

**Social responsibility and the impact of intellectual polarization on its employing  
Projecting of the approach of Al-Salam Bank experience in Algeria**

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**Abstract:**

Intellectual and ideological trends affect the interactive value of concepts to make the process of presenting them for direct application a reason for their failure. The concept of social responsibility will remain among those concepts that are justified by its deep and complex principles. The aim of the study was to analyze the performance of Al Salam Bank in light of the precise concept of social responsibility that it needs. By highlighting the effect of the overlap between economic performance and social performance, as its data were processed by the statistical package R, and the study reached an absolute absence of commitment to the concept, it established the high levels of regulatory stagnation of the Central Bank.

**Keywords:** social responsibility; economy performance; central bank; El Salam Bank..

**Jel Classification Codes:** M38, M38, E59, E58.

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## 1. INTRODUCTION

The economic behavior before the Industrial Revolution was distinguished by its lack of complexity, but after that it came to reflect an explanation of convictions and ideological backgrounds that complicated his dealings and characterized his behavior with a decline in his social role, as theories emerged calling for the rationalization of economic practice and making it more open towards society. In part, it criticized the literature on which the classic school was based, which considered the economic institution as a point. To add new depth to the concept, describing( it as an extension of its surroundings, forming a common system of value and benefit, so that its responsibility after that does not stop at the closest circle of stakeholders. These convictions have grown through the research and studies of pioneers in management and sociology, starting with the theory of Elton Mayo and ending with the contributions of Gateri, Pando and Pavlov, then the theory of Chester Bernard, which abolished the boundaries between the institution and its surroundings and considered that both represent the strategic depth of the other under the roof of transitive responsibility and joint care.

### 1.1. Problematic:

Social responsibility is a civilized concept that establishes a strategic relationship between the economic institution and its social environment, so our question revolves around the impact of the various intellectual and ideological lines in establishing the concept and producing it through behaviors that guide the economy and make it more flexible. Then to what extent has the Algerian institution(Banks) succeeded in realizing these differences and benefiting from Of which ?

### 1.2.Sub-problematic:

- What are the bases criteria that's make difference in the concept of social responsibility among the various schools of economic thought?
- What are the bases criteria that's make difference in the concept of social responsibility among the various schools of management thought?
- To what extent was the Algerian institution able to upgrade its practice, reflecting a

### 1.3. Reasons for choosing a topic:

- The concept of social responsibility is usually addressed in academic studies independently of the intellectual foundations established for it, content with importing definitions and applications far from their detailed reasons, which will make those studies far from their reality if it comes to economic practice in society that has a different social specificity.
- The success of the experience of Islamic banks in the World during the financial crises in (2008-2009) is an evidence give a power of the idea, and that economic behavior in isolation from its social extension is sufficient to thwart any future experience.

### 1.4. Importance of the topic:

- Re-formulate the concept of SCR from it's impact and anthropologic perspective, with explain the overlap between economic value and social value.
- Resole the importance of the societal dimension in conceptualizing concepts, then judging them as success or failure.
- The possibility of adopting these details in building a strategic relