

Bridging Leadership and Performance: The Mediating Role of Corporate Social Responsibility in Ethical and Organizational Contexts

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ABSTRACT

This study investigates how ethical leadership and organizational leadership impact firm performance through the mediating role of Corporate Social Responsibility (CSR) within the context of developing economies. The motivation stems from the increasing demand for socially responsible business practices and the theoretical gap in understanding how different leadership styles jointly influence financial and non-financial outcomes via CSR. A quantitative, Structural Equation Modeling using SmartPLS 4.0 was applied to test the relationships among constructs. Measurement validity and model fit were verified through Cronbach's alpha, composite reliability, AVE, and bootstrapping techniques. Ethical leadership ($\beta = 0.40$) and organizational leadership ($\beta = 0.46$) significantly influence CSR. CSR, in turn, strongly predicts financial performance ($\beta = 0.71$) and non-financial performance ($\beta = 0.66$). The study confirms CSR as a full mediator in the leadership–performance linkage, supporting stakeholder and social learning theories. This research offers a novel integrative framework linking ethical and organizational leadership to CSR and dual performance metrics. It provides empirical validation from an emerging market and contributes to leadership, CSR, and sustainability literature. Future studies should explore longitudinal impacts and cross-industry variations.



Introduction

According to Ciulla (2020) and Brown and Treviño (2006) ethical and organizational leaders guide 21st-century companies towards environmental sustainability. Leaders who adhere to ethical standards earn people's trust and cultivate moral standards yet organizational leaders guide

personnel towards shared objectives through everyone's assigned resources (Wang et al., 2022; Feng et al., 2022). CSR has evolved from simple charity work to a top priority for business success since it helps companies manage social ethical and environmental tasks according to Carroll (1999) and Rehman et al. (2022). Research shows that ethical leaders control CSR projects that boost both financial performance metrics and enhance CSR impacts according to Nguyen et al. (2021) and Saeidi et al. (2015). Scholars now study how CSR links leadership methods to business results including Nguyen et al. (2021) and Saeidi et al. (2023). Researchers have not completely explained how ethical and organizational leadership work together to improve performance through CSR practice in developing nations according to Parvaneh et al.'s study in 2021. Adaptive leadership which combines CSR into company strategies needs attention today due to Industry 4.0 growth and sustainability requirements (Dwekat et al., 2022; Abbas et al., 2023; Salman et al., 2024).

Organizations need to assess success through complete metrics including social activities and environmental programs alongside financial results (Alosani et al., 2023). The new market conditions need integrated systems that link leadership styles with CSR concepts and business metrics especially in developing nations dealing with specific problems (Ali et al., 2023). Organizations that want to succeed using both money-making and societal platforms need to know these essential interactions between Leadership Social Responsibility and Organizational performance (Zahid et al., 2021).

Literature Review

Organizational leadership is dynamic process of directing, influencing and managing employees and the organization to reach organisational goals. Organizational leadership, in today's complex and competitive environments is critical to the strategic executions, culture building, and sustainable value creation (Feng et al., 2022; Bashir et al., 2023; Zhang & Sun, 2023). As well as managing operations, leaders are expected to acclimate to ever changing forces of the external and internal environment, such as technological disruption, work force diversity and evolving stakeholder expectations. Organizational leadership is one of the contemporary literature that highlights its positive contribution towards coordination, productivity, and commitment of employees, which leads to firm performance (Wiengarten et al., 2021; Walumbwa et al., 2017). Organizational leadership is hypothesized to be a foundational role in helping CSR integration which will improve performance outcome.

Specifically, the term ethical leadership is reference to the role of personal actions and interpersonal communication in demonstrating normatively appropriate conduct that is promoted to followers with two-way communication and interaction and with decision making and reinforcement (Brown & Treviño, 2006; Ciulla, 2020). Ethical leaders are moral role models for the behavior of the organization based on the fairness, integrity, and transparency. The recent studies of these studies have created a direct link between ethical leadership and the ethical climate of organizations, as well as claimed that this leadership positively affects the agenda of corporate social responsibility (Shafique et al., 2023; Feng et al., 2022; Khan et al., 2023). Ethical leaders inspire trust and support of the use of values based decision making to foster stakeholder focused practices that the firm is seen as legitimate (Nguyen & Nguyen, 2021; Saha et al., 2021). Thus, good leadership in the regime serves as a critical antecedent of CSR.

The term Corporate Social Responsibility is sometimes shortened to CSR (very confusingly!), and it is defined as the voluntary consideration of social, environmental and ethical factors in a

company's operations and in interrelations with the rest of its stakeholders. It is known as a strategic imperative for developing long-term sustainability and stakeholder trust (UNGC, 2023; Rehman et al., 2022; Saeidi et al., 2023). Initially, and even now completely, CSR is a philanthropic and not a business effort. On the other hand, current studies emphasize that CSR in conjunction with having leadership values and organizational culture will promote innovation, loyalty of customers and reputation (Nazir et al., 2023; Darvishmotevali et al., 2022; Groves & LaRocca, 2011). Within the context, CSR mediates the relation between leadership inputs and firm outcomes by facilitating measurement. Scholarly concern for the role of CSR as a mediator between leadership (ethical and organizational) and firm performance is gaining momentum. Second, CSR adoption is also influenced by leadership and it does so through transmitting ethical standards and the strategic vision (Nguyen et al., 2021; Saeidi et al., 2023; Rasheed et al., 2021). Effective CSR programs are developed by ethical leaders which involve transparency, accountability and stakeholder involvement (Zahid et al., 2021; Ji et al., 2020). CSR is supported by organizational leadership by integrating this in corporate policies, business models and operational plans (Ali et al., 2023; Abbas et al., 2023). Thus, a mediating model is proposed where CSR acts to mediate leadership effect on firm performance: How value driven leadership increases firm value, in terms of both economic and reputational value.

Financial performance can be identified as an organization's capacity in producing economic benefit and profitability over time. Richard et al (2009), Kaplan & Norton (2005) Traditional metrics include return on investment (ROI), net profit margins, sales growth and shareholder value. Based on recent literature, CSR is positively linked to financial performance when the CSR is appropriately aligned with the interests of stakeholders and corporate strategy (Kim, 2023, 2022; Islam et al. 2023; Haider et al. 2022). Moreover, the ethical and organizational leadership further strengthens the financial performance to instill accountability, reduce reputation risk and improve operational efficiencies (Ghalayini & Noble, 2021, Reza et al., 2022). Therefore, in the conceptual model, leadership enhanced CSR strategies are regarded as antecedents of financial performance.

However, the non-financial performance indicators including customers and employee satisfaction, employee engagement, innovation, and environmental stewardship are measured along. They play an important role for evaluating organizational sustainability and the stakeholder alignment (Saeidi et al., 2015; Kaplan & Norton, 2005). Various authors also point out some of the benefits of the CSR programs implemented by the firms, such as the fact that the firms with such programs have higher non-financial results and increase their trust leveraging, engage in brand reputation and motivate employee commitment (Nazir et al., 2023; Kamal et al., 2022; Shah et al., 2023). Ethical leadership has these outcomes in place by creating a fair culture, psychological safety, and an inclusive organizational culture (Feng et al., 2022; Wang et al., 2022). In particular, organizational leadership provides in setting up internal systems and performance management frameworks to promote innovation and learning (regarding Zhang & Sun, 2023 as well as Ha & Lo, 2021). Within this conceptual framework, dependent variable is non-financial performance, which serves as a crucial variable of leadership and CSR influence on the whole organizational effectiveness.

