Abstract

Objectives: In an attempt to enrich and de-Westernize the CSR literature in Kuwait and uncover the external factors that are related to corporate social responsibility [CSR], this research investigates the institutional factors influencing CSR in Islamic and conventional banks and telecommunications companies in Kuwait. Method: Utilizing institutional theory and in-depth interviews with 12 corporate communications practitioners, the study found varying albeit minimal contributions of institutional factors to the CSR practices of organizations. Results: Islam did not exert a direct influence on CSR in Kuwait, a majority Muslim country, but was found to be a framework within which organizations operate. Industry sectors, peer pressure, the media, NGOs, and the local community along with social media were also insignificant institutional factors. The environment was the only institutional factor that was found to exert influence on CSR, but its impact was marginal. Increasing levels of global environmental awareness, rather than country-specific factors, made Kuwaiti corporations pay attention to the environment. Conclusion: The implications of the findings suggest the need for government intervention to encourage the private
sector to align its CSR practices with the country’s priorities. Corporate communicators need to strategically manage CSR where research and planning are conducted, and stakeholders such as local communities, NGOs, and company employees are involved.

**Keywords:** corporate social responsibility, Kuwait, corporate and strategic communications, Islam, institutional theory
المسؤولية الاجتماعية للمؤسسات في الكويت: الكشف عن العوامل المؤسسية من منظور الاتصال الإستراتيجي

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ملخص

الأهداف: لإثراء التراث العلمي في مجال المسؤولية الاجتماعية في الكويت والعوامل المؤسسية المرتبطة بها، حاولت هذه الدراسة البحث في العوامل المجتمعية التي تؤثر على المسؤولية الاجتماعية لكلا القطاعات (البنوك الإسلامية وغير الإسلامية) قطاع شركات الاتصال في الكويت. المناهج: استخدمت الدراسة الإطار النظري للنظرية المؤسسية وإجراء مقابلات معمقة مع 21 موظفاً في أقسام الاتصال المؤسسسي بنوك وشركات الاتصال. النتائج: وجدت الدراسة أن العوامل المجتمعية المذكورة في التراث العلمي لم تكن مؤثرة على طبيعة عمل المسؤولية الاجتماعية لهذه المؤسسات. وجدت الدراسة أن الإسلام لم يكن له تأثير مباشر على ممارسات المسؤولية الاجتماعية في الكويت، ولكنه كان يمثل أكثر كالإطار العام الذي يتأثر بطرق عمل المسؤولية الاجتماعية. كما لم يكن لكل من المنافسي، قطاع الاتصال المؤسسسي، الإعلام، المجتمع المدني، الحكومة والعوامل الاقتصاديين تأثير صلب في طبيعة عمل المسؤولية الاجتماعية. وجدت الدراسة أن البيئة كانت العامل المؤسسسي الوحيد الذي أظهر تأثير متوازن في ممارسات المسؤولية الاجتماعية وذلك بسبب الاهتمام العالمي للبيئة الذي يفرض على هذه المؤسسات أيضًا. الخاتمة: تستدعي الدراسة أن الاتصال المؤسسسي في الكويت يحتاج إلى تدخل وتنسيق حكومي لتوجيه ممارسات المسؤولية الاجتماعية نحو قضية مهمة تحتاج الكويت إلى مواجهتها، كما يحتاج موظفو الاتصال المؤسسسي في هذه المؤسسات أن يبديوا المسؤولية الاجتماعية بشكل إستراتيجي، نابع من تخطيط مسبق وأهداف واضحة وتطبيق محترف بمشاركة عدة أطراف من المجتمع كالإعلام، جمعيات المجتمع المدني.

الكلمات المفتاحية: المسؤولية الاجتماعية، الكويت، الاتصال المؤسسسي، الإسلام، المسؤولية المؤسسية

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لاستشهاد بهذه المقالة انظر ص. 424.
Introduction

Corporate social responsibility [CSR] has been regarded as the best way for businesses to address social problems and maintain legitimacy in society. Corporations are no longer perceived simply as providers of goods and services. They are also expected to contribute positively to communities and the environment. The field of CSR has received increasing amounts of attention in academia in the last two to three decades and has witnessed a growing body of research in several academic disciplines in the social sciences and business management (Bortree, 2014; Garcia-Sanchez & Garcia-Meca, 2017; Lee, 2017; Lee & Rim, 2016; Rim et al., 2016).

CSR does not occur in a vacuum. Corporate factors such as decisions, budgets, internal communication, and planning precede the actual implementation of CSR (Duthler & Dhanesh, 2018; Song & Tao, 2022), and its success is closely related to corporate culture and related beliefs (Dhanesh, 2014; Song & Tao, 2022). External factors such as the economic system, government regulations, and the social structure are also institutional contributors to the practice of CSR (Gaither & Al-Kandari, 2014; Jamali & Karam, 2016). Therefore, companies must adapt to society’s pre-existing economic, social, and political structures in order for their CSR to be compatible and effective (Matten & Moon, 2008).

These considerations provide the basis for the overarching research question of this study: what are the institutional factors that contribute to shaping CSR discourses in Kuwait? This study aims to explore these factors and their relationships or interplay in society at large. It proposes that institutional factors exert influence and impose certain conditions that contribute to the shaping of CSR. It attempts to shed light on the compatibility of CSR with pre-existing economic, social, and political structures and, consequently, whether or not CSR is implemented based on prior knowledge of these factors. Importantly to note, this study defines discourse as the process of social interaction in which practices of production, consumption, and communication of content and meaning are taking place and are simultaneously dependent on one another (Erjavec, 2005; Fairclough, 1995).
By employing institutional theory and applying a corporate communications perspective, this study analyzes the institutional determinants that contribute to CSR discourses. It aims to provide insights that extend beyond a particular country and a specific number of corporations as well as provide corporate communicators with prior institutional knowledge to implement effective CSR that accommodates societal needs. This will also help move the literature in a more theoretically oriented direction.

