of Business at the American University of Beirut

> Beirut, Lebanon April 2016

### AMERICAN UNIVERSITY OF BEIRUT

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#### AN ABSTRACT OF THE PROJECT OF

Souraya Ahmad Ghalayini for Master of Human Resource Management Major: Human Resources

Title: Responsible leadership in Lebanon and its exploratory study

CSR is a term that has gained more and more attention in the past decade, heightening the interest of scholars and managers in understanding the role corporations and leaders need to play towards societies. Its continuous debatable definition encompasses a list of several concepts, including but not limited to resource efficiency, response to pre-empt regulations, sustainable economic development, meeting public expectations and working with employees and their families (Jamali & Mirshak, 2007; Hargett & Williams, 2009). However, because corporations are operating in a context that is usually governed by rules and regulations, then regardless of the various definitions scholars have been attributing to CSR, there is a broad consensus that a socially responsible activity cannot be effectively implemented without the direct influence of leaders (Siegel, 2014).

This aim of this research is to create a better understanding of the term socially responsible leadership and to help Human Resource Managers identify key competencies and skills in their search for responsible leaders capable of successfully conducting CSR activities in a context known for its lack of procedures and processes that govern CSR. An interpretive methodological approach is adopted with several interviews conducted with individuals already identified as icons of CSR in Lebanon. The study offers recommendations for developing a framework; identifying the main competencies required for any responsible leader willing to successfully embrace CSR applications in Lebanon.

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#### **CHAPTER 1 INTRODUCTION**

#### 1.1 Introduction to the Study

Corporate Social Responsibility (CSR) is a topic that has gained more and more attention in the past decade, both in the academic community as well as among managers (Waldman et al., 2006). The reason managers are giving more attention to CSR is that many organizations have started ranking companies based on their CSR performance. Corporate Social Responsibility (CSR) is a concept that has been rapidly heightening the interest of many in understanding the role of corporations – the dominant institution on the planet – towards societies, particularly with regards to ethical issues and environmental challenges (Hargett & Williams, 2009). Its continuous debatable definition encompasses a list of several concepts, including but not limited to resource efficiency, response to pre-empt regulations, sustainable economic development, meeting public expectations and working with employees and their families (Jamali & Mirshak, 2007; Hargett & Williams, 2009). However, because corporations are operating in a context that is usually governed by rules and regulations, then regardless of the various definitions scholars have been attributing to CSR, there is a broad consensus that a socially responsible activity cannot be effectively implemented without the direct influence of leaders (Siegel, 2014). The latter is a term that has been conceptualized for almost 60 years with as many as 65 different classification systems developed to define it (Northouse, 2015). Still, despite the multitude of ways that leadership has been conceptualized, there is a broad consensus amongst researchers on the components that comprise its definition. For instance, leadership is a process that involves influence, objectives and often occurs in groups. As such, leadership would be summarized as a process whereby an individual (the leader) influences a group of followers to achieve a set of objectives and goals (Northouse, 2015). Leadership is a dynamic process of pursuing a vision for

change in which the leader is supported by two main groups: followers within the leader's own organization, and influential players and other organizations in the leader's wider, external environment (Goodwin, 2006). Leadership includes ability to listen, to solve problems, to set vision and strategy ,to enhance business skills and knowledge, to take risks and innovate, to motivate and inspire others to excel, empower and help them grow, encourage them to develop, turn the vision into reality, delegate responsibility and take right decisions. Leadership develops a culture where employees feel ownership in what they do and continually improve the business. A leader thus focuses team member on common goals.



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As Siegel (2014) posits, most scholarly research and studies on CSR seem to have ignored the role of corporate leaders in formulating and implementing CSR initiatives and activities. Recent articles have been focusing on social leadership between two contrasting views, stakeholders' versus shareholders' (Waldman and Balven, 2014) and how responsible leadership's social

practices can affect corporate financial and economic performance (Siegel, 2014). Siegel has also called for a need to integrate studies on micro-based leadership literature with macro-based social responsibility leadership.

That being said, and since such is a subject that might attract researchers from the human resource domain, the emphasis of this paper will not be on the definition of CSR, rather on the competencies, skills and characteristics needed by individuals in leadership positions in Lebanon, to effectively implement CSR applications and drive it through their organization's culture.

As public faith towards business operations, in Lebanon, has greatly weakened in recent years — with greed, dishonesty and immoral practices believed to be prevailing among top executives (as shown by recent corruption scandals) — focus is shifted towards identifying a set of competencies and skills deemed as pre-requisite for any leader wanting to take his/her organization forward in a socially responsible manner. Such a responsible leader makes decisions that are not solely based on tangible and financial requirements, but rather on non-financial needs planned with sustainable growth in mind (Kakabadse et al., 2009).

To gain a better understanding within the Lebanese context of responsible leadership's role in CSR, it is imperative first to define this emerging theme (i.e. responsible leadership) through a review of literature before going into the task of identifying and highlighting the competencies and attributes responsible leaders need to have in order to implement CSR. Competencies, in the most general terms, are "things" that an individual must demonstrate to be effective in a job, role, function, task, or duty. These "things" include:

Job-relevant behavior (what a person says or does that result in good or poor performance)

Motivation (how a person feels about a job, organization, or geographic location)

Technical knowledge/skills (what a person knows/demonstrates regarding facts, technologies, a profession, procedures, a job, an organization, etc.).

Competencies are defined as skills, abilities, knowledge, behaviours, values and traits essential to successful job performance. Competencies are "sets of behaviors that are instrumental in the delivery of preferred results... they relate to the behaviors underpinning successful performance" (Bartram, 2012, p.3).

Previous literature shows focus on identifying socially responsible behaviours in leaders and the social factors influencing their actions (Stahl & De Luque, 2014). In other words, studies sought exploring the "do no harm" and the "do good" perspectives (Pearce et al., 2014). Yet rare are the discussions that aim to identify a common set of competencies, skills, philosophy values, and mind-set necessary to trigger such behaviours and actions; a framework that acts as a guideline for human resource managers opting to assign/recruit responsible leaders.

#### 1.2 Research Questions

Within this context, the following research questions will be addressed:

- 1. What is responsible leadership? What is its role in effectively implementing CSR applications?
- 2. What competencies and skills can be attributed to responsible leaders operating in the Lebanese context?
- 3. What is a good framework for HRM to follow when recruiting CSR leaders? Does this framework depend on the perspective organizations follow?

#### 1.3 Research Objectives

The goal of this research is to design a blueprint to identifying skills and competencies of responsible leaders capable of successfully conducting CSR activities in the Lebanese context.

The conclusions of this research can be used as a guideline for HR recruiters wanting to appoint leaders equipped with the right competencies and tools to drive positive social impact and transform responsibility alongside the multiple bottom lines of the organization.

#### 1.4 Methodological approach

This research draws from an interpretivist approach that allows the focus of the research to be on the realization and understanding of what is happening in a given context (Carson et al., 2001). In other words, Interpretivism interprets the insights and findings collected through semi structured interviews and take into account multiple realities and the various perspectives of the actors involved. Although typical interviews have low validity in comparison to other selection methods, semi structured interviews ensure higher validity, and offer several advantages. Primarily, semi structured interviews provide the opportunity to ask a series of job-related questions that are consistently asked of all applicants. Semi structured interviews allow for consistency in approach (standardization), help to ensure that all applicants are treated fairly, and that the information obtained from each candidate is comparable. Additionally, a face-to-face encounter helps capture non-verbal cues such as body language, eye contact, voice, and confidence, which are not necessarily evident in other assessments. In terms of cost, it is also relatively low in comparison to other assessments. Although they require a number of employees to conduct them (time cost), there are no direct costs.