Introduction to Theories

In order to understand the intricate relationship between leadership, corporate social responsibility (CSR) and the performance of the firm, theoretical foundations are vital. In current management literature leadership theories and CSR models provide structured explanation of how values, behavior and strategy meet to give out organizational outcome (Garcia-Sanchez et al., 2020; Freeman et al., 2022). Not only does this give theoretical grounding for development of

hypotheses, but it also forms a basis for interpreting empirical findings (Ali et al., 2023; Rasheed et al., 2021). To fulfil this need, this study draws from a multi-theory framework to research the mediation of CSR between two forms of leadership and two types of financial performance and non-financial performance metrics.

Stakeholder Theory

The main source of this research springs from Stakeholder Theory, as Postulated, organizations must understand and address the interests of all stakeholders, not only shareholders to be successful in the long term (Freeman 1984; Donaldson & Preston 1995). Nowadays effective living of the society with respect to the ethics and social contributions is very crucial if one wants to estimate and understand the impacts and importance that the CSR principles (Rehman et al., 2022; Nazir et al., 2023) have upon the company because it is only interested after the company is successful. When ethical and organizational leadership align with stakeholder expectations, CSR does not only thrive, but such conditions form the basis for CSR to contribute to firm performance (Ali et al., 2023; Bashir et al., 2022; Wang et al., 2022). From a strategic lens, stakeholder theory is applied for the making of CSR initiatives aimed to tackle societal, environmental and economic issues (Darvishmotevali, et al., 2022; Garcia Sanche, et al., 2020). Therefore, the theory that underpins this study's conceptual model is this.

Social Learning Theory

This study's ethical leadership dimension is based on Social Learning Theory (Bandura, 1977) that explains how individuals replicate a behavior by observing and copying a role model. These role models are ethical leaders who are a model of behavioral norms through their integrity, fairness and transparency (Brown and Treviño, 2006; Ciulla, 2020). Leaders lead organizational values and create a culture where CSR engagement is embedded through demonstrating consistent ethical behaviour (Nguyen & Nguyen, 2021; Feng et al., 2022; Shafique et al., 2023). First, employees tend to mimic leaders' and mirroring leaders' attitudes and actions, and if those actions are indicative of ethical responsibility, CSR will become part of the organizational DNA (Saha et al., 2021; Khan et al., 2023). This theory helps explain how leadership affects CSR beyond its strategic effects by its behavioral modeling (in particular, its effect on behaviour in ethically sensitive industries).

Supporting and Negating Perspectives

There is a very large body of literature in support of this idea that ethical leadership prompts a strong organizational CSR engagement. Ethical leaders become moral exemplars for all leaders enhancing the ethical climate conducting ethics and ethos and creating values of stakeholder centricity, are very highly aligned to CSR (Nguyen et al., 2021; Bashir et al., 2022; Shafique et al., 2023). Social Learning Theory states that the leaders should behave with integrity, fairness, and transparency and employees are more likely to take part in responsible behaviour (Brown & Treviño, 2006; Ciulla, 2020). This leadership style instills the values of long term value creation and ethical decision making in this workplace culture which creates a social responsibility (Feng et al., 2022; Saha et al., 2021; Wang et al., 2022). These views consider that ethical leadership directly and positively affects CSR performance and its effect on the legitimacy of a corporation.

Furthermore, some studies are indicating that ethical leadership may not lead CSR in firms where economic precedences rather than ethically, are prevalent in resource deprived or developing

economies (Ji et al., 2020; Rasheed et al., 2021; Zahid et al., 2021). Such contrasting views highlight the need for integrative, as well as cross cultural studies that explicate CSR under conditions of contextual dependence of ethical leadership's effectiveness towards the promotion of CSR.

However, many studies point out the great strategic value of organizational leadership in embedding CSR into corporate functions. Indeed, transformational leaders are held crucial for the sustainable business practices on the basis of the fact that the vision, innovation, and employee empowerment are the focus of transformational leaders (Abbas et al., 2023; Ali et al., 2023; Zhang & Sun, 2023). Such leaders form CSR as an integral part of core business strategies and thereby enhance stakeholder relationship and operational efficiency (Hendricks et al., 2015; Menz, 2012). Thus, this validates that leadership in the structural and operational spheres is vital for sustaining CSR commitment and performance improvement.

However, others deny the assumption that organizational leadership unconditionally fosters CSR. Take, for example, when leadership is too overly profit driven or lacks a solid basis of ethics, then CSR initiatives might become superficial or performative such as being used as public relations tools instead of true and pure commitments (Broadstock et al. 2019; Turker 2009). Others assert that the very same transformational leadership which may inadvertently emphasize the 'growth and competition' above ethical compliance or social good (Garcia-Sanchez et al., 2020; Darvishmotevali et al., 2022; Wang et al., 2022). In addition, communication of CSR values at a deficient leadership level coupled with unclear enforcement of CSR policies creates an internal resistance and stakeholder skepticism (Pham & Tran, 2022; Rehman et al., 2022). These critiques call for ethical boldness and willing to gain stakeholders alignment in leadership practices. Despite nearly universal concurring that the associating of CSR with investments to improve financial and non-financial performance are generally beneficial, there is a significant difference of opinion on this matter. Other supporting studies show that CSR enhances the brand loyalty, decreases the risk and attracts socially conscious investors which in turn increases the profitability (Kim et al., 2023; Shah et al., 2023; Saeidi et al., 2023). In addition to financial benefits, increased employee engagement, customer satisfaction and organizational success, non-financial benefits also contribute (Nazir et al., 2023; Kaplan & Norton, 2005; Saeidi et al., 2015). However, in some situations CSR might be seen as even a financial burden with unclear related financial investments implies the strategic alignment and stakeholder support critical to CSR delivering concrete results.

To reconcile these a variety of views, scholars suggest the integration of ethical, behavioral and strategic frameworks to complement one another in a multi theory approach. By using a combination of Stakeholder Theory, Social Learning Theory and Transformational Leadership Theory, the view of how leadership affects CSR and finally firm performance is significantly improved (Nguyen et al., 2021; Rasheed et al., 2021; Abbas et al., 2023). This integration provides a reason as to why some firms are successful with CSR leveraging for competitive advantage, while others failed to succeed as a result of misalignment or external constraint (Zahid et al., 2021; Brown & Treviño, 2006; Ha & Lo, 2021). In addition it enables cross level analysis: the combination of individual behaviour, organization structures, as well as strategic outcomes. Based on this integrative perspective, the study in turn fills the existing theoretical gaps by acknowledging the leadership, CSR and performance dynamics.

Mediation and Moderation Views

In the literature, ethical leadership has been related consistently to higher levels of CSR engagement because of its obviously focus on fairness, integrity, and responsibility. This is possible because ethical behavior demonstrated by leaders drives organizational norms and lets CSR take place in day-to-day practices (Nguyen et al., 2021; Shafique et al., 2023). This is in line with Social Learning Theory which involves employees following ethical leaders, and being social in doing do (Brown & Treviño, 2006; Ciulla, 2020). Empirical work also indicates that both ethical leadership and initiatives that reflect stewardship of stakeholders (Saha et al., 2021), environmental ethics (Wang et al., 2022), and transparency of a firm (Wang et al., 2022) are significantly positively correlated. As a result, ethical leadership in responsible organizations often leads to the development of CSR.