It is important to mention that CSR has been discussed in a range of disciplines from a diversity of theoretical backgrounds. CSR research has been situated in the interdisciplinary intersection of public relations, organizational communication, and management (Ihlen et al., 2011). Therefore, this literature review will be interdisciplinary and was built theoretically from the fields of public relations and business management. It is also important to note that terms such as “corporate communications”, “strategic communication”, “strategic public relations”, and “public relations” have been used interchangeably (Hallahan et al., 2007; Swerling & Sen, 2009; Zerfass et al., 2018). Clarifying this overlap in conceptions is beyond the scope of this study; however, we conceptualize “corporate communications” as hosting multiple tasks that involve the management of communication responsibilities such as media relations, CSR, crisis communication, media campaigns, research, and planning. These tasks and responsibilities reflect the functions of the established field of public relations [PR], but due to the shift from the term “PR” to “corporate communications” and/or “strategic communication” (Zerfass et al., 2018), this study will use corporate communications and PR interchangeably.

This study provides several contributions. First, we attempt to broaden the understanding of CSR in Kuwait by looking at the institutional factors shaping its discourses. This will contribute equally to several relevant fields and literatures of public relations and business management. Second, this study aims to respond to calls for further CSR investigations in Arab countries (Al-Abdin et al., 2017; Jamali & Sidani, 2013), where CSR has
been narrowly understood and practiced as philanthropy or Zakat, a form of Islamic almsgiving (Jamali & El Safadi, 2019). Al-Abdin et al. (2017) specifically mentioned Kuwait as an Arab country where CSR research has been lacking. Third, investigating CSR in Kuwait can provide similar descriptions for and explanations of this corporate practice in neighboring countries such as Saudi Arabia, Qatar, Bahrain, and the United Arab Emirates due to cultural and religious similarities. The prominence of Islam gives this study further significance beyond Kuwait to include these neighboring countries. Fourth, this study offers theoretical and practical implications relating to CSR in Kuwait and its link to corporate communications.

**CSR & Corporate Communications**

Consumers believe that CSR has become a requirement for doing business and not only a voluntary supplement to a company’s core business (Schmeltz, 2017). The increasing importance of various stakeholders in corporate discourse has created the need to expand the field of CSR and include the building of relationships with communities, non-governmental organizations [NGOs], and society at large. This is where CSR becomes a fundamental part of PR. The former provides the latter with the opportunity and content to nurture mutual relationships with various stakeholders which is a foundational function of PR (Clark, 2000; Taylor & Kent, 2014). Thus, CSR has increasingly become part of the tasks and responsibilities of PR, among others.

CSR has primarily been a Western concept developed in the historical context of democracy and market capitalism (Tang et al., 2015). The concept is multifaceted, and an agreement on a precise definition is yet to exist. Despite its attractiveness, it remains fuzzy and ill-defined (Nothhaft et al., 2018) due to its broad nature, subsumed under economic, environmental, ethical, and philanthropic responsibilities. This is also due to the fact that diverse academic disciplines such as business management and the social sciences define and study CSR in different ways. Nevertheless, it is considered “an umbrella term that encompasses various overlapping areas, such as corporate citizenship, business ethics, and corporate sustainability”
(Freeman & Hasnaoui, 2011, p. 422), as well as corporate accountability and responsible entrepreneurship (Kirat, 2015). The various definitions of CSR generally revolve around the expectation that corporations should integrate social, environmental, and economic concerns into their corporate values, culture, strategy, and operations in a transparent and accountable manner that goes beyond financial profits.

CSR has become a venue for PR to maintain and improve corporate impacts on all stakeholders. It allows PR to achieve significant strategic considerations in terms of enhancing corporate reputation, positive image, and corporate branding (Harrison, 2021; Lee & Rim, 2016), place CSR in the context of two-way communication (Bartlett, 2011; Bortree, 2014), and it provides “a context that allows for greater interaction between organizations and publics” (Taylor & Kent, 2014, p. 386). CSR presents an opportunity for PR to expand the repertoire of communication activities to achieve organizational goals. In essence, it can be thought of as a tool in the process of balancing the interests of organizations and their stakeholders (Boynton, 2002).

It is not surprising to see that PR departments have been mostly regarded as responsible for CSR (Grunig, 2006; Song & Tao, 2022). Because CSR involves planning and implementing initiatives, PR is at the heart of these steps and processes. PR departments are the mediating corporate entities whose responsibility is to facilitate mutual understanding and communication between corporations and their stakeholders. This suggests that CSR has established itself as a significant corporate function and a research area of and for PR (Lee, 2017).

**Institutional Theory**

Corporations are embedded in and influenced by their environments (Scott, 2005). They must adapt to pressures to implement their roles, procedures, and programs (Sandhu, 2009) and exist and operate within a broad set of political, religious, economic, and social contexts that affect their behaviors. These pressures and contexts are institutional in nature because they represent the constant forces to which corporations need
to respond. The business sector of an organization, a country’s religion, NGOs, the government, the media, and the environment have all been found to exert influence on CSR discourses. Therefore, this study employs institutional theory as a guiding framework to understand CSR in Kuwait.