Findings deduced are usually the result of researcher involvement and his/her contextual understanding of the data collected (Carson et al., 2001).

Furthermore, to better enable us understand and interpret the perceived data, six existing frameworks – already devised by scholars researching Socially Responsible Leadership - are to be selected, out of which a list of questionnaires will be derived and addressed to Leaders already pinpointed as champions of CSR in the Lebanese context. The answers will be collected in a qualitative and interpretative manner and should provide us with a clearer picture on the type of skills and competencies needed for leaders to successfully conduct CSR in Lebanon.

#### 1.5 Layout of the study

This research comprises five chapters including the introduction. The second chapter explores existing literature on responsible leadership, the evolution of relevant theories before discussing social leadership in Lebanon and the frameworks assumed for deriving our questionnaire. The third chapter portrays the methodological approach including the decision behind adopting the epistemology. Chapter four displays the results and analyzes the qualitative data using an interpretive reasoning. Finally, chapter five summarizes the findings and lays out the recommendations for HR recruiters in Lebanon.

#### CHAPTER 2 LITERATURE REVIEW

#### 2.1 Introduction

The purpose of this chapter is to focus on relevant literature review, starting from the days (early '10s) when companies started responding to demands that business activities be conducted in a responsible and ethical manner, to the days (early '70s) when CSR was being recognized as a concept, with many scholars attempting to define the subject, and finally until its integration into corporate strategies. Furthermore, this chapter provides a brief overview of CSR research in Lebanon, including an overview of scholarly discussions and studies on responsible leaders and their set of skills and traits that have helped them be recognized as icons of CSR.

The review is conducted under two major subtitles:

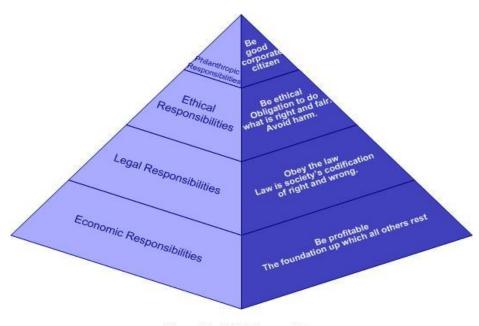
- 1. Review of CSR History
- 2. Socially Responsible Leadership in Lebanon

#### 2.2 Review of CSR History

While many scholars agree that the first work to discuss the term CSR was Bowen's (1953) book, "Social Responsibilities of the Businessman", roots of socially responsible businesses seem to trace back to as early as 1917, when Henry Ford declared that Ford's aim was to make money and use it for the welfare of its employees, shareholders and the world around them. The concept of CSR was also addressed in 1951 as a practice by Frank Abrams (then chairman of Standard Oil of New Jersey), who depicted CSR as a business obligation. Since then, definitions and populations of CSR started to expand, slowly but steadily, with most of them focusing on creating a balance between economical interest and social values. Bowen's (1953) definition of

CSR depicts it as an obligation towards socially accepted actions, policies and decisions. In fact, most theories back then were still evolving around the need to have a protection against negative events, as a link was drawn between high CSR ratings and sales growth on one hand and talent attraction on the other (Sen et al., 2006, Godfrey et al., 2009 cited in Wang, 2015).

CSR was only accepted as a theoretical model when Carroll (1979) developed the Corporate Social Performance (CSP) with the aim of measuring CSR and socially accepted behavior for organizations. Its inability to serve its very purpose though has resulted in its failure to become a widespread application (Smith, 2011). Still, Carroll (1979) succeeded in dissecting a CSR model into a pyramid of four stages, (1) economical, (2) legal, (3) ethical and (4) philanthropic responsibilities (Carroll, 1979). The first two stages depict that while organizations need to engage in activities designed to increase profits, they should only do so by selling products/services that are needed by the society. These activities should as well abide by the law and regulations set forth by governing bodies. Any ethical expectation of a business over and above the legal requirements falls within the third stage, ethical obligations. Finally, philanthropic responsibilities dictate that business activities need be driven by social obligations rather than by laws and regulations. The pyramid below illustrates the gradual unified responsibilities of the corporate citizen in order of their explicit and implicit necessity; economic, legal, ethical and philanthropic. In other words, organization's actions should be voluntary and not a result of social expectations (Carroll, 1979 cited by Wang, 2015).



Carroll's CSR Pyramid

Despite the detailed classification of the different categories of CSR, a true definition of social responsibility was yet to be decided upon. It is true that while Carroll's and previous scholars' contributions towards CSR have changed the way organizations conduct business (stakeholders interests vs. shareholders' interests), until the early 2000's there was a lack of consensus on a common definition of CSR. In fact, Carroll (1999 cited in Smith, 2011) posits that the term social responsibility might hold different interpretations for various organization and societies, therefore different focuses might be observed. While some shift their attention towards charitable events, others think of CSR as abidance to laws and regulations (Carroll, 1999 cited in Smith, 2011). Some scholars believe that having a one-fits-all definition would not be possible for the very same reasons Carroll (1999) contribute to the variant conception of CSR. For example, Van Marrewijk (2003) describes a three staged model (development, awareness and ambition) that can assist organizations in identifying their CSR requirements.

One study in particular by Dahlsrud (2006) analyzed around 37 of the mostly used definitions and came out with five dimensions around which they revolve. These dimensions are:

- (1) Environment Dimension: impact of business activities on the environment within which the organization operates
- (2) Social Dimension: relationship between business activities and social concerns
- (3) Economic Dimension: impact of business activities and profitability on the economic development
- (4) Stakeholder Dimension: relationship between organizations and the welfare of its employees, customers, suppliers, etc.
- (5) Voluntariness Dimension: voluntary business activities that go over and above the laws and regulations

ISO 26000 has defined seven dimensions of CSR; these include:

- (1) Organizational governance
- (2) Involvement in communal development works
- (3) Human rights
- (4) Labor practices
- (5) Environment
- (6) Fairness
- (7) Stakeholders, particularly client, interests

There is no one universal definition for CSR. In depth research and vast resources on the subject will only make it prone to further improvement and development, regardless of the fact that CSR activities have reached a very mature stage (Smith, 2011). Further factors adding to the argument

include the environment, culture and values within which organizations operate. Yet, even with CSR clearly defined and assuming a set of guidelines have been established for organizations operating in a certain context, there remains the question of what traits, qualifications and skills would be required for an organizational leader to successfully carry on socially responsible activities. In what follows, I present a literature review of CSR in Lebanon, a country with environmental facets and cultural values completely different than what most scholars discussing CSR have seen. Furthermore, a literature review is conducted on CSR Leadership in the West and Lebanon.

#### 2.3 Socially Responsible Leadership in Lebanon

Despite Lebanon being, as is the case with most of its neighboring countries, the perfect context within which companies can easily carry on with their CSR activities, mainly due to a myriad of social and economic problems such as poverty pockets, gender inequality and limited access to healthcare and education (Jamali and Lanteri, 2015; Jamali and Sidani, 2012), little attention is given to CSR by organizations in the country, not to mention the role of responsible leadership. In a 2006 article, Jamali and Mirshak came to the conclusion that although few organizations are assuming CSR activities in the country, philanthropy and voluntary actions remain the main drivers behind these activities. In fact, while applying Quazi and O'Brien's (2000) model on the Lebanese context, Jamali and Sidani (2008) found out that around 18% of respondents — Lebanese managers — belonged to the classical paradigm, that which believes that CSR undermines profits and reflects additional costs. Advocates of this view consider that being socially responsible lies in the ability to supply goods and services. On the other hand, the vast majority around 57% are considered adopters of the philanthropic view of social responsibility. That is, even with additional costs and their belief that no competitive edge is gained from it,

CSR is considered an obligation towards the society. Findings in a study by Charbaji (2009) coincide with Jamali and Sidani's (2008) study and deduce that a desire to practice CSR is the main driver behind the private-sector organizational leaders' commitment to their society. Charbaji nevertheless attributes current Lebanese CSR practices to an increase of globalization pressures rather than mere voluntary actions by responsible leaders. In fact, Charbaji undermines Lebanese leaders' social responsiveness and describes them as prisoners to an Arab identity that is only being threatened and broken by globalization; a statement that unfortunately makes Arab values seems like anti-CSR. Even if that was the case, some scholars still fall into the trap of considering Arab and Lebanese values as one. A quick look at Hofstede's value dimensions and countries' rankings show the difference between Lebanon and most Arab countries.