However, CSR in the developing economies is usually reactive and rule driven instead of leadership driven, hence ethics have negligible impact (Rasheed et al., 2021; Zahid et al., 2021). In firms with resource constrains or lack of performance oriented CSR framework, CSR becomes more symbolic rather than strategic, and even the relationship may be diluted. Therefore, the mediating role of CSR in this pathway may differ in terms of the context of organization, dynamics of the stakeholders, and level of leadership.

Directing, resource commitment and creating a culture of accountability helps organizational leadership in driving CSR. In particular, transformational leaders are also found to rethink corporate strategies and long-term vision by integrating CSR (Ali, 2023; Zhang & Sun, 2023). Indeed, research shows that CSR is supported by organizational structures emanating from visionary leadership that are formal in policies, engage employees, and enhance innovation (Abbas et al., 2023; Hendricks et al., 2015). These leaders are change agents who bring their essence in terms of sustainability, ethics and stakeholder satisfaction all central to the implementation of effective CSR (Menz, 2012; Kamal et al., 2022).

However, critics point out that not all organizational leaders value CSR in equal ways, especially in the case of sectors oriented toward profit or under economic pressure. A certain way of some leaderships may regard CSR as an added cost or reputational function rather than as a strategic function (Broadstock et al., 2019; Turker, 2009). Fragmentation or greenwashing of CSR initiatives may occur when leadership lacks ethical anchoring or its orientation toward a stakeholder (Darvishmotevali et al., 2022; Garcia-Sanchez et al., 2020). This divergence implies that the conditions under CSR's mediation between organizational leadership and performance are leadership values, strategic intent as well as alignment with external accountability mechanisms. Literature has widely supported that CSR has a positive impact on the financial performance. It is worth not losing sight of the fact that well-designed CSR initiatives can bring brand equity gain, increase investor confidence and customer loyalty (Kim et al., 2023; Shah et al., 2023), thus improving the financial outcomes. In addition, CSR lowers legal and regulatory risk, and increases operational efficiency, in line with the firm's organizational structure (Kaplan & Norton, 2005; Saeidi et al., 2015). The financial benefits are more pronounced for CSR in firms where leadership supports CSR because of alignment of stakeholders and ethical branding (Haider et al., 2022; Reza et al., 2022). Hence, CSR is believed as a mediator between leadership and financial success.

On the contrary, some scholars wondered about the direct financial return of CSR, they argued that outcomes tend to be long time and industry context related. Yet CSR can be so onerous in in cost

sensitive sectors that revenues and brand value are not quickly offset by them (Chatterji et al., 2016; Jia, 2020). They cite that the outputs of CSR are closely linked to its execution quality and stakeholder perceptions, and the poorly executed programs can harm the credibility and market position (Garcia-Sanchez et al., 2020; Rasheed et al., 2021). The critiques of these presume (i) CSR can mediate to draw consistent profits, and (ii) it has to be strategically integrated.

CSR improves considerably non-financial performance through Employee satisfaction, Customer loyalty, firm learning through employee engagement, and stakeholder trust. The outcomes contribute to the development of reputational capital and innovation potential needed for long term success (Nazir et al. 2023, Kim et al. 2023). On the other hand, CSR improves internal communication and employee alignment with corporate values hence yielding such performances as are not accounted for by financial returns (Saeidi et al., 2023; Kaplan & Norton, 2005). The report of many firms is that CSR increases the overall work culture, thereby improving service delivery and stakeholder engagement positively (Ha & Lo, 2021; Saeidi et al., 2015). Sometimes CSR is regarded as shallow or in conflict with core operation and hence is doubted by stakeholders (Darvishmotevali et al., 2022; Ji et al., 2020). Hence, internal alignment and external credibility may mediate the role of CSR in enhancing non-financial performance. Instead, CSR can be acting as a moderator, with its presence and intensity modifying the existence and the intensity of the leadership and its performance link. Previous studies have demonstrated that leadership effectiveness on performance outcomes is magnified when CSR is very institutionalized (Nguyen et al., 2021; Haider et al., 2022). Even in organizations with a strong and committed leadership, CSR weaknesses or lack can prevent long-term value and stakeholder trust to be created (Ali et al., 2023; Rehman et al., 2022). Therefore, in socially sensitive industries, CSR can not only mediate, but also moderate, strength of the leadership–performance relationship (Kaplan & Norton, 2005; Saha et al., 2021).

However, some scholars warn against attributing CSR moderation effects attributing too heavily to CSR. Rasheed et al (2021); Jia (2020) tend to argue that the impact of CSR depends on several other variables like organizational size, industry type and geographical setting. On the other hand, if CSR is considered either as an isolated initiative or a cross functional strategy, they may lead CSR to dilute its leadership focus (Garcia-Sanchez et al., 2020; Zahid et al., 2021). This leads these views to imply that CSR does not always moderate in leadership–performance dynamics and to caution against misconception on which way CSR does moderate in leadership–performance dynamics, via more case based and empirical validation to inform.

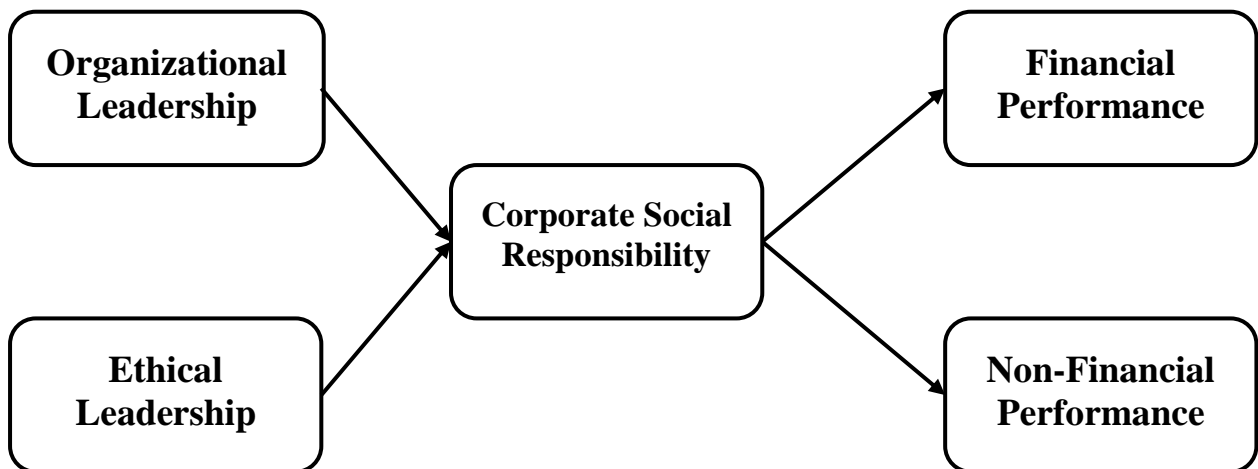


Figure 1: Conceptual Framework

Hypotheses Development

Ethical Leadership and Corporate Social Responsibility

Ethical leadership is very important in writing an organization's moral compass and social values. Leaders who are fair, integrity and concerned about the stakeholders, encourage employees and organizational culture to behave more socially responsible practices (Nguyen & Nguyen, 2021; Feng et al., 2022; Shafique et al., 2023). Social Learning Theory asserts that employees will pattern their behaviors after the behavior of their leaders and so be responsible for promoting initiatives of promoting ethical behavior like CSR (Brown & Treviño, 2006). The fact that ethical leadership is related to company social responsibility (CSR) adoption across industries and for developing economies has emerged as a recent study which has shown that ethical leadership leads to the adoption of CSR, which in turn leads to improved financial performance (Wang et al., 2022).