According to institutional theory, corporations compete not only for resources and profits but also for political power, institutional legitimacy, and social fitness (Powell & DiMaggio, 1991). Corporations are not independent units that are able to develop and implement strategies in isolation from the external environment (Hoffman, 2001). They are embedded in a social web of rules, norms, and cognitive assumptions that form expectations from various stakeholders (Sandhu, 2009). It is, therefore, inevitable for corporations to adapt to institutional pressures in their corporate behavior.

Institutional theory posits that CSR is contextualized within different environments or institutional factors that can enable or impede CSR practice. Several studies have found various influences on CSR practice. For example, Doh and Guay (2006) examined differences in government policy, corporate strategy, and NGOs activism and found that the institutional environments of Europe and the United States lead to different expectations in the two regions in relation to CSR. A similar study by Matten and Moon (2008) found that due to institutional differences between the two regions, the United States adopts a more explicit approach to CSR, while Europe adopts a more implicit approach. Governments in France, Germany, and China have been found to exert more influence on CSR, while suppliers, creditors, customers, and employees were found to exert more influence in Japan and Korea (Crane & Matten, 2010).

In developing countries, governments do not encourage corporations to play a role in CSR, and corporations themselves are generally not sufficiently motivated to engage in CSR (Fox et al., 2002; Visser, 2008). Because of the weak structure and corrupt nature of government in some of these countries, corporations find it difficult to work with them (Jamali & El Safadi, 2019; Visser, 2008). Instead, corporations tend to resort
to philanthropy, although this practice remains inadequate in terms of elevating societal problems due to its reactive nature as isolated acts rather than being part of a national development program (Jamali & El Safadi, 2019; Jamali & Sidani, 2012).

Islam has also been found to be an institutional factor in CSR in Muslim and Middle Eastern countries. Corporate philanthropy is the dominant practice of CSR because of Islamic beliefs such as Zakat (White & Alkandari, 2019), an Islamic form of almsgiving that serves as one of Islam’s five obligatory pillars (Shu et al., 2021; White & Alkandari, 2019). Whether or not companies follow Islamic principles in their business operations, some of their CSR activities constitute components of the religion, such as distributing meals during Islamic holidays (Dusuki & Abdulla, 2007). Conventional banks, for example, are motivated by diverse ethical considerations, including Islam, in their implementation of CSR (Almutairi & Quttainah, 2017). For Islamic banks, their motivations are based on ethical standards derived from Shariah(1) (Aracil, 2019; Khan, 2016). In Kuwait, Al Rifai (2013) found corporate philanthropy to be the most dominant form of CSR in conventional and Islamic banks. In general, their CSR is characterized by intense Islamic beliefs, values, and norms (Al Rifai, 2013). In Turkey, Aracil (2019) found significant differences in CSR between Islamic and conventional banks, with the former being heavily geared toward philanthropy and the latter toward financial literacy and education.

Non-traditional factors in developing countries such as NGOs, local communities (youth, religious, tribal groups, and social gatherings), and the environment also represent pressures on corporations. In Lebanon, Jamali and Karam (2016) explained that NGOs and local communities are given limited attention, even ignored, because they are less coherent in articulating their demands. A similar study by Belal and Owen (2007) in Bangladesh suggested that the community and the environment are rarely mentioned as institutional factors influencing CSR. Their review showed

(1) Islamic laws based on the Quran and the sayings of the Prophet Muhammad "peace be upon him".
that these factors were not only related to political and economic structures but had also expanded to include local communities, NGOs, and the environment. For corporations, these factors can be highly influential or inconsequential in determining their CSR.

Through a PR or corporate communications perspective, this study proposes that institutional factors impose certain pressures on corporations in creating specific CSR discourses. It would be expected from PR professionals to act as institutional communicators who adapt to these pressures (Lammers & Barbour, 2006). These pressures would determine Kuwaiti companies’ understanding of CSR, their motivations to engage in CSR, and the CSR issues they are interested in. Institutional theory paves the way for a wider understanding of PR and CSR and their interrelationship in corporate discourse. On one hand, CSR can reveal institutional processes because it involves the social webs outside of the corporations that can enable or constrain CSR (Fredriksson et al., 2013). On the other hand, PR can be analyzed as an institutional practice with a set of governing mechanisms, including the taken-for-granted activities, rules, norms, and ideas that constitute what can be described as a logic for PR (Fredriksson et al., 2013).

**CSR in Kuwait**

There has been an overwhelming prominence of Islam in the practice of CSR in the Middle East (Dusuki, 2008; Jamali & Sidani, 2012). Corporate philanthropy is the dominant practice of CSR because it is influenced by Islamic values (White & Alkandari, 2019). According to Shu et al. (2021), only two studies have tackled CSR in Kuwait through a PR perspective: Gaither and Al-Kandari (2014) and White and Alkandari (2019). A 2013 dissertation by Al Rifai also tackled CSR in Kuwait but through a management perspective. Al Rifai (2013) found the religious context of Islam in Kuwaiti banks to be salient, with its impact involving all aspects of CSR, including motivations, justifications, and issues. Al Rifai (2013) also found limited influence from NGOs and shareholders toward banks’ engagement in CSR. Through a study of the websites of
Kuwait’s Islamic banks, Gaither and Al-Kandari (2014) found that the PR practices of these banks included Islamic value orientations, particularly in their CSR discourse.