One could simply draw a link between the absence of social and legal CSR-Imposing regulations in the country to the small number of socially responsible organizations; yet ironically that same relationship could be well behind organizational leaders taking on philanthropic activities. In other words, while most advanced countries have witnessed a transformation in CSR-related thinking (legally driven to voluntary CSR), it seems that Lebanese organizations – while few – have started where others have reached; conducting business activities that go above and beyond the rules and regulations.

Several Lebanese organizations and leaders have been called out as champions of CSR in Lebanon. In her recent book chapter, Jamali et al. (2015) have identified icons such as Fadi Ghandour, Dr. Talal Abou Ghazaleh and Adnan Kassar as champions of CSR. Jamali, in a 2007 article, also identified a few responsible companies operating in Lebanon such as Byblos Bank, Sanita and Audi Bank. The question that needs to be asked here is what makes such organizations and their leaders emerge as champions of CSR? What aspect does each

organizational leader has that makes them socially responsible particularly in the absence of laws that regulate socially responsible activities and its reporting mechanisms? Bauer (2014) argues that with the absence of standards and regulations that define what could be considered as corporate responsibility, it is often left to managers who cherry-pick the areas of social benefit that need to be focused on. Hence, one would expect organizational leaders to struggle, and in most occasions fail – given the circumstances – to achieve the intended social benefit. Thus, when CSR becomes whatever companies want it to be (Bauer, 2014), one has to wonder why some succeed while many fail. In a country such as Lebanon, there becomes a need to identify a set of common aspects, traits and values assumed by leaders who have been crowned by the society and scholars as champions of CSR, in order to eventually understand what kind of leadership is required for companies to successfully respond to society's expectations.

#### 2.4 Frameworks on Responsible Leadership

The first framework is one that is posited by Stahl and de Luque (2014 cited in Jamali, 2015) whereby leadership behavior is explained as either the act of doing good or avoiding harm. The latter comprises those decisions taken by socially responsible leaders to avoid actions that might incur harmful implications for society, such as ensuring product safety & avoiding discrimination in hiring. On the other side, doing good consists of those activities aimed at improving the surrounding environment and its society such as providing a friendly environment for the employee and to give money and time to help make life better for other people. In our research, we are more inclined into identifying competencies and skills that relate to the "doing good" group of leaders. Hence, we shall be looking at values labeled by Stahl and de Luque (2014) as pro-society, self-transcendence and having positive affect cognition (moral reasoning). Accordingly, responsible leadership behavior is defined as "intentional actions taken by leaders

to benefit the stakeholders of the company and/or actions taken to avoid harmful consequences for stakeholders and the bigger society" (Stahl and de Luque, 2014, p.238).

Also Stahl and de Luque (2014) recommend that situational aspects may play a big role in the relationship between the contextual pressure and Leaders' responsible behavior, in other words it is a combination of both the person and the environment in which this behavior takes place. It would be of a great interest to dwell more on this aspect in the Lebanese context; an environment where law and regulations are rarely put in place and/or enforced. To elaborate more on this, Stahl and de Luque (2014) uses the Enron crisis as an example whereby its leaders' ego and their "win-at-all-cost" approach led eventually to the company's collapse particularly amidst lack of proper internal control systems. The situational factor therefore can play an integral role in preventing dispositional tendencies (Stahl and de Luque, 2014). The authors nevertheless warn that while psychological strong environments can help prevent doing harm, there might also be less opportunity and/or a less need to doing good.

The second framework to be considered is that of Miska et al. (2014 cited in Jamali, 2015) in which he identifies three views on responsible leadership, those being the agent, stakeholder and the converging views (Figure 1). Under the agent theory, responsible leadership is aligned with Friedman's (2007) notion .While the agent views theorizes that a responsible leader is one who works towards increasing profits and generate economic returns, the stakeholder view posits that a socially responsible leadership is one that promotes environmental development and addresses societal problems such as poverty and global warming. Obviously, the converging theory combines both views together, claiming that a leader should be able to cover the interests of the stakeholder while simultaneously considering the economic perspective (Waldman and Siegel, 2008). This view is consistent with Porter and Kramer's (2006 cited in Jamali, 2015). Creating

Shared Value (CSV) whereby leaders are called upon to think beyond the sole interest of the shareholders to include social progress as well. At the same time, philanthropy by itself imposes additional costs which can be a deterrent to a company's growth, thereby an intersection between the economic and community value is necessary. This research aims to identify skills and competencies of those leaders falling under the converging view.

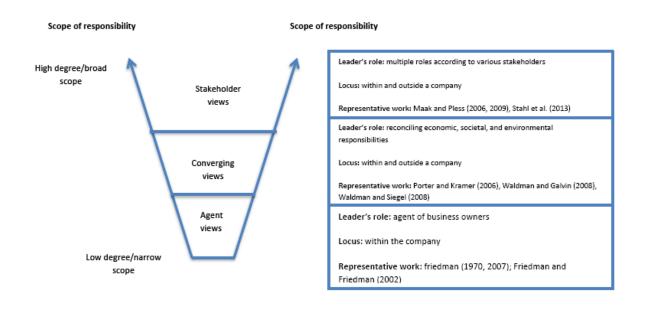


Figure 1. Overview of perspectives on responsible leadership (source: Miska et al., 2014)

The third framework to be used as a guide to our list of questionnaire's development is that proposed by Waddock and Bodwell (2002 cited in Jamali et al, 2008), Total Responsibility Management (Figure 2). These authors have utilized the term Total Responsibility Management (TRM) to cover both corporate sustainability and CSR. In our research, we will be particularly looking at competencies and skills attributed to inspiration, integration and innovation.

Inspiration includes vision setting based on the values of integrity and sustainability,

management commitment, and stakeholder engagement using reward, reporting and measurement; Integration deals with the combination of vision and strategy in all phases of management. Waddock and Bodwell (2007:15) stress that "each company needs to determine how to do this in a way that satisfies its particular stakeholders and industry demands". The innovation tackles learning from past errors and mistakes through continuous feedback from concerned stakeholders that guides remediation and improvement. Although TRM itself was not designed to address the topic of responsible leadership, it nevertheless shifts attention towards the importance of having a clear and convincing vision that makes followers of a leader understand the important aspects of responsible management and eventually be driven towards social impact (Waddock and Bodwell, 2002 cited in Jamali, 2015).