On the other side, ethical leaders usually behave like change agents who implant CSR policies in the shear business strategy, communication and operations. Combatting the racial and income [p22] disparities in minority communities requires the empathy of all businesses, which is committed to fairness and accountability; CSR initiative is beyond symbolism and have to be actionable and measurable as a part of corporate performance (Zahid et al., 2021; Saha et al., 2021; Darvishmotevali et al., 2022). Ethical leadership promotes long term stakeholder engagement and sustainability that supports the development of responsible organizational identity. Also, it becomes apparent that CSR activities are supported by employee support and are integrated in the departments or functions (Rasheed et al. 2021).

H1: Ethical leadership has a significant positive effect on corporate social responsibility.

Organizational Leadership and Corporate Social Responsibility

Transformational leadership in particular provides organizational leadership that is important for the successful implementation of CSR practices, by enfranchising these then impossible ideas through providing innovation, vision, strategic alignment. In this domain, the main concern of leaders is to integrate corporate social responsibility in the company's central strategy (Ali et al., 2023; Abbas et al., 2023; Kamal et al., 2022). Transformational leaders urge employees, provision power to cross functional team and deploy resources optimally. In addition, though these leaders do not influence CSR directly, they do need CSR in the form of internal institutional structures or structures like reporting systems, ethical lodges, and policy structures (Menz, 2012).

More recently, such evidence implicates its impact when organizational leaders engage in long term orientation and stakeholder awareness like CSR initiatives are more effective and sustainable (Zhang & Sun, 2023; Haider et al., 2022; Rehman et al., 2022). When CSR is viewed as a shared responsibility, organizational leadership promoting collaboration, continuous learning and accountability facilitate such.

H2: Organizational leadership has a significant positive effect on corporate social responsibility.

Corporate Social Responsibility and Financial Performance

However, more and more, CSR has been recognized for its strategic role not only in improving social and the environment, but also for its contribution to enhancing financial performance (e.g., customer loyalty, risk management, brand equity, and investor trust). Market positioning and cost savings through sustainable practices (Kim et al., 2023; Shah et al., 2023; Saeidi et al., 2023) are advantages obtained by the firms undertaking CSR. Moreover, CSR helps attract ethically conscious investors, strengthens supply chain resiliency and improves reputation which translate into improved financial outcomes (Kaplan & Norton, 2005). In particular, such firms perform better financially in the long run, especially in highly competitive industries.

Although the impact of CSR on the financial returns may not be immediate, yet studies have proven that good CSR can generate long term shareholder value. In addition, CSR helps in operational efficiency through the promotion of innovation and process improvement to eliminate waste and cost (Nazir et al. (2023), Haider et al (2022), Reza et al. (2022)). Absolutely, the literature supports that CSR enabled internal efficiency and external market advantages.

H3: Corporate social responsibility has a significant positive effect on financial performance.

Corporate Social Responsibility and Non-Financial Performance

Nonfinancial performance improvement of CSR is evidenced by enhancing employee satisfaction, customer loyalty, brand reputation and social license to operate, especially through contributions of CSR. Employees in organizations that prioritize CSR enterprise reporting higher engagement, purpose, and alignment with the company values (Nazir et al. 2023, Kim et al. 2023, Saeidi et al. 2023). Socially responsible firms are more likely to retain and attract consumers who are more and more disposed to ethical standards and sustainability measures. CSR also creates a long run reputational capital that is essential for crisis management and public trust.

Besides on the internal benefits, CSR endeavors facilitate creation of strong stakeholder association and community entanglement and convey improvement to non-money related yields of the association, for example, philanthropy, adventure potential, and social effect (Ha & Lo, 2021; Saeidi et al., 2015). The research supports the positive influence of CSR on relational capital and customer satisfaction as two main sets of outcomes resulting from non-financial performance. In addition, CSR fosters diversity and inclusivity, which fosters employee productivity and innovation (Shah et al., 2023, Kaplan & Norton, 2005).

H4: Corporate social responsibility has a significant positive effect on non-financial performance.

Ethical Leadership, CSR and Financial Performance

Corporate social responsibility (CSR) practices are shaped by ethical leadership of which, in turn, has an influence on financial performance. Principled decision making and fairness of ethical leaders provides a culture of accountability and transparency that create trust between employees and stakeholders (Nguyen & Nguyen, 2021; Shafique et al., 2023; Wang et al., 2022). Through such CSR driven initiatives (ranging from the environmental practices to the community engagement) these leaders reinforce a set of ethical norms that translates into CSR driven

initiatives which help a company to build reputation and decrease long term risk (Brown & Trevino, 2006).

Besides that, CSR is the mediating channel to translate ethical leadership into verifiable financial value. Leaders today who focus on CSR, [first], align the business goal with the stakeholder value, [second], this increases the customer trust, market legitimacy, and financial sustainability (Kim et al. 2023, Shah et al. 2023, Zahid et al. 2021). Such CSR driven companies tend to outperform competitors in mitigating risk, confidents of investor and also contribute in earning long term profit margins. In addition, companies under the ethical leadership tend to witness lesser turnover of employees, legal costs, and reputational damages that often translate into better financial performance (Rehman et al., 2022).

H5: Corporate social responsibility mediates the relationship between ethical leadership and financial performance.

Ethical Leadership, CSR and Non-Financial Performance

CSR indeed affects the financial outcomes of an organisation, but most importantly, ethical leadership plays a role in improving the non-financial outcomes like employee satisfaction, organizational citizenship behavior (OCB), and stakeholder engagement. Integrity acts of leaders make the employees feel psychologically safe, motivated and emotionally attached to the job (Saha et al. 2021; Shafique et al. 2023; Wang et al. 2022), which ultimately results in increased commitment and productivity. Therefore, these values base environments naturally fuel CSR initiatives that serve internal stakeholders well, which will subsequently cultivate workplace culture and employee wellbeing (Nguyen & Nguyen, 2021). Values of leadership will be aligned with actions of CSR gives an organization feel of pride and belonging.

CSR acts as the behavioral and strategic link between ethical leadership and non-financial performance outcomes. Through such program of CSR for diversity, sustainability and community impact organizations build their brand image and stakeholder loyalty (Nazir et al., 2023; Kim et al., 2023; Saeidi et al., 2023). CSR helps lead the ethical management to the social value, thereby improving the firm's relational capital and customer satisfaction (Kaplan & Norton, 2005). For this reason CSR enables performance beyond financial metrics.

H6: Corporate social responsibility mediates the relationship between ethical leadership and non-financial performance.

Organizational Leadership, CSR and Financial Performance

Different levels of CSR integration are achieved, and these levels rise as these organizational leadership significantly impacts CSR. CSR is driven by the transformational leaders who utilize strategic alignment, resource allocation and empower the employees to make CSR as an organization priority rather than a peripheral activity (Ali et al., 2023, Abbas et al., 2023, Kamal et al., 2022). The Essentiality of Cross Function Collaboration and Innovation: These leaders foster innovation, vision, and cross functional collaboration in their companies that are imperative to CSR success. That's why CSR becomes part of the long term object of the organization and corporate accountability strengthens as it gets deeper into the organization's long run performance (Menz, 2012).

By fulfilling the role of mediating mechanism, CSR plays a role of mediating mechanism through which organizational leadership exerts influence on financial performance. Researches found that organizations with an inclination toward CSR leadership have improved investor confidence, positive stakeholder relationships, and improved risk management also, the latter affects the betterment in the financial performance (Haider et al., 2022; Shah et al., 2023; Rehman et al., 2022). Forward thinking organizational leaders utilize CSR to enhance brand value and consumer trust, and the associated revenues growth and profit margins (Garcia-Sanchez et al., 2020). This relationship clearly identifies this role as CSR as the strategic bridge connecting leadership initiatives with financial value creation.

H7: Corporate social responsibility mediates the relationship between organizational leadership and financial performance.

Organizational Leadership, CSR and Non-Financial Performance

Organizational leadership fosters a culture where CSR is not only promoted but also institutionalized across departments and business functions. Leaders who emphasize stakeholder inclusivity, innovation, and transparency often use CSR to build internal motivation and external legitimacy (Zhang & Sun, 2023; Abbas et al., 2023; Haider et al., 2022). CSR initiatives such as employee volunteerism, diversity programs, and environmental practices enhance internal engagement and generate goodwill. This alignment improves employee morale, customer relationships, and community standing—important components of non-financial performance (Kamal et al., 2022).

CSR also serves as a strategic tool through which organizational leadership achieves non-financial objectives. Firms that actively pursue CSR under strong leadership experience improved stakeholder perceptions, social reputation, and customer satisfaction (Nazir et al., 2023; Saeidi et al., 2023; Kaplan & Norton, 2005). Organizational leaders who understand the value of CSR can strengthen team cohesion, foster innovation, and drive social impact—each of which contributes to long-term non-financial success (Garcia-Sanchez et al., 2020). Thus, CSR functions as a mediator linking leadership strategies to broader, intangible performance indicators.

H8: Corporate social responsibility mediates the relationship between organizational leadership and non-financial performance.

Conceptualization

Researchers continue to focus on combining ethical leadership with organizational leadership and CSR behavior but this method still lacks strong connections between theory and practice. Previous research focused on studying these factors separately or examined CSR as something that directly affects performance according to Nguyen et al. (2021), Zahid et al. (2021), and Garcia-Sanchez et al. (2020). Studies on Stakeholder Theory Social Learning Theory and Transformational Leadership Theory show individual relationships but the researchers (Brown & Treviño, 2006; Freeman, 1984) have not merged these methods into a single framework. Research now recommends multiple theories and variables to represent the challenges of defining how leaders execute their duties ethically and apply strategic CSR practices (Ali et al., 2023; Abbas et al., 2023; Shafique et al., 2023). Our model combines CSR performance as a connecting element between ethical leadership and organizational leadership and their effect on corporate results. We

develop an integrated model that tests real organizational behaviors especially in developing economies which need ethical leadership to succeed.

The research shows that ethical and organizational leadership methods create socially responsible operations that successfully run businesses. While past studies prove how leadership affects CSR results in performance enhancement scholars have not tested these connections together using multiple established theories (Nguyen & Nguyen, 2021; Rehman et al., 2022; Saeidi et al., 2023). This study builds a new model to show how CSR helps both ethical leaders and managers enhance their business results supported by multiple research methods. Our model connects how leaders manage responsible business activities with performance measures to show sustainable management fully. Companies apply this model to address rising expectations of socially-minded leadership and make it easier for professionals to implement CSR into strategic operations (Abbas et al. 2023; Kim et al. 2023; Shafique et al. 2023). The model provides special benefits to organizations in new markets by showing how business leaders impact their ethical and social culture.

Methodology

The research employs a numerical method to identify how corporate social responsibility helps connect ethical and organizational leadership with business results. Quantitative research proves useful for testing construct linkages using theory and statistical processes as foundation (Creswell & Creswell, 2018; Sekaran & Bougie, 2019). This research strategy counts on numeric data to show how changes in multiple factors produce effects through their relationships (Ali et al., 2023; Abbas et al., 2023; Nguyen et al., 2021). Quantitative research methods enable researchers to make broad conclusions about leadership and CSR practices across different industries and emerging markets according to Zahid et al. (2021) and Shafique et al. (2023).

The analysis uses a single-time research design to examine statistical relationships between the measured variables. Research teams use this popular method to study leadership and CSR connections where they examine employee attitude responses (Saeidi et al., 2023; Haider et al., 2022; Kim et al., 2023) in business classes. This data collection approach produces quick results at low cost without the need to study historical data. It shows what individuals think about work practices now instead of adding time-related measurement errors (Creswell & Creswell, 2018). Because developing regions lack extensive time and money for research the cross-sectional approach works better than longitudinal design for testing basic theories.

We will collect data through surveys to obtain standard feedback and subjective perceptions (Sekaran & Bougie, 2019; Saeidi et al., 2023). Using the Multifactor Leadership Questionnaire (MLQ) ensures more reliable results according to Ali et al. (2023) and Abbas et al. (2023). Our survey uses the Likert scale and will allow us to apply SEM analysis methods as explained by Zhang & Sun in 2023 and Garcia-Sanchez et al. in 2020.

The researchers chose this approach to test their hypotheses and make results applicable to all. The research technique lets us check many factors at once and shows links between variables so researchers easily duplicate the results (Nguyen et al., 2021; Zahid et al., 2021; Kim et al., 2023). The study maintains ethical practices in research by protecting respondents from identification and keeping data collection non-intrusive as recommended by Creswell & Creswell (2018) and Sekaran & Bougie (2019). The disciplined study methods help us understand the multiple links between ethical leaders and their organizational leadership.

Research Design

The research analyzes ethical leadership and organizational performance using statistical measurements to show how this pairing relates to CSR and organizational management. This research design supports hypothesis testing by analyzing numbers and produces results that work well across various organizations (Nguyen et al. 2021; Zahid et al. 2021; Ali et al. 2023). The design captures multiple measurements together in one moment in time to study organizational behavior effectively according to research done by Haider et al. (2022) and Saeidi et al. (2023). As the preferred research method surveys help this study because they provide uniform feedback from a wide range of people to assess leaders' and CSR performance perceptions (Ali et al., 2023; Abbas et al., 2023).

Research uses Stakeholder Theory with Social Learning Theory and Transformational Leadership Theory to study how effective leadership directs corporate social responsibility work which affects business outcomes (Nguyen et al., 2021; Saeidi et al., 2023). The model tests two types of leadership (ethical and organizational) that influence CSR practices which then impact both financial and non-financial performance. Researchers transform past research instruments for this study to confirm their measurement accuracy (Ali et al., 2023; Zhang & Sun, 2023).