According to Jamali and El Safadi (2019), CSR in Kuwait remains underdeveloped and requires greater efforts from the government and large companies to drive the practice forward. The Islamic practice of Zakat in the country has been transformed into a philanthropic tax, while other CSR practices remain fragmented and are implemented on an ad hoc basis (Jamali & El Safadi, 2019). Larger corporations such as banks and telecommunications companies are more active in the CSR space; however, their efforts remain arbitrary, with structural obstacles hindering the practice.

Research Questions

The following research questions address the extent of the influence of institutional factors based on the relevant literature. The questions are based on Dhanesh (2014), Jamali and El Safadi (2019), and Jamali and Karam (2016). The first research question addresses Kuwaiti corporations and their definition of and motivations for CSR as well as the issues in which they are involved. The second research question is concerned with the institutional factors that can influence the CSR discourses of these companies.

RQ1:

a. How do Kuwaiti organizations define and understand CSR?

b. What are the motivations and justifications for these organizations to engage in CSR?

c. In what CSR issues are these organizations involved, and why are they given priority over others?
RQ2: How do the following institutional factors contribute to the organizations’ CSR discourses?

- The business sector
- The media
- The government
- Religion (Islam)
- Corporate peer pressure
- The environment
- The community, including social media
- NGOs

Methodology

This study employed a qualitative exploratory research design because no known study has examined the institutional factors of CSR in Kuwait. In-depth interviews with PR practitioners were used as the most legitimate way of generating data in this regard. We chose Kuwait’s three telecommunications companies and 10 banks as the study sample (Table 1). These companies were chosen because of their strong media presence and public visibility throughout the year and during all occasions. They are active on both traditional and social media, outdoor events during awareness campaigns (cancer, diabetes, etc.), national and religious occasions. They provide sponsorships to multiple events and programs involving the youth, education, entrepreneurship, and sports. Some of these banks also follow Islamic principles in banking which adhere to Islamic law that prohibits interests on loans and tends to display a religiously conservative image in their media presence.
Table 1

Kuwait’s Telecommunications Companies and Banks

<table>
<thead>
<tr>
<th>Sample and Nature of Organizations</th>
<th>Commercial Banks</th>
<th>Islamic Banks</th>
<th>Telecommunication Companies</th>
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<tr>
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<td>Kuwait (NBK).</td>
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<td></td>
<td>Commercial Bank</td>
<td>- Al-Ahli United Bank (AUB)</td>
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<td></td>
<td>Burgan Bank.</td>
<td>- Kuwait International Bank (KIB).</td>
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<td>Ahli Bank of Kuwait. (ABK)</td>
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A total of 12 semi-structured in-depth interviews were conducted with PR practitioners from 12 organizations: three telecommunications companies and nine banks. Only one Islamic bank rejected our request for an interview. Among the nine banks whose representatives were interviewed, four were Islamic. All interviews were conducted through Zoom, except one which was conducted in person. The participants were required to meet two criteria: working in public relations or corporate communications departments and having at least three years of work experience in these departments. Following these criteria ensured that the participants would be well versed in CSR and, thus, would have had sufficient experience to provide insightful responses to the research questions.

An interview protocol was developed and included a brief introduction of the study, the participants’ rights, and the provision of anonymity. It was shown to two reviewers who provided some suggestions. The interview questions were then pretested in an interview with a PR contractor working for one of Kuwait’s leading banks. We identified minor issues relating to clarity and scope and adjusted them accordingly. With the participants’ consent, the interviews were audio-recorded. All interviews were conducted from January to March 2022 and lasted between 38 and 121 minutes. Based on the participants’ preference, some interviews were conducted in Arabic and others in English. Both authors were fluent in English and transcribed
the entire interview responses in Microsoft Word documents. The sample size and interview responses were sufficient because data saturation and richness were reached once the responses started to repeat, an approach recommended in interview research (see Lindlof & Taylor, 2019).

A qualitative thematic analysis of the transcripts was undertaken to answer the research questions. This analysis allowed us to pay close attention to the large amount of data to determine what was happening in the content. The data analysis and reduction followed procedures outlined by Lindlof and Taylor (2019). We coded the data based on each research question, read, re-read, and made notations on the transcripts, and looked for repeating and prevalent clusters of words, patterns, passages, and statements according to each institutional factor. To reach an intersubjective validation between us, we followed similar approaches recommended by Bae (2017) and Finlay (2016). First, based on the scholarly literature, we conceptually defined and agreed on the concepts of the study prior to the data collection. Second, we engaged in the data collection by conducting all interviews together. Third, we both verified the data analysis by comparing each other’s interpretations of the findings. We found minor conflicts in our interpretations of the findings, which were resolved mutually.

**Results**

**Defining CSR, Justifications, & Issues**

In terms of defining and understanding CSR, most respondents contend that it was the responsibility of corporations to contribute to society and its improvement without the expectation of commercial gain. It is “social actions beyond commercial interests”. CSR represents the ethical side of corporations to positively contribute to society. They consider it to be a corporate “obligation”, “inseparable to corporate discourse”, and a “must involvement”, where it is “no longer voluntary” but “mandatory” and “part of a national, ethical, and humanitarian duty [of corporations] toward society”. They strongly believe that CSR implied going “beyond corporate compliance with laws and ethical practices” to “an expected non-business-oriented effort toward social good”.
In terms of motivations and justifications, most respondents repeatedly indicated that CSR was “a genuine belief” of their corporations in “giving back to the community”, “meeting the wants and needs” of various stakeholders, “helping society” in “solving its problems”, and “socially benefiting” and “creating a positive impact”. They believe that today’s corporations “should not exist in isolation from society” but “should be immersed in its ecosystem”. Less than half of the respondents indicated that the growing global demand toward sustainability was an additional reason to adopt CSR. They strive to follow international standards in CSR such as the ESG (environment, social, and governance) goals as well as the United Nations Millennium Development Goals [MDGs]. Only two respondents shifted from using the word “CSR” to “sustainability”, citing that “CSR is outdated” and “sustainability is more inclusive”.