Table 1: Implementation of TRM (adapted from Waddock and Bodwell 2007)

Principle	Indicative feature
Inspiration	Creation of company-wide commitment of top managers and leaders to a corporate vision that includes responsibility to stakeholders
	Vision and core values clarified and constantly articulated
	Stakeholders engaged to the extent that their input shapes vision and strategy
Integration	Reward
	Reporting
	Measurement
	Information and awareness raising
Innovation	Reflection on mistakes
	Reflective/ reflexive learning systems
	Risk taking

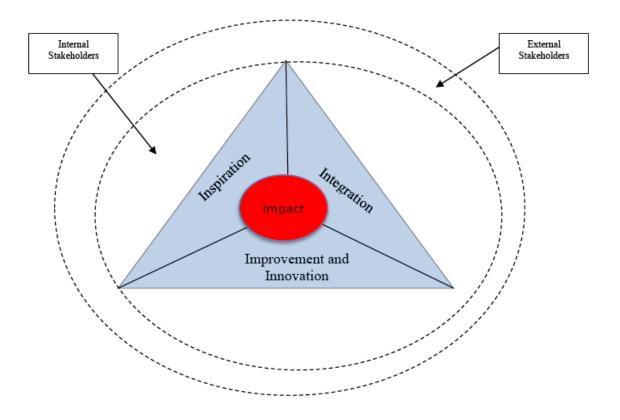


Figure 2 Total Responsibility Management (adapted from Waddock and Bodwell, 2002)

The fourth framework is that of Pless et al. (2012 cited in Jamali, 2015) which categorizes CSR leaders into four groups based on the degree of accountability towards others and the breadth of stakeholder group focus (Figure 3). First there is the traditional economist (low accountability, narrow breadth of stakeholder focus) with a little commitment to CSR. Second, there's the opportunity seeker (low accountability, broad breath) who only assumes CSR activities whenever there is a motive to doing so. Third is the idealist (high accountability, narrow breadth) who is social entrepreneur who goes beyond economical values. Finally is the opportunity seeker(low accountability, broad breadth) who similar to leaders falling under Miska et al.'s (2014 cited in Jamali, 2015) converging view, engage with both stakeholders and shareholders and deliver results along several bottom lines.

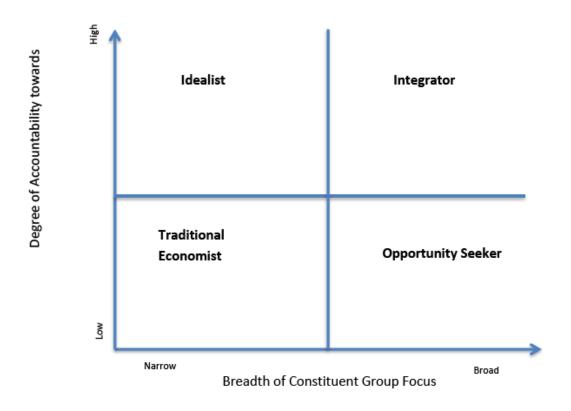


Figure 3 Matrix of Responsible Leadership Orientation (source: Pless et al., 2012)

A fifth framework is one that has recently been developed by Antunes and Franco (2016) and which identifies four dimensions that every responsible leader should possess (Table 2). First there's virtuousness; having a positive attitude towards correctness, rectitude and doing good. Then a leader has to foster a sense of stakeholder involvement whereby leadership itself is understood as the interaction with the stakeholder community (Antunes and Franco, 2016). The third dimension is a model of leader's role that encompasses demonstrating authenticity and integrity. In other words, leaders have the intellectual capacity to address complex situations with different points of view involved. Competencies and traits such as stewardship, visionary and a coach are all part of that model. The fourth dimension is principles and ethical values. As the title suggests, socially responsible leaders need to base their decisions on ethical values particularly when the interests of many are involved.

Dimensions	Responsible leadership practices
Aggregate of virtues	Positive and stimulating atmosphere Collaborators' well-being Positive spirit Shared responsibility Emotional commitment Employee retention
Stakeholder involvement	Respect for social values Corporate social responsibility Environment, sustainability and safety Social networks
Model of leader's roles	Organizational citizenship Shared vision Reward system Collaborator development Friendship and loyalty Emotional and relational intelligence Feeling of belonging
Principles and ethical values	Management by example Integrity and ability Communication Moral and relational values Social benefits

Table 2: Dimensions and practices of responsible leadership (source: Antunes and Franco, 2016)

The sixth and final framework is one that has been drawn by Angus Leppan et al. (2010) whereby a direct relationship is drawn between the type of CSR and leadership styles (Figure 4). Angus-Leppan et al. (2010) argue that there are two types of CSR that exist, one that is implicit and another that is explicit. Implicit CSR is embedded in the political system under which the organization operates. That is, CSR activities are guided not only by the business-society but also by norms and cultures-government rules and regulations. According to the scholars, an authentic and emergent leadership style seems to best fit the situation. On the other hand, an explicit CSR is one that goes beyond the rules and regulations to take more of a voluntary form. An explicit CSR is a result of strategic deliberate decisions taken by leaders. According to Angus-Leppan et al. (2010), an autocratic leadership style was found to be linked with such type of CSR activities.

As can be noted, there is quite of a contradiction between the CSR type and the associated leadership style. For example, an authentic leadership can be best described as a relational process that is created by both leaders and followers (Eagly, 2005 cited in Northouse, 2010). In this case, both leaders and followers affect each other. On the other side, an autocratic leader is one who takes decisions solely and adopts a reward/punishment system vis a vis followers. Therefore, the relationship between explicit CSR and autocratic leadership seems to be at odd. Hence, it would be one of our aims to understand whether the same relation exists in the Lebanese context and try to analyze the contradiction in the opposing systems.

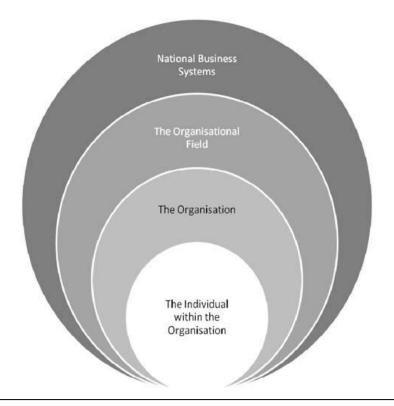


Figure 4: The four levels of institutional drivers (source: Angus-Leppan et al.2010)

As mentioned through the six frameworks above, responsible leaders make decisions that have impact on internal & external stakeholders, within existing laws. Therefore, responsible leaders

wield immense power and influence, to be used for good or ill, take responsibility for their actions and decisions which includes both failures and successes while reconciling economic and social interests for the sake of their organizations, which requires a sense of accountability and adaptability. Responsible leaders put actions which lead to the development of individual strength, tolerance, and energy. Responsible leadership is about propelling others (including society and societal stakeholder) better as a result of his presence and making sure that impact lasts even in their absence. He knows when and how to attract, develop, reward and utilize teams to optimize results. He acts to build trust and help resolve conflicts.

#### **CHAPTER 3 METHODOLOGY**

#### 3.1 Introduction

Epistemology has been defined best by Easterby-Smith et al. (p.60, 2008) as the set of norms and conventions about ways of investigating the nature of the world. Of the several paradigms that have been developed by philosophers in their debate on how social scientific research should be conducted, one particular epistemology arises, interpretivism. The idea behind this paradigm is that instead of scholars and researchers trying to understand causal relationships through facts and statistics, a rather personal means is used to understand the reality (Carson et al., 2001).

Similar to constructivism, interpretivism focuses on the methods and tools people use to make sense of the world by sharing their experience through language. The truth (and there is more than one) is realized by people rather by objective facts and external factors (Easterby-Smith et al., 2008). Advocates of this epistemology are usually looking for rich data to induce ideas.

Researchers are constantly looking to understand what they are studying and generalization is usually done through theoretical abstraction (Easterby-Smith et al., 2008).

At a lower level comes the methodology or the set of techniques adopted to investigate a specific situation. The choice of methodology is usually affected by the type of epistemology accepted (Easterby-Smith et al., p.62, 2008).

#### 3.2 Epistemology and Methodology

This research is conducted to identify the set of leadership skills and characteristics required for socially responsible leadership in Lebanon.

A number of leaders have been previously identified by scholars such as Jamali (2016) and Jamali and Mirshak (2007), and with some additional names, a list of candidates is finalized for our observations. An interpretivist epistemology is adopted whenever seeking rich data through qualitative approaches (Carson et al., 2001). In our case, the aim is to collect data that helps better understand the required set of skills and traits required for any leader to be socially responsible in Lebanon or not.

Several scholars have exploited the ways through which leaders can positively conduct CSR through stakeholder engagement. For instance, Doh and Quigley (2014) believed considering the needs of those at the lower levels of the organization chart would reflect in a positive psychological engagement with the organization. Other researchers such as Stahl and De Luque (2014) talked of the various external influences affecting leaders' decisions and actions when it comes to CSR activities. They did however conclude that there are certain individual characteristics involved, but that needed further exploration. Filatotchev and Nakajima (2014) called for an understanding of leadership behavior and corporate governance and institutional pressures as well that lead to more effective CSR planning and implementation. None of the aforementioned studies focused on actually developing a framework for understanding the specific leadership styles, skills and traits that would act as a guideline for any organization hoping to recruit a leader capable of going beyond the stakeholder interest and successfully implementing CSR activities. Questions that need to be asked here include: Are there prerequisite skills for successfully conducting CSR? Is there a direct relationship between leadership styles and socially responsible business activities? What makes a leader go beyond serving the needs of shareholders alone?

#### 3.3 Qualitative Approach

Confirming or disconfirming our hypothesis requires the collection of data. Qualitative methods are usually considered when seeking to identify social work from the eyes of the actor (Bryman, 1984). Through the use of natural language data, we will discover views and perceptions of the leader's under study. Furthermore, of the several methods associated with collecting qualitative data, in-depth interviews remain the most effective tool for observing the world from others' perspectives and collecting rich data (Bryman 1984; Easterby-Smith et al., 2012). The goal is not to understand the interviewees' perspectives but also to recognize the reasons behind their viewpoint (Jones, 1985 cited in Easterby-Smith et al., 2012). A list of guided semi-structured questionnaires will be shared with the interviewees. By doing so, it is made sure that a clear picture of the interviewee's perspective is captured, interviews do not take the form of an open conversation style (non-structured interviews) and finally the use of wider population is avoided (highly structured questionnaires for collecting quantitative data).

Laddering is also one of the employed techniques to be used in order to avoid capturing mere facts. Answers shall be built up to gather personal views and to dig deeper into the respondents value base (Easterby-Smith et al., p.146, 2008).

Finally, it is to be made sure that questions set for the questionnaires are relevant to the respondents in order to avoid fake or exaggerated information (Easterby-Smith et al., p.166, 2008).

#### 3.4 Questionnaire

Since adopting an Interpretivist epistemology requires a perceived knowledge, then devising a list of questionnaires has to stem from previously defined frameworks developed for the sake of exploring or at minimum giving pathway to possible understanding of the required sets of leadership skills and competencies essential for successfully conducting CSR activities in the Lebanese context. According to Easterby-Smith et al. (2008) sampling requires only a small number of cases chosen for specific reasons. This coincides with Carson et al's (2001) claim that research needs to focus on what is specific and concrete. As such, ten interviews were conducted with leaders and managers operating in the Lebanese context and known for being pioneers in the CSR field. Biographies of the interviewees can be found in next chapter.

This chapter justifies the adoption of interpretivism as an epistemology and explains the reasons behind the choice of the methodological framework and its relevant tools and techniques.

Qualitative approach is assumed here with rich data to be collected through the use of semi-structured questionnaires. The list of respondents shall comprise Lebanese leaders already pinpointed previously by scholars as icons of CSR as well as managers of organizations known for their successful CSR activities in Lebanon.

The next chapter presents the data collected and lays out its interpretation. Results are then thoroughly discussed and implications are drawn accordingly.

#### **CHAPTER 4 ANALYSIS AND FINDINGS**

#### 4.1 Introduction

The following chapter discusses the results collected from the adopted methodology as deduced from the replies of the interviewees to the questionnaire (please refer to Appendix 1). Results are discussed and analyzed as they address each of the three research questions:

- 1. What is an agreed upon definition of responsible leadership in Lebanon? What role does responsible leadership play in ensuring a successful implementation of CSR activities?
- 2. What sets of competencies are reflected by socially responsible leaders in Lebanon?
- 3. What is a solid-based blueprint for HRM recruiters to follow when appointing a socially responsible leader?

The questionnaire contains 16 questions (Appendix 1) that stem from the adopted six frameworks discussed in Chapter 2. The questions were shared and asked to ten recognized leaders and managers known for their success in conducting CSR activities within the

Lebanese context. In addition, a consent form (Appendix 2) has been handed to the interviewees to sign for participation and confidentiality of the interview.

As previously stated under paragraph 3.4, semi-structured interviews were conducted in a ladder approach. It was clearly conveyed to the respondents prior to the interviews that the aim of the questionnaire was to better understand the competencies, skills and traits required for any leader or manager to successfully perform CSR activities in Lebanon. It was also stated that those same questions stem from previously discussed scholarly frameworks that carefully discuss and try to define CSR under various views and theories.

In what follows is a brief description of the bios of the responsible leaders and managers (Table

4) that have been selected for inclusion in this project. They come from different industries:

Banking, IT, pharmaceuticals, medical, retailing, business services, education and NGO.

Interviewee A	Interviewee A is the founder of the National Cancer Association in Lebanon (NGO) acting as the president of the NCA. Also he is the founder and member of the Young Arab Leader organisation for Lebanon. Mr. A has more than 20 years of broad-based human capital management working in various industries (Pharma, telecom, cement, construction). Proven track record of developing organizations and teams through the creation and the implementation of HR strategies and programs, embedded in the company business strategy. His experience includes studies and project work in the areas of HR strategy and operations, organization design and development ,HR service delivery model design and implementation, performance management ,talent management and competency modelling ,survey design and administration ,workforce planning. In 2001 he joined Sanofi in the capacity of regional HR & security Director Lebanon & Near East and board member of the management committee. He is co-founder at IPS Holding/Integrated Pharma Solutions since March 2013 and participated in the start up of the company in the capacity of Corporate Affairs & Security Director for Middle East & Africa.
Interviewee B	Interviewee B is almost 46 years of experience in all kinds of services, from Airlines to Hotel Management Transportation & Logistics (27 years with Aramex), started a new company in 2014 Crypta sal that signed for the franchise of (InfoFort LLC) – at the same time still handling the CSR projects of Aramex. President of LLWB (Lebanese League of Women in Business). She is currently:  Vice Chair of Amideast Advisory Board  Vice Chair of Ruwwad Altanmiya in Tripoli  Vice Chair of Injaz Lebanon  Member of the Steering Committee of UNGCL (United Nations Global Compact)  Member of the American Chamber of Commerce - AMCHAM - Chapter Lebanon  She participated in major social activities, in addition to different CSR projects (under Aramex/InfoFort)  In 2007 she was chosen by the State Department among other 5 Lebanese Business Women to participate in two Conferences 1 <sup>st</sup> one held in Amman and the Major one in Washington D.C., under the title (Women Business Leaders' Summit)
Interviewee C	Interviewee C has more than 20 years experience of FMCG. He started his career by owning and operating his own supermarket. Over the following 17 years, Mr. C took several challenging positions. Today