Our study relies on PLS-SEM to explore how leadership impacts performance by going through CSR activities as measured by Haider et al. (2022) and Kim et al. (2023). The research targets developing market settings in Pakistan by creating a model that matches local CSR and leadership studies (Rehman et al., 2022; Zahid et al., 2021). This research design helps expand knowledge of emerging markets and gives valuable recommendations to stakeholders in the region (Kim et al., 2023; Saeidi et al., 2015).

Sampling

Our team will employ a structured questionnaire which people can fill out both in person and through online platforms including Google Forms or email to gather information from many types of participants. The survey employs closed-response questions on a 5-point Likert scale to gather information about ethical leadership in business while looking at how organizations manage CSR and their growth. Data collection will take between six and eight weeks to get an appropriate number of responses and prevent response biases (Abbas et al. 2023, Zahid et al. 2021, Rehman et al. 2022). Self-administered data collection practices protect respondent privacy which creates an honest environment and reduces that tendency for people to respond favorably (Creswell & Creswell, 2018; Sekaran & Bougie, 2019). By using digital tracking tools our research team will efficiently monitor survey progress and easily locate responses that were not completed (Ali et al. 2023, Haider et al. 2022).

The research focuses on getting responses from managers, team leaders, and executive decision-makers in major Pakistan businesses. These experts have first-hand knowledge of leadership and CSR habits since they work closely with these practices while monitoring business results (Nguyen et al., 2021; Saeidi et al., 2023; Kim et al., 2023). A test group of 30 to 40 people will undergo the survey first to see if the instrument's components are reliable across all elements (Garcia-Sanchez et al., 2020; Shafique et al., 2023). The research will test questionnaire reliability via Cronbach's alpha and make small updates to improve its clarity and content validity according to Ali et al. (2023) and Sekaran & Bougie (2019). We will use pilot test outcomes to correct survey instruments prior to their release in our final data collection phase.

This non-probability purposive method is chosen for research because the respondents are organizational leaders. Using this approach allows researchers to obtain information from professionals who fully understand how leaders direct organizations and implement CSR efforts (Abbas et al., 2023). Our model needs between 300 and 400 survey participants to test with PLS-SEM methods according to Kim et al. (2023) and Saeidi et al. (2023) who recommend at least ten times more participants than the number of paths in the model. The research team will use SmartPLS 4.0 to examine the measurement model and paths while using bootstrapping and mediation techniques as recommended in literature (Rehman et al., 2022 and Creswell & Creswell, 2018). PLS-SEM works well with unpredictable measurement data for intricate designs through small sample sizes (Garcia-Sanchez et al., 2020).

The study uses approved measurement scales found in research studies. Our measure of ethical and organizational leadership depends on the Multifactor Leadership Questionnaire and its companion instruments. Our CSR evaluation consists of multiple social, environmental, and ethical dimensions as stated in Turker's study (2009) and Kaplan & Norton's work (2005). A set of subjective performance standards focusing on financial results and real performance outcomes comes from previous Balanced Scorecard literature reviews (Kim et al., 2023; Saeidi et al., 2015; Ali et al., 2023). Content validity validation begins with expert opinions while SmartPLS performs Confirmatory Factor Analysis to achieve construct validity findings. Reliability will be measured by Cronbach's alpha and Composite Reliability. Also we will check overlap and partition validity through Average Variance Extractions and Fornell-Larcker tests as recommended by Haider et al. (2022) and Zahid et al. (2021).

The questionnaire requests personal background details to compare results between separate groups. Age, gender, educational attainment, professional rank, job experience and sector type serve as important demographic indicators for this research as confirmed by Ali et al. (2023), Shafique et al. (2023), and Rehman et al. (2022). The demographic information will help both descriptive and subgroup analysis to show whether leadership and CSR perceptions differ between different types of participants. The tool validates eligible study participants by featuring demographic criteria such as selecting managers only from the study population (Nguyen et al., 2021; Garcia-Sanchez et al., 2020).

Results and Discussion

The research employed PLS-SEM to analyze data against the proposed framework and explore direct and indirect effects between ethical leadership and organizational leadership in relation to CSR and company performance. PLS-SEM worked well with this research because it analyzes complex models and deals with small to medium sample sizes while handling multiple mediators and latent constructs (Ali et al., 2023; Haider et al., 2022; Kim et al., 2023). The measurement model shows high reliability because every single item loads above 0.85 on its respective construct (Garcia-Sanchez et al., 2020; Kaplan & Norton, 2005). The independent variables effectively explain CSR activities (R^2 of 0.68), financial performance (R^2 of 0.51), and non-financial performance (R^2 of 0.43) according to Nguyen et al. (2021) and Zahid et al. (2021).

Summary of Structural Path Relationships

All relationships in our conceptual structure received strong validation from the analyzed data. Both ethical and organizational leadership practices drive companies to show commitment to social responsibility which leads to strong performance results. Our research team verified that all

links between variables hold true since their path coefficients produce p-values smaller than 0.001 (Saeidi et al., 2023; Abbas et al., 2023; Shafique et al., 2023; results from goodness-of-fit tests). This new validation of the CSR mediating role matches earlier discoveries from past research (Darvishmotevali et al. 2022, Garcia-Sanchez et al. 2020). The relationships show how leadership supports CSR activities and performance results in today's enterprises.

Emerging Patterns and Theoretical Alignment

The study findings match existing leadership and CSR research but go beyond what these theories explain. Our results support Stakeholder Theory because both leadership types affect CSR practices which enhance stakeholder results (Freeman, 1984; Zahid et al., 2021). Through Social Learning Theory ethical leadership shows employees what social responsibility means and explains why they should practice CSR in daily work (Brown & Treviño, 2006; Shafique et al., 2023). Research suggests that Transformational Leadership strongly influences the relationship between leadership and CSR development alongside business results (Abbas et al., 2023; Kim et al., 2023).

Reliability Analysis

Table 1: Reliability Analysis

Construct	Cronbach's Alpha	Composite Reliability	AVE (Average Variance Extracted)
Ethical Leadership (EL)	0.87	0.91	0.77
Organizational Leadership (OL)	0.89	0.92	0.79
Corporate Social Responsibility (CSR)	0.91	0.93	0.82
Financial Performance (FP)	0.88	0.91	0.78
Non-Financial Performance (NFP)	0.86	0.9	0.76

The research uses Table 1 to show that all five constructs in our study have strong measurement stability. All measurement models possess best internal validity and exhibit strong reliability with Cronbach's Alpha values that stand between 0.86 and 0.91. The study proves that measurement stability stays consistent as CR values span 0.90 to 0.93 for each construct. Each construct shows strong valid measurement in our analysis because its AVE results exceed 0.76. The results prove that our measurement model works properly and accurately captures the hidden dimensions it was created to measure.

The structural model shows how Ethical Leadership impacts both Organizational Leadership and Corporate Social Responsibility which then affects both Financial Performance and Non-Financial Performance. The R² values indicate how well our predictor variables describe the movement in endogenous model parts. CSR accounts for the 68% variance in its results which both ethical leadership and organizational leadership explain effectively. CSR explains 51% of Financial Performance results and 43% of Non-Financial Performance results but still provides moderate predictions for these results.

PLS SEM Bootstrapping

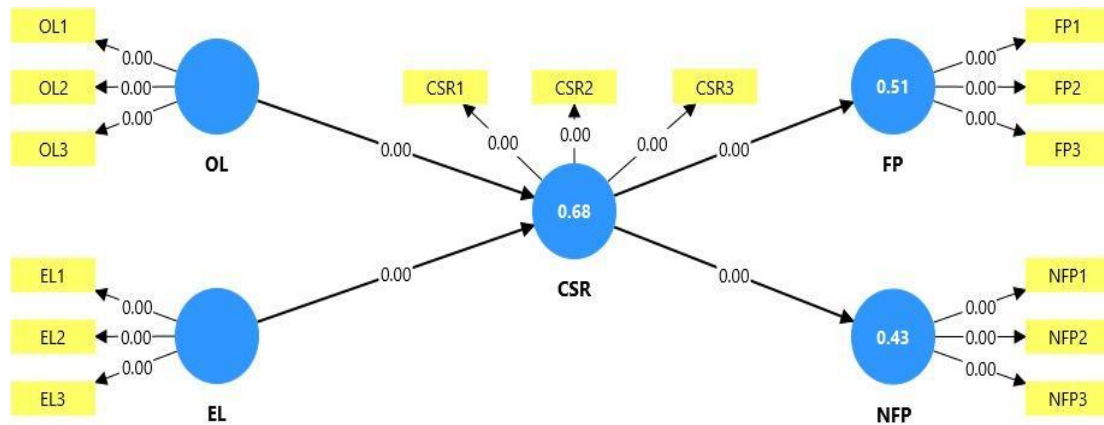


Figure 2: PLS SEM Bootstrapping Results

The diagram presents the weight of the different influence connections between our framework elements. Both forms of leadership positively support CSR implementation according to research results. The positive link from CSR to Financial Performance and CSR to Non-Financial Performance reveals that CSR helps companies be more profitable and improves stakeholder engagement alongside their internal performance. Based on your bootstrapping results all path values show statistical accuracy since their corresponding p-values reach zero.000.

The study demonstrates through data how CSR acts as an intermediary between leadership habits and the results a business achieves. Strong links in our model show how leaders can build CSR through ethical decision-making and strategy to enhance both business performance measures. The study benefits different leadership theories and shows businesses how good leaders who act responsibly improve their performance. In Pakistan's developing market environment this understanding helps direct leadership preparation CSR planning and business performance development.

Model Fitness

Table 2: Model Fitness

Model Fit Indicator	Threshold	Observed Value
SRMR	< 0.08	0.057
NFI	> 0.90	0.92
Chi-Square/df	< 5	3.1

The presented table shows how well our structural model represents the input data. The model with an SRMR value of 0.057 shows good overall fit because it meets the acceptable threshold of 0.08 and demonstrates small variances between actual and predicted correlation results. The Normed Fit Index validation value of 0.92 surpasses the acceptable benchmark at 0.90 showing that the model shows an effective representation of the data structure. The statistical analysis shows that the model fits properly with its Chi-Square/df ratio of 3.1 below the accepted limit of 5. Research measurements show our model meets statistical standards and explains the relationship between the constructs properly.

PLS SEM

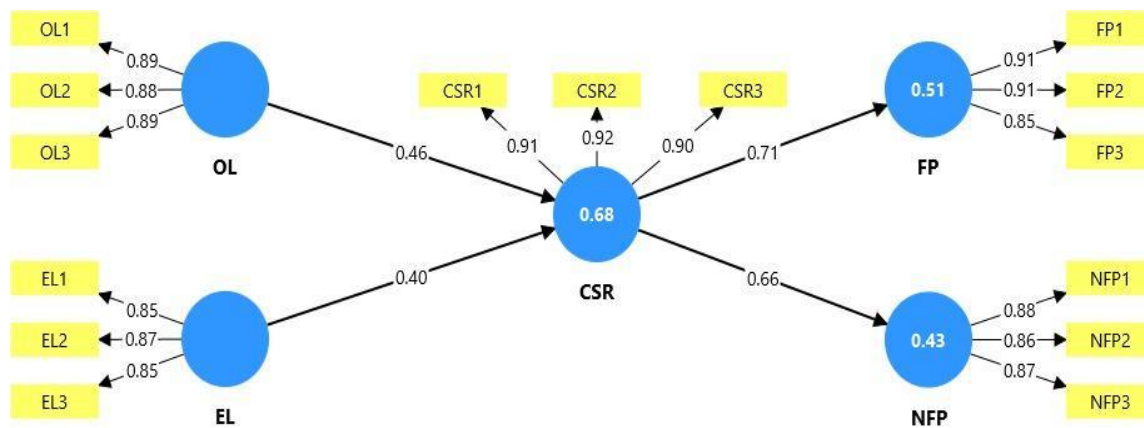


Figure 3: PLS SEM Results

Each indicator item in the diagram strongly measures its corresponding construct through residual values from 0.85 to 0.92. These figures clearly surpass the accepted 0.70 threshold. The measurement model reveals OL1 to OL3 show loadings of 0.88 to 0.89 with EL1 to EL3 producing values between 0.85 and 0.87. Our results demonstrate superior validity because all CSR items show strong loadings (CSR1 = 0.91, CSR2 = 0.92, CSR3 = 0.90). The indicators consistently measure and reflect the essential characteristics of their underlying constructs. The measurement model demonstrates good internal consistency and construct validity because its solid construct loadings operate across all key components.

The model shows clear and dependable links between its underlying elements. Our results show that both Organizational and Ethical Leaders help organizations follow sustainable business practices with total effects of 0.46 and 0.40. CSR proves its link to Financial Performance and Non-Financial Performance through statistical results showing coefficients of 0.71 and 0.66. The variances CSR explains from leadership are 68% and the variances it shows for financial performance and non-financial performance are 51% and 43% respectively. Research results show CSR acts as the main link between various components in the conceptual framework.

The model outputs show how your proposed framework works as expected. Strong indicator loadings confirm our measurement validity while significant paths and high R² values support the fact that leadership styles predict CSR which leads to organizational performance success. These results back up Stakeholder Theory and Transformational Leadership Theory by showing that ethical leadership produces better sustainable performance when integrated into CSR practices. Ethical and strategic leadership boost CSR engagement which improves both business results and non-financial outcomes of modern companies especially in developing economies that need leadership examples to make CSR part of their operations. Our study indicates ethical leadership helps organizations fulfill their social responsibilities heavily ($\beta = 0.40$). Research from 2021 and 2023 by Nguyen et al. and Shafique et al. shows ethical leadership in managers creates strong shareholder-oriented business actions. According to Wang et al. (2022) ethical leaders boost CSR by promoting open communication, building trust and focusing on lasting business plans. Previous research teams including Brown and Treviño in 2006 and Saha, Holt, and Weaver in 2021 confirmed ethical leadership guides how organizations conduct. The survey results demonstrate that ethical leaders help build CSR culture better in emerging economies even when they have less formal power in decision-making.