As for CSR issues, they focus unanimously on similar issues and initiatives, named by some as “CSR pillars”, including education, sports, the environment, health, the youth, and small and medium-sized enterprises [SMEs]. Only one respondent added “women’s empowerment” and another “people with special needs” to the list of issues. There were slight variations in their reasoning behind these choices. Some indicated that Kuwait is a young society and that, therefore, their companies align their CSR with the interests of the youth. Others believe that local and global priorities such as the environment and health determine their CSR issues and initiatives. Some respondents added, “any issue of [CSR] concern, we are in, regardless”. These corporations choose their CSR issues based on either what is considered important locally or the general significance of issues on the world stage.

**Institutional Factors**

**Business Sector.** While the business sector was expected to be a major contributor to the CSR discourses of these organizations, the responses showed otherwise. Whether the respondents are from telecommunications companies or the conventional or Islamic banks, their sector has no influence on their CSR practices. As many respondents stated, “investing in
the youth”, “protecting the environment”, and “supporting SMEs” should be the responsibility of all organizations regardless of business sector. They believe that CSR should “address what the community needs” and “should go beyond a particular sector and focus on issues that benefit as many stakeholders as possible”. Only two respondents from a conventional bank and an Islamic bank mentioned that few CSR initiatives are related to the banking sector. They both mentioned “financial literacy” campaigns as related to the banking sector but also indicated the infrequency of such campaigns. Therefore, it can be concluded that the business sector does not influence the CSR discourse of these organizations.

The Media. There was unanimous agreement among the 12 respondents that the media played no role in influencing their CSR, with examples of responses being “Not really”, “Not at all”, and “Absolutely not”. Most respondents admitted to working with the media around events, such as in the forms of sending press releases and coordinating press conferences or interviews. Asked about the media’s lack of influence, several respondents did not even have an answer because, as one respondent put it, “it doesn’t cross our minds that the media is an influencer [of CSR]”. Another respondent indicated, “the Kuwaiti media is on a death bed and no longer represents the fourth branch of government”. It can be concluded, therefore, that the media do not influence the CSR discourse of these organizations.

The Government. There was also unanimous agreement among the 12 respondents that there was no governmental pressure regarding their CSR efforts. “No”, “Not really”, “Absolutely not”, and “No pressure” were among the most frequent answers, with a few elaborating that in Kuwait, there are no legal requirements to engage in CSR: “Other than Zakat, there is no CSR pressure”. Some respondents stated they are only required to submit a CSR or sustainability report to the Capital Market Authority, while others stated they only need to put CSR information in the annual report. The respondents showed a general lack of legal knowledge regarding whether corporations in Kuwait were required by law to submit a CSR report and to which governmental agency.
About three respondents openly expressed their opinion that the government in Kuwait is obstructive to CSR. As one respondent from an Islamic bank explained, “Government bureaucracies are never-ending. Taking permission [from the government] to do something might take weeks. They are not ready for CSR…They don’t have the mentality for CSR”. According to another respondent from a telecommunications company, “the way the government operates does not encourage us to do CSR”. They also expressed the need for government legislation on CSR “to guide these arbitrary [CSR] efforts by corporations and direct them into what society really wants and needs…and create a real impact”.

Islam. It was anticipated that Islam would be viewed as a major contributing factor in CSR among all organizations in general and the Islamic banks in particular. Surprisingly, Islam was not a factor in determining the CSR discourses of these organizations, not even for the four Islamic banks included in the sample. A majority of the respondents indicated that Islam was not a direct factor influencing their CSR. All 12 of them pointed out that their CSR practices are within the grand framework of Islam where nothing goes against the religion. According to a respondent from an Islamic bank:

We are all Muslims. What we do is within the framework of Islam. There is no conflict here. We are ethically disciplined through the teachings of Islam. We are committed to global ethical standards which are largely in accordance with Islam.

A respondent from a telecommunications company stated as follows:

Our efforts never go beyond our traditions and morals, which come from Islam. Islam might not be at the forefront of what we do in sustainability, but it is there. We adapt to what is acceptable within Islam as a religion. We don’t cross its boundaries, not because we consider Islam to be a factor that limits us but because we are already Muslim and what we do is Islamic and falls within Islam.

A respondent from a conventional bank had the following to say:

Islam is not a factor [influencing CSR]. It is actually ingrained in us,
and what we do is always in accordance with Islamic teachings. Islam is a grand factor that our values and traditions are based on. What we do falls within the boundaries of Islam. We don’t have to appear Islamic. Islam is about morals.

Another respondent from an Islamic bank opined as follows:

Everything we do is already in accordance with Islam. It is embedded in what we do on a daily basis, and so, it is never a factor. And our CSR is no exception. Through our CSR, we spread awareness to people about morals, the environment, and well-being…these are all Islamic [principles].

**Corporate Peer Pressure.** A great majority of respondents indicated that peer pressure is a factor for inspiration rather than competition. They expressed joy and pride when they see competitors’ CSR initiatives and campaigns. According to them, when the private sector serves society and stakeholders, it is a source of national pride and tribute. They asserted that CSR is not a battlefield for competition. According to a respondent from a telecommunications company:

We are happy to see competitors working hard toward sustainability. We don’t see it as competition. We see it as a service to our country. The main goal of CSR is to create the most impact in our initiatives and reach as many stakeholders as possible. The real pressure is not from competitors. The pressure is how we can come up with initiatives that lead to great impact.

Another respondent from an Islamic bank indicated as follows:

We don’t go head-to-head [with competitors] because CSR is not a battlefield for competition. Doing good and helping the community is not about winning over anyone. The important thing is making an impact. We encourage competitors to do more, and we are happy they are frontrunners…We love this kind of competition.

**The Environment.** The responses were almost equally divided in terms of whether the environment represents a factor in determining
CSR discourses. Of the respondents who found the environment to be a contributor, their affirmation varied between “barely” and “occasionally” to “absolutely”, “definitely”, and “highly”. They believe that the environment exerts influence on their CSR but stated that their efforts toward the environment remain arbitrary and infrequent. Others stated their CSR is heavily based on ESG goals, which are mostly geared toward the environment. One respondent from a telecommunications company indicated that they no longer use the word “CSR” and substituted it with “sustainability”. This respondent justified this as follows:

…our adoption of the concept of sustainability means our heavy focus on the environment in our CSR. Whether you are a bank or a citizen, we share one environment…That’s why we have created a subdivision in corporate communications to tackle the environment…So it plays significantly into shaping our sustainability initiatives.

Of those who indicated otherwise, their reasons also varied. One of two respondents who shared the same view stated that “the environment is too big of a responsibility for a bank to handle alone. It requires collective efforts beyond corporations to also include governments”. A couple of respondents justified the absence of the environment as a contributing factor to CSR as not being part of their organizations’ CSR pillars. To them, issues concerning the youth and SMEs are of greater priority than the environment.

The Community (Including Social Media). Social media were added to this institutional factor as users from the general public use and express their opinions through these platforms. Surprisingly, all respondents, except one, agreed that the community does not exert influence on their CSR discourse. Rather, it was the respondents’ responsibility as corporate communicators to study the community and “scan the environment” “to figure out community interests and concerns” as well as understand “what is trending within the community”. Their research of the community “through social media” shaped and determined their CSR discourses. To these respondents, social media have become a tool to measure the community’s concerns. Consequently, these organizations plan their CSR
initiatives based on what they learn from these platforms.

However, the respondents believe that while these platforms could be used to monitor the community, they cannot be used as a measure to determine their CSR. Through social media, corporations become aware of the community’s unawareness of CSR priorities. The respondents believe that “…social media [is] a chaotic world, with unidentified and anonymous accounts”; “…if you follow what the community wants [in terms of CSR], then it’s all about sponsorships, then there are no ESG goals… the community is unaware of such priorities”. As one respondent put it, “You should not let the local community affect you. The community is not aware and not even responsible in their daily life toward their country and environment”. Thus, corporations set CSR priorities for the community rather than the other way around.

Non-governmental Organizations. The respondents unanimously agreed that NGOs did not in any way determine their organizations’ CSR initiatives, echoing responses such as “Not really”, “Not at all”, “No”, and “They don’t pressure us”. Most of them indicated they work and coordinate with NGOs as part of their CSR. For example, two respondents representing conventional and Islamic banks spoke about partnering with NGOs whose focus was youth development and cancer awareness. One of the three telecommunications companies were also partners with an NGO whose focus was helping the needy both within Kuwait and abroad, while another were partners with an NGO whose focus was on waste management. As one respondent put it, “we partner with NGOs as a way to distribute the efforts… They don’t pressure our CSR in any way”.

Several respondents elaborated that NGOs in Kuwait are not committed to their intended function. They believe that NGOs are not active in Kuwait in the first place and when NGOs approached their organizations, they would only ask for sponsorships and financial assistance. The current state of NGOs in Kuwait has limited these organizations’ relationships with them.
Discussion

The findings of the study have revealed the extent of influence of institutional factors on the CSR discourses of Islamic and conventional banks and telecommunications companies in Kuwait. The responses showed similar contributions regardless of the business sector or type of corporation represented. The sector did not seem to be influential, a finding that contradicts several studies in the literature. Previous studies have found that CSR issues varied across sectors, which implies that CSR initiatives are aligned with industry or organizational operations (Beschorner et al., 2013; Dabic et al., 2016; Herzog, 2017; O’Connor & Shumate, 2010). According to the findings, this was not the case in Kuwait in the two different sectors (banking and telecommunications) or the two types of entities within the same sector (conventional and Islamic banking).

It was surprising to see the absence of Islam as a contributing factor in determining CSR discourses even in Islamic banks. A plethora of studies have emphasized and confirmed the role of Islam in CSR discourses in Muslim countries in the Middle East where CSR predominantly assumes the forms of philanthropy and Zakat (Aracil, 2019; Goby & Nickerson, 2016; Jamali & El Safadi, 2019; Jamali & Sidani, 2012; Ronnegard, 2009; White & Alkandari, 2019). Corporations in Kuwait are required by law to pay Zakat, but the findings of this study show that other than Zakat, organizations are moving away from philanthropy and toward a diversity of issues under the CSR umbrella. CSR issues related to the youth, SMEs, and health were the most frequently mentioned among the organizations included in this study. While these organizations remain involved in CSR philanthropically, they are also involved in countless other issues of general concern beyond traditional practices. This confirms previous findings by Bashir (2019) that Kuwaiti organizations, both Islamic and conventional, are heavily involved in diverse CSR issues relating to the community, the environment, and health. This is also in tandem with scholarly observations that while CSR in the Middle East mainly takes the form of Islamic philanthropy, other CSR issues such as the environment
and economic development have been included (Darrag & El-Bassiouny, 2013; Dusuki & Abdullah, 2007; White & Alkandari, 2019).