	he is CEO at UCCM, managing and overseeing yearly sales of over USD 100 million. Mr. C has built strong entrepreneurial and leadership skills, which stem from a thorough understanding of the economic and social structures of Lebanon and the Arabian Gulf.
Interviewee D	Interviewee D is CSR/Communication manager at HOLCIM (cement industry around 300 employees). Holcim Lebanon was established in 1929 as one of the leading's cement companies, published the first sustainable development report based on GRI guidelines in 2009. The report, released every three years, outlines the progress on a range of sustainable business initiatives and highlights areas where major challenges remain).
Interviewee E	Interviewee E is the Head Of Human Resources at Sanofi (a global Healthcare Company) Near East (with over 200 employees). Sanofi Lebanon is an affiliate of the global diversified healthcare leader Sanofi. In Lebanon, Sanofi is a dynamic, rapidly growing organization that is working to meet the needs of healthcare professionals and their patients. Their main objectives are to include stakeholder expectations in their CSR strategy by using materiality analysis, integrate human rights into their operations and build CSR awareness and empowerment among employees worldwide.
Interviewee F	Interviewee F is passionate about being an agent of change in her community and is highly active in the civil society. After her studies she joined "2GEM" - a sustainability advisory group, catalyzing and accelerating responsible business practices in the MENA region - as a research executive.  Currently she is working with AVSI an Italian NGO.  Interviewee F is also the co-founder of a women empowering NGO called "Women to Women Success" where they provide to underprivileged women-at-home with employment opportunities while still being based at home. Interviewee F was recently the winner of a start-up competition funded by the USAID.
Interviewee G	Interviewee G is regional HR specialist at BMB (an ICT company Information and Communication Technology company). BMB is a leader in global business technology. BMB has grown since 1996 to be global leaders in the field of ICT. They are a pioneer in the industry for the MENA region (Middle East and North Africa). With over 300 employees. BMB community focuses on professionalism, drive and perseverance, thus acquiring an exclusive identity.
Interviewee H	Interviewee H is the Director of the Center for Civic Engagement and Community Service (CCECS) at the American University of Beirut. He has contributed chapters to several books. In October 2012 he launched the AUB-Syria Relief Project, and in July 2013 he designed a portable unit <i>Ghata</i> (Cover) that has been used to assemble portable schools under the project titled " <i>Ghata</i> : Bringing Education to Informal Tented

	Settlements". H served as the moderator on the Protracted Crisis theme for the Global online consultation forum, conducted by OCHA in preparation for the 2016 World Humanitarian Summit.	
Interviewee I	Interviewee I is Assistant Professor at the Lebanese University Faculty of Dentistry- Periodontology department. He served as President of the Lebanese Dental Association where he initiated the Cooperative fund, and President of the Arab Dental Federation.	
Interviewee J	Interviewee J is Market and Economic Research-CSR at Bankmed one of the top-tier banks in Lebanon. Established in 1944 it is a leading financial institution, dedicated to the advancement of the community, Bankmed has ingrained Corporate Social Responsibility (CSR) in the way the Bank has chosen to do its business. Bankmed's "Happy Planet" program remains the frontrunner of the Bank's CSR commitments. The program which includes funding of specific environmental programs, has undertaken various projects in collaboration with government departments and ministries, NGOs and educational organizations, to preserve the natural environment.	

Table 4 – Biographies of interviewed leaders and managers

### 4.2 Responsible Leadership and its effectiveness in conducting CSR activities

Interviewees were asked to reflect on their understanding of the term CSR as well as to define responsible leadership. Answers to questions 4, 5, 7, 8, 10, 11 and 16 showed without doubt that interviewed individuals perceive responsible leadership from a stakeholder point of view. A responsible leader works towards the benefits of the stakeholders and their interests. It was clearly depicted that most respondents believe responsible leadership has an obligation towards its surrounding community on one hand and the internal stakeholders on the other. For instance, H defined responsible leadership as the "induction of sustainable changes to make a better environment and community". Similarly, G described responsible leadership as the act of "looking for the well-being of the people around the leader". D posited that leaders need to "act responsibly while taking into account different environmental and societal factors in business decisions". Furthermore, C revealed that the main driver for conducting CSR activities is "enhancing reputation, customer loyalty and contribution to improving the society". In the same

sense, A argued that there is a "commitment towards improving the way of living" of the stakeholders. B elaborated further on the strategic goals behind CSR initiatives stating that it all falls under the "making a difference" purpose. She adds that her organization is constantly looking at "enhancing commitment of the team towards their societies".

Only one reply showed a definition of the term responsible leadership from a shareholder point of view. That is, a leader works towards increasing profit while simultaneously delivering responsible services. The latter seems to fall under the 'avoid harm' category while the rest can be categorized under the 'do good' type of responsible leadership. F reveals that a responsible leader is one who "generates profits while delivering responsible services and products". Others did not stress much on the financial part, rather some such as E and C explained that "employee retention and engagement" and "customer loyalty" are more important factors than the financial impact.

In summary, there seemed to be a broad consensus between almost all interviewees on the need to lead by example and build an internal network of CSR activists. A leader should work towards having an embedded CSR within the fabrics and culture of the organization itself. Looking back at Miska et al.'s (2014) framework, one can easily relate the current scope of responsibility drawn from the respondents' responses to the stakeholder view defined by Miska et al. (2014 cited in Jamali, 2015) particularly in terms of both locus of responsibility and the multiple roles of leadership towards the various stakeholders (both internally and externally). According to Pless et al. (2012 cited in Jamali, 2015), such types of leaders fall under the idealist view. Similar implications could be noted in Jamali's (XX) article "Responsible Leadership in Times of Change: Champions from the Arab Region". Findings by Jamali clearly showed that the Lebanese leaders under study reflected a philosophy of activism and doing good. They obviously

go beyond the confines of their businesses, recognizing their responsibility to society. Hence, it is only rational to categorize them as "do good" leaders rather than "avoid harm" individuals. Furthermore, similar to Jamali's (2015) observations, most interviewees did not show a trade-off between financial and social responsibility.

# 4.3 Competencies and skills attributed to responsible leaders operating in the Lebanese context

Answers to questions 6, 9 and 15 indicate a contradicting image to what is concluded by Angus Leppan et al. (2010). Due to a lack of governing bodies as well as the absence of rules and processes that should regulate conducting socially responsible activities in Lebanon, it is only logical to consider CSR activities as being explicit rather than implicit. Thus, while Angus Leppan et al (2010) noted a relation between the autocratic leadership style and explicit CSR, answers to the aforementioned questions show more of a transformational leader-follower type of relationship that is built on trust and moral values. For example, H believes that a leader needs to be a "wounded healer and caring". Similarly, G description of a responsible leader is someone who is "friendly and looks out for people around him/her". C adds that "employee involvement and support from top management" are critical success factors for every organization intending to successfully perform CSR activities. Additionally, A posits that communication skills and the ability to listen to others as two certain competencies a responsible leader must possess. Terms such as "belief in core values of CSR", "Practice not Preach", "Involvement in Initiatives", "Shared goals and values" and "Team work" were observed in most of the replies to question 12. Interestingly, the same respondent that was categorized under the shareholder point of view previously, reflected an autocratic leadership style stating that there are no required competencies; perseverance and good strategy are sufficient.

According to Burns (1978) a transformational leadership is best described as the act of motivating followers through engaging them in shared values and ideas. Replies of most respondents show signs of inspirational motivation and individualized consideration (two of four elements that constitute transformational leadership according to Ilies et al., 2006). Hence, any correlation between findings here and those of Angus Leppan et al. (2010) cannot be made due to contradicting deductions.

On the other hand, above observations seem to be in line with what Antunes and Franco (2016) posit as aspects of a responsible leadership. For instance, a leader has to foster a sense of stakeholder involvement in addition to having a positive attitude towards doing good.

# 4.4. A framework for recruiting responsible leaders

It is now clear from the above findings and the comparisons done against the previously discussed six frameworks what type of characteristics and competencies HRM departments need to be looking for before recruiting responsible leaders. First, recruiters need to look for those individuals who look at CSR from a stakeholder point of view as defined by Miska et al. (2014 cited in Jamali, 2015) and fall under the "do good" category as explained by Stahl and de Luque (2014). Furthermore, responsible leaders willing to conduct successful CSR activities within the Lebanese context should reflect the principle of inspiration as proposed by Waddock and Bodwell (2002 cited in Jamali, 2015) in order to create a company-wide commitment whereby followers are involved in CSR activities. Finally, leaders need to adopt an authentic transformational style that cares for the welfare of the followers and stakeholders while respecting moral dignity and standing. Additionally explicit CSR requires that leaders possess explicit values and conscience in order to emphasize the interests of the followers within a

greater society (Luthans and Avolio, 2003). Below is a table comparing our findings against the six frameworks in the literature:

Framework: Stahl and de Luque					
Findings: 9 out of 10 interviewees showed that	their definition of responsible leadership falls				
under Stahl and de Luque's "Do Good" Category					
Doing Good	Avoid Harm				
<ul> <li>"Induce sustainable changes to make a better environment" – C</li> <li>"A responsible leader looks at the wellbeing of the people around" – G</li> <li>"A responsible leader works to achieve all stakeholders benefits and interests" – C</li> </ul>	"Responsible leaders are the ones who know how to generate profit while delivering responsible services and products" -F				
Framework: Miska et al.					
Findings: 9 out of 10 interviewees reflected a stakeholder point of view					
Stakeholder View	Agent View				
<ul> <li>"A responsible leaders acts responsible, taking into account different environment and societal factors" – D</li> <li>"Commitment towards community-try to improve the way of living and the know how-awareness" – A</li> <li>"CSR is a commitment towards your society; it is how you identify the special needs of your society and address them in a sustainable way" – B</li> </ul>	"Companies act responsibly by integrating responsible actions within their core business and generate profit"-F				
Framework: Waddock and Bodwell					
Findings: Inspiration is found to be the most common aspect amongst most of the interviewees. Not much indication from the respondents' answers on signs of integration and innovation.					
Inspiration	Innovation				
<ul> <li>"You lead the CSR projects, get involved in them, train your team and make it a way of life within your company" – B</li> <li>"CSR is integrated into the fabrics and artefacts of the culture of the organization" – E</li> </ul>	"There should be infrastructure, creativity and innovation (generate new ideas, develop, improve existing and new system)" - I				

• "There should be a sense of teamwork, shared goals and incentives" - C

# Framework: Pless et al.

Findings: 8 out of the 10 respondents are to be categorized under Pless et al.'s idealist group. One interviewee can be categorized as an opportunity seeker and the other as an integrator. None falls under the traditional economist.

Idealist	Opportunity Seeker	Integrator	
"Working in a turbulent country, one cannot ignore the needs of your societies, nor act as if you do not see the problems" – B	"I define responsible leadership are the ones who know how to generate profit while delivering responsible services and products" - F	"Competition is severe for gaining market share. CSR is a great tool" - C	
"CSR should be a pillar in the organization; it is not a choice anymore rather a must" - A			

# Framework: Antunes and Franco

Findings: All of the dimensions and practices highlighted by Antunes and Franco can be identified in the respondents' replies.

identified in the respondents' replies.						
Aggregates of	Stakeholder	Model of Leader's	Principles and			
virtues	involvement	roles	ethical values			
<ul> <li>"Wounded healer" – Shibli</li> <li>"A leader should be responsible, friendly, honest" – G</li> </ul>	<ul> <li>"Understand the different needs of their stakeholders and respond to them" – D</li> <li>"Commitment towards community-try to improve the way of living and the know howawareness" – A</li> </ul>	<ul> <li>"Responsible leadership, should believe in CSR and communicate it among all the company's" – F</li> <li>"A sense of teamwork, shared goals and incentives is necessary to reinforce the idea of social responsibility" - C</li> </ul>	<ul> <li>"Moral ambiguity" – H</li> <li>"A responsible leader has to act with integrity" - D</li> </ul>			

# Framework: Angus Leppan et al.

Findings: There is direct link between explicit CSR and transformational leader; a finding that is contradicting to Angust Leppan et al. conclusions. Aside from F, all leaders reflected traits and competences (refer to Chapter 5) that fall under the transformational styles.

Signs of Transformational Leadership

"A leader should practice, not preach" – H

" A responsible leader should look out for people around him" –G

"A responsible leader must gain people's trust" – D

"There needs to be a sense of teamwork, shared goals and incentives" -C

"Team members need to be involved and part of any initiative " - A

Table 3: Fitting our findings to the various frameworks discussed in the literature

In what follows, under Chapter 5, I present a set of competencies and skills that HRM need to be looking at as a minimum set of prerequisites before recruiting responsible leaders.

# CHAPTER 5 GENERAL CONCLUSIONS, INSIGHTS AND RECOMMENDATIONS

### 5.1 Summary of Findings

This study was conducted with the aim of better understanding responsible leadership in Lebanon as well as developing a guideline for Human Resource managers - operating in the same context - to use in their recruitment of Leaders capable of responsibly and successfully going beyond economic interests and conducting CSR activities.

Findings from the interviews have revealed a set of skills and traits necessary for socially responsible leaders. It was opted to summarize these traits under three major competencies:

# 1- **Building Trust:**

**Definition:** Providing an environment with low power distance factor whereby others can act and talk freely (United Nations Competencies Handbook, 2016)

#### **Highly Favorable:**

- Creates an atmosphere where followers can talk and act with no fear of repercussions
- Has no hidden agenda; transparent
- Places confidence in colleagues and members of the team
- Credits others for satisfactory performance

# **Highly Unfavorable:**

- Does not delegate authority
- Highly unpredictable and acts with a closed agenda

• Followers are reluctant to give in their opinion

# 2- Motivation:

**Definition:** The act of initiating work related behaviour and determine its form, intensity as well as duration (Ambrose and Kulik, 1999 cited in Ilies et al., 2006).

# **Highly Favorable:**

- Willingness to tackle complicated problems (Northouse, p. 49, 2015)
- Willingness to dominate in order to exert influence (Northouse, p.49, 2015)
- Committed to the Social good of the overall human good and value of the organization (Northouse, p.49, 2015)
- Communicate high expectations to team members and followers (Northouse, p.193, 2015)
- Creates a shared commitment and makes followers part of the organizational shared vision (Northouse, p.193, 2015)

# **Highly Unfavorable:**

- Thinks from a shareholder perspective
- No intention to advance the social good of the organization
- Fails to look into ways to improve the lives of the followers
- Understands the company's vision and strategy very well but does not communicate
  the roles followers need to play in the growth of the company (Northouse, p.193,
  2015)

# **3- Socially Perceptive:**

**Definition:** Understanding needs, goals and demands of those within the organization and surrounding environment.

# **Highly Favorable:**

- Ability to predict internal and external reactions to organizational changes and activities (Northouse, p.50, 2015)
- Open and willing to change; behavioral flexibility (Northouse, p.50, 2015)
- Emotional healer; sensitive to others personal concerns as well as their well-being (Northouse, p.227, 2015)
- Creating value for the community by consciously and intentionally giving back to the community and society
- Holding strong ethical standards