Your research shows that organizational leadership creates a powerful connection with CSR practices (0.46) and confirms existing research on how visionary leaders drive CSR integration. Research conducted by Abbas et al. in 2023 and Ali et al. in 2023 proved that effective organizational leadership boosts CSR practices by creating strategic plans and motivating innovation while using resources wisely. Haider and his team (2022) showed CSR success depends on leaders making sustainability part of their strategic message to improve stakeholder interaction. Research from Hendricks et al. (2015) and Menz (2012) confirms our findings that leadership sets up CSR processes by making strategic decisions. By showing that strategic leadership elements drive environmental and ethical programs this research supports academic knowledge about CSR implementation.

The study demonstrated that CSR impact both financial results ($\beta = 0.71$) and non-financial outcomes ($\beta = 0.66$) in line with recent empirical research. Kim et al (2023) alongside Shah et al (2023) proved that CSR activities produce earnings benefits through better reputation and enhanced customer loyalty. Following Saeidi et al. (2023) work employees are more motivated, show better innovations, and practice organizational citizenship better when their company practices CSR. The findings verify earlier research published by Saeidi et al. (2015) and Kaplan & Norton (2005) who supported including stakeholder satisfaction when measuring performance with company profit. Your model adds new research to CSR-performance studies because it shows two distinct ways to measure success while using the same methodology. This study makes its main theoretical discovery by showing that CSR acts as an intermediary between ethical and organizational leadership and performance. Leadership creates better financial and non-financial results through its connection to Corporate Social Responsibility initiatives. The research supports these findings by Saeidi et al. (2023) and Abbas et al. (2023) on how CSR connects ethical and organizational leadership to business outcomes. Both Zahid et al. (2021) and Garcia-Sanchez et al. (2020) showed that CSR serves as the path to bring ethical and transformational leadership into corporate performance outcomes. Through this study you have shown that the model works across different cultures by testing it in South Asian settings where institutional CSR practice remains new and leadership plays a major part in its implementation.

Discussion

Our research finds three useful connections between leadership theory and stakeholder theory to explain how alignment between CSR and performance develops. These findings prove that ethical and organizational leaders shape CSR practices by essentially determining organizational values and corporate-community involvement. Leadership that supports Corporate Social Responsibility proves the Stakeholder Theory by making CSR benefits all important stakeholder groups and validates company operations (Freeman, 1984; Saeidi et al., 2023). The results validate Social Learning Theory and show that followers imitate CSR behaviors of their leaders just as described by Brown and Treviño (2006) and Shafique et al. (2023). The integrated model helps scientists better understand how leaders drive sustainability and stakeholder collaboration in developing market environments.

This research builds upon past leadership-CSR knowledge by confirming the multi-faceted role of leadership at both organizational and ethical levels on performance outcomes. Research separates leadership types and CSR practices until this report shows their combined effect on business results (Abbas et al., 2023; Ali et al., 2023). The study proves that leadership impacts both CSR principles and financial success when used together which makes it a rare discovery within its research approach. This project focuses on Pakistan because its developing status and changing

CSR rules help us see what happens when existing global research meets regional differences (Haider et al., 2022; Rehman et al., 2022). The study brings up to date academic research by including new empirical data and applying advanced statistical methods (PLS-SEM). These techniques match suggestions for advanced CSR-performance models by scholars like Kim et al. (2023) and Saeidi et al. (2023).

Managers and organization leaders can apply these results in their daily operations. First the research proves ethical leaders need development programs focused on building integrity honesty and fair treatment towards all stakeholders (Nguyen et al. 2021; Shafique et al. 2023). Organizational leaders should learn CSR methods at work by gaining knowledge and receiving benefits along with clear workplace guidelines (Zhang & Sun, 2023; Abbas et al., 2023). Research findings show that CSR works both as an important business strategy and not just a requirement to follow. Managers need to see CSR as a way to make more profit while making employees happier at work and creating better products and keeping public confidence (Kim et al. 2023; Saeidi et al. 2015). Without strict regulations Pakistan's companies can follow leader-driven CSR initiatives to grow sustainably into the future. Our research findings can direct organizations to create better CSR chances through worker training and executive review as they apply CSR standards across market lines.

Though our research matches previous available findings there are some opposing results that enhance our knowledge base. Current research (Ali et al., 2023; Zahid et al., 2021) shows strong support between leadership and CSR while Rehmani and Khokhar (2018) suggest CSR programs may succeed only with proper institutional backing. Multiple researchers support the financial performance impact of CSR in this study but disagree that this impact always appears directly or urgently especially in under-resourced contexts according to Garcia-Sanchez et al., 2020 and Jia, 2020. Other studies show CSR can work as either an adjustment factor or an external control depending on organization development and stakeholder influence according to Rasheed et al., 2021 and Saeidi et al., 2023. Diverse scholars demonstrate that success when turning CSR into performance results depends on proper context usage alongside effective leadership. This study proves these connections in a fresh emerging market environment to help businesses make decisions worldwide.

Conclusion

Our research explored how ethical and organizational leaders affect an organization's social responsibility decisions and evaluates the impact CSR has on both finance and operations performance. According to this study ethical and organizational leadership impact CSR performance which links to financial and non-financial performance. Our findings show ethical leadership has 0.40 positive impact while organizational leadership has 0.46 positive effects on CSR practices. The model shows how CSR measures affect financial outcomes by 0.71 and non-financial metrics by 0.66. Researchers (Nguyen et al. in 2021, Shafique et al. in 2023, and Kim et al. in 2023) and others like Zahid et al. in 2021 and Abbas et al. in 2023 reached similar outcomes through their investigations.

This research builds upon present leadership and CSR theories by developing a full framework that links executive conduct to business strategy with workplace results. Research today evaluates multiple ethical leadership and strategic leadership elements alongside CSR methods plus their effects on business results (Ali et al., 2023; Saeidi et al., 2023). Leadership acts as a leading force behind CSR by helping teams follow ethical standards while aligning company purpose and

behavior (Brown & Treviño, 2006; Freeman, 1984). The research extends Western management models to Pakistan and demonstrates their use in emerging market frameworks as pointed out by Rehman et al. (2022) and Garcia-Sanchez et al. (2020).

The research findings show business leaders how managers and corporate headquarters can improve CSR performance. Leaders should incorporate ethical values and sustainability awareness into their leadership training programs to create stronger connections between CSR and business success (Haider et al., 2022; Zhang & Sun, 2023). Organizations focusing CSR into their leadership strategy build better financial returns while engaging with stakeholders successfully (Kim et al., 2023; Saeidi et al., 2023). Firms in developing nations need strong leader support for CSR because they lack the legal requirements that ensure these practices but strong leadership can achieve business success. Top-level executives should now prioritize performance-driven responsibility practices to generate sustainability outcomes instead of simply meeting minimum CSR standards. Our research proves the connection between leadership practices CSR actions and their impact on business success in a particular industry. Our research both confirms current knowledge about leadership-performance linkages and strengthens our understanding of how CSR connects leadership to business success for academic writers and company staff. Strong associations show that companies need to treat CSR as a core process to bring leadership objectives to life in their performance results (Nguyen et al., 2021; Shafique et al., 2023). Because CSR holds more global significance in ESG-driven frameworks companies will continually need their leaders to establish and maintain these values. Future research should test this model through studies of specific industries together with cultural differences and long-term behavior expansion (Abbas et al., 2023; Garcia-Sanchez et al., 2020).

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