A nuanced interpretation of the findings shows that even the language of the respondents from the Islamic banks did not include Islamic terminology to describe their CSR efforts. The responses included no religious motive or justification to engage in CSR. Similar to their conventional counterparts and the telecommunications companies, their CSR was based on the responsibility of corporations to help the community regardless of other considerations. The expectation was at least that respondents from Islamic banks would inject religious words during the interviews to represent and resonate with their religious identity and target audience. These respondents did not refer to or cite from the Quran or Sunnah (the Prophet’s sayings and practices) or use religious terms such as Sharia (Islamic law), Maslaha (towards the public good), Sadaqa (donations), or Taqwa (God consciousness), among other Islamic concepts directly linked to giving and helping.

The absence of religion in CSR might have several positive implications. It suggests that CSR has become institutionalized as an inseparable part of today’s corporate discourse in Kuwait, demonstrating a better understanding and exerting to societal expectations of the private sector in contributing to society. These organizations are moving beyond Zakat and philanthropy and toward a diversification of CSR initiatives that correspond to wider issues and stakeholders. It could also indicate that the confluence of such diversification in CSR discourses does not conflict with Islam and that, rather, it is in fact Islamic. Preventing harm to the environment, supporting SMEs, and spreading financial literacy are deeply rooted in the Islamic concept of maslaha. However, these organizations continue to engage in CSR of an Islamic nature, although mostly during religious occasions that occur sporadically throughout the year. Islam is one component of many in the Kuwaiti practice of CSR.

The environment was found to be the only institutional factor contributing to the CSR discourse for some of these organizations. However,
the inclusion of the environment as a critical component in the CSR of Kuwaiti organizations is not the result of high levels of environmental awareness in the country. It is mainly due to the global attention toward the environment that necessitates its inclusion in CSR. Corporate adoption of international standards such as ESG goals and the UN’s MDGs are largely based on preserving and protecting the environment. The implication of this finding in Kuwait suggests that neither the environment nor any other institutional factor is setting the CSR agenda for these organizations and that globalization and the internationalization of standards are the catalysts. Nevertheless, the environment was an institutional factor for less than half of the 12 corporations.

In terms of the remaining factors, the responses demonstrated a total absence of local communities, NGOs, and the media as pressure points for organizations to engage in CSR. The expectation is that for CSR to be effective, organizations need to partner with these stakeholders and involve them in their initiatives and practices (Dhanesh, 2014; Song & Tao, 2022). The media represent the fourth branch of government, while communities and their use of social media represent public opinion, with NGOs representing the third sector after the public and private sectors. These entities were not shown to contribute to Kuwaiti CSR. Explaining this lack of contribution might require further investigation beyond the scope of this study, but a preliminary answer could be provided below.

The economic development of the country is heavily dependent on oil, which provides revenue for both the government and the private sector. The government of Kuwait provides many services for its citizens, including employment, free health care, and education and has founded organizations with responsibilities toward the environment, the youth, and the needy. This form of government management of the country has reduced the need for and expectations from the private sector to contribute. Consequently, the media, local communities, and NGOs have conformed to this form of governance where, for example, if a company pollutes, citizens and the

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(2) These organizations include the Environment Public Authority, the Youth Public Authority, the Ministry of Finance’s Insolvent Fund, the Ministry of Islamic Affairs’ Help Funds.
media would hold the government, not the company, accountable (White & Alkandari, 2019).

In addition, the respondents emphasized the lack of government infrastructure in terms of laws and regulations governing CSR. This confirms the findings of Jamali and El Safadi (2019) that Kuwait does not have a legal framework for CSR, which means that it is up to companies to engage in CSR. This lack of governmental involvement can contribute to the lack of influence from the media, NGOs, and local communities. As shown earlier, the respondents were unanimous that the government did not influence their CSR in any way. Several respondents even blamed the government for not regulating CSR due to the lack of a clear vision to prioritize areas of need. This situation has led to spontaneity in and the arbitrary nature of CSR in the country. As a presumed institutional factor, the lack of governmental influence on the country’s CSR landscape seems to influence the contributions of the remaining institutional factors. Therefore, constant governmental support for CSR in Kuwait is pivotal to encouraging the private sector to engage in CSR, align and coordinate their CSR efforts with the country’s priorities, and potentially inspire the media, NGOs, and the local community to be part of the CSR process in the country.

Implications for Corporate Communications

Based on the responses from Kuwait’s only three telecommunications companies, and nine out of the 10 banks in the country, we can confirm that only the environment and Islam represented institutional factors determining CSR in Kuwait. The former had a minimal influence on less than half of the organizations, while the latter was more of an indirect and invisible framework within which these organizations operate. What should corporate communicators do with these findings?