#### **Highly Unfavorable:**

- Acts without consideration to internal organizational and external environmental and societal needs
- Dogmatic and locked into a singular approach to a problem (Northouse, p.50, 2015)
- Not open and dishonest towards the society
- Favors processes that are not transparent
- Reflects a non-servant leadership style

#### 4- Influential Communicator:

**Definition:** Engaging followers, clearly communicating expectations, sharing visions and driving others towards triggering and accepting change

#### **Highly Favorable:**

- Clearly communicates and generates compelling directions, inspiring followers and team members to follow on the same path (United Nations Competencies Handbook, 2016)
- Clearly communicates links between visions and strategies to implement that vision
   (United Nations Competencies Handbook, 2016)
- Able to identify strategic opportunities and highlight risks

### **Highly Unfavorable:**

- Fails to clearly communicates visions and strategies; team members unaware of the reasons or the desired outcomes of implemented strategies
- Opportunities missed and risks unidentified
- No openness in sharing information; team members are kept uninformed
- No clear links between organization's values and leader-followers objectives

#### 5.2 Limitations of the Study and future areas of research

While it seems from the findings of the research that the main driver for CSR activities in Lebanon is responsible leaders going beyond the shareholder interest, we nevertheless lack the financial figures that measure the impact of those activities on profit (whether increasingly or decreasingly). Additionally, we lacked data to study the trend of CSR activities over the past five years particularly amidst annual soaring economic recessions. Such information would have had

a strong impact on the findings; proving whether responsible leaders do indeed fall under the "do good" category.

It is therefore recommended to expand such studies and complement them with financial data that either conforms or disconfirms our argument that Lebanese responsible leaders go beyond the economical interest and act mainly from a stakeholder point of view.

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# APPENDIX 1 INTERVIEW QUESTIONS

- 1. What is your industry type (Banking, It, Medical, education, governmental). Is it a non-profit entity or a Profit one?
- 2. Size of the organization (how many employees)?
- 3. Are you familiar with the term Corporate Social Responsibility (CSR)? How would you define CSR?
- 4. How would you define responsible leadership?
- 5. What is in your opinion the role a responsible leadership should play to successfully conduct CSR activities?
- 6. Do you think there are certain competencies that a responsible leader must possess to conduct CSR?
- 7. What is the impact of this focus on the financial performance of your organization? (Operational costs/benefits, consumer openness for socially responsible products)
- 8. What was the inspiration to start CSR initiatives? (How & when did it start, how did you grow and evolve from those early stages till today)
- 9. What are the values behind such initiatives (please provide examples)? And how do these values match your own personal values?
- 10. What are your strategic goals behind such initiatives? (Strengths and weaknesses, opportunities and threats, implementation and control, how is CSR woven into this initiative, obstacles/ challenges faced)
- 11. How have your initiatives been received by the general public including customers, competitors, and critics?
- 12. Where do the team members stand in terms of CSR? (How do you reinforce the idea of social responsibility with your people (hiring, training rewards))
- 13. Where do you stand with respect to your competitors?
- 14. What is in the future for you in terms of CSR? (Projects, expansion)
- 15. What are the critical success factors that you've identified that can help other organizations follow?
- 16. What are the lessons learned so far and how will you address these for future ventures?

# APPENDIX 2 CONSENT FORM

## Responsible Leadership in Lebanon and Exploratory Study

Principal Investigator: Prof. Dima Jamali

Olayan School of Business

Third floor, room 308

Email: dj00@aub.edu.lb

Address: American University of Beirut

Riad el Solh

Beirut, Lebanon

Phone: 961-1- 350 000 ext 3727

I am a Master of Human Resources Management (MHRM) student and I am inviting you to participate in an interview, on the topic of Corporate Social Responsibility (CSR), in order to conduct the case study "Responsible Leadership in Lebanon and Exploratory Study" in fulfilment of my MHRM project requirements and for research purposes. The study I am conducting involves research about Responsible Leader's CSR in Lebanon, and is purely for research purposes. If you allow it, the interview will be tape-recorded for transcription and analysis. All recordings and transcriptions will be destroyed after their usage for this research. If you do not agree to tape recording, we can proceed without it.

#### PURPOSE OF THE STUDY

Corporate Social responsibility is the main focus of this research. CSR and Corporate Sustainability have been witnessing an exponential growth across the Middle East and Arab world, as various institutions are striving to adopt and incorporate Corporate Social Responsibility (CSR).

The current study is a case study about Responsible Leaders in Lebanon and seeks to elucidate a Business's endeavour for adopting CSR and incorporating it within the company's core values and principles. Nevertheless, the emphasis of this study will focus on the competencies, skills

and characteristics needed by individuals in leadership positions in Lebanon, to effectively implement CSR applications and drive it through organization's culture.

#### **PROCEDURES**

If you volunteer to participate in the study, based on the details provided above, and the interview process below, I will proceed with the interview.

If you agree to participate, please note the following:

- 1. Kindly assign a time convenient to you at a desired location of your choice
- 2. You will be given sufficient time to consider whether you want to participate in the study or not
- 3. Participation is completely voluntary
- 4. Refusal to participate or deciding to withdraw from the study will involve no penalty or loss of benefits to which the subject is otherwise entitled and neither will it affect their relationship with AUB or the organization they belong to.
- 5. If you volunteer to be in this study, you may discontinue participation at any time without any penalty or loss of benefits
- 6. You will be asked approximately 10 questions mainly regarding yourself, your work responsibilities and your organization's initiatives and events.
- 7. Your name will not appear in the paper.
- 8. The results will remain completely confidential. Insights from the interviews and discussion will have no mention of your name. The information from the interviews will only be used for the purpose of this research.
- 9. In total this survey will take 1-1.5 hours to complete. There are no right or wrong answers.
- 10. Records will be monitored and may be audited without violating confidentiality.
- 11. Participants will be provided with a copy of the consent form.
- 12. Participants will be provided with an explanation of how to contact the research team for questions, concerns, or complaints about the research along with the PIs complete contact information.
- 13. Interviews will take place in a private setting to ensure confidentiality of data and privacy of participant especially that tape recording will take place after the approval of the participant
- 14. The study will recruit English speaking participants.
- 15. Confirmation of Consent To record Interview:

Question will be posed once recording has begun:

Do you voluntarily consent to this interview being recorded? (Yes/No)

If you have any questions about this study, feel free to contact the Principal Investigator on the contact provided above.

If you have any questions about your rights as a participant in this research, you can contact the Institutional Review Board at the American University of Beirut:

PO BOX: 11-0236 F15

Riad El Solh, Beirut 1107 2020

Lebanon

**Tel:** 00961 1 374374, ext: 5445

Email:irb@aub.edu.lb

#### POTENTIAL BENEFITS TO SUBJECTS AND/OR TO SOCIETY

The case has been primarily designed for academics purposes, mainly to provide material for class discussion. The case is expected to simulate discussion of the extent to which CSR is being applied in companies and to focus on identifying socially responsible skills and behaviours in leaders and factors influencing them. It aims to discuss the implications of responsible leadership towards CSR, identify the skills required from a leader to promote CSR, and reveal how CSR is a crucial component towards all business operations.

#### PAYMENT FOR PARTICIPATION

You will not receive payment for participation in this study.

#### **CONFIDENTIALITY**

To ensure confidentiality, I will not use your name in the report. All information disclosed will be aggregate. No reference to the interviewee's name or company will be made. No personal or identifying information will be disclosed at any time or in any report, publication, or article. No identifying information will be requested.

#### PARTICIPATION AND DISCONTINUATION OF PARTICIPATION

You can choose whether to volunteer in this study or not.

If you volunteer to be in this study, you may discontinue participation at any time without any penalty or loss of benefits