CSR is a corporate reflection of efforts toward finding solutions to social and environmental challenges. It should be effective, adaptive, and accommodative to societal and stakeholder needs. In Kuwait, however, what these organizations seem to be doing is jumping on the bandwagon
of global trends and recent phenomena. Despite the efforts, organizations arguably lack a sufficient grasp of the concept of CSR. They know what CSR is and how to engage in it but do not seem to know why and for whom they do it. They genuinely want to contribute but do not seem to relate their CSR to particular stakeholders or a specific intended impact. As the responses showed, some companies relate their CSR to satisfying international standards, others to random occasions in the country, or as an added value to corporate reputation. The challenge is to formulate a clearly defined CSR architecture that reflects the country’s priorities in terms of stakeholders and issues, along with being consistent with international standards.

The current state of CSR in Kuwait reflects a lack of strategic management of this recent phenomenon. The findings provide several implications for corporate communicators to consider due to their direct responsibility for upholding CSR. Strategic management implies that in terms of CSR, corporate communicators should be conducting research, setting objectives, implementing plans, and evaluating effectiveness. It also implies that communicators are purposeful actors who have taken rational and deliberate decisions for the formulation, implementation, and evaluation of CSR. Therefore, communicators need to thoroughly evaluate the institutional pressures that influence society in general and the pressures that influence the behavior of their organizations in particular. They can recognize the most influential factors and adapt accordingly to certain CSR issues and practices. In addition, communicators need to consider stakeholders’ interests in relation to CSR. Whether they are customers, NGOs, or employees, companies need support from stakeholders who provide the infrastructure and legitimacy for them to operate. The findings of this study show the lack of influence of such stakeholders. In this case, their inclusion in corporate discourses seems to be the best course of action in community building and relations and for CSR discourses that accommodate institutional factors and stakeholders.

Another aspect of the strategic management of CSR is for communicators to manage this phenomenon as an inside-out process,
starting within the organization and among the various employee levels and moving outwardly towards society. Managerial support and employee contribution are directly related to the success of CSR (Dhanesh, 2014; Song & Tao, 2022). Constant education and training targeting employees would create a better understanding and practice of CSR, which would lead to creating impact and efficiency.

**Conclusion**

This study examined CSR in Kuwaiti organizations through the framework of institutional theory. Institutional factors pertaining to Kuwait showed varying but generally insignificant influences on the CSR discourses of the organizations examined. Most importantly, Islam was not a direct institutional factor in CSR but more of a presumed foundational framework within which Kuwaiti corporations operate. The responses of the representatives from the Islamic or conventional banks and the telecommunications companies showed no significant differences in their CSR discourses. There were no CSR variations between industry sectors as both types of banks were largely similar to the telecommunications companies in terms of CSR practices.

Peer pressure did not influence these organizations because of their belief that CSR did not constitute a field for competition. The media, NGOs, and the local community did not contribute to CSR mainly due to structural barriers that impede them from becoming societal partners in CSR. The government was not found to be a contributor due to the absence of any legislation encouraging the private sector into CSR performance. The environment was the only factor of institutional consideration for some of these organizations, mainly because of the increasing international attention on issues of environmental concern.

The similarities in CSR discourses within Kuwaiti corporations, regardless of sector and type, could be based on several reasons. CSR is a recent and attractive phenomenon but remains fuzzy in theory and practice. The ambiguity of CSR might have led Kuwaiti corporations to do similar CSR practices rather than strategically managing CSR by
conducting research, setting objectives, implementing plans, and evaluating effectiveness, which would lead to each company pursuing its own CSR direction. Also, Kuwait is a very small country in size and population, which could force these organizations to adopt similar CSR practices. Another reason is the lack of encouragement from the government for the private sector to engage in CSR. The government needs to establish an infrastructure through a national strategy to shift CSR from being random and individualistic, to systematic and sustainable.

This study provides several contributions to the relevant literature. It provides a CSR-based comparison between companies from different sectors and types and examined a country in an understudied region. It shows the extent of influence of institutional factors where, surprisingly, Islam does not represent a major factor in a Muslim country but more of a subtle framework, and the environment is seen as a moderately influential institutional factor. The government seems to be the common denominator for the state of CSR in Kuwait, where its lack of vision and action contributes to the remaining institutional factors. The government needs to provide a roadmap for companies to align their CSR with the country’s vision. Furthermore, institutional theory has provided a detailed description of the link between the external environment and a particular set of companies. The theory proved useful for investigating CSR and how organizations interact with a social web of factors that exert varying levels of influence and shape corporate discourses.

Future research could investigate how internal factors within organizations influence CSR. Employees, the C-suite, board members, and owners could play a major role in shaping CSR. Several studies have found a direct link between executives such as the CEO or the corporate communications manager and CSR (Godos-Diez et al., 2014; Pedersen & Neergaard, 2009; Yasir et al., 2021). Another area of concern is investigating whether and how CSR is being used as a tool for corporate promotion and reputation. Several studies have found corporate exploitation of CSR to be a key driver in reputation enhancement and self-promotion (Harrison, 2021; Tench et al., 2009).
It is not easy to explain the phenomenon of CSR. Its interrelationship with institutional factors can complicate our understanding of it in theory and practice. CSR is invariably translated for local applicability (Jamali & El Safadi, 2019), but its state in Kuwait is ambiguous, and there is a need to provide a complete picture. While the government is a contributor to this ambiguity, the recency of CSR in the country could also be a factor. On a positive note, the notion of CSR in Kuwait has moved beyond a focus on the traditional practices of philanthropy to include broader social issues that transcend religion.

References


Determinants of corporate social responsibility discourses in Kuwait.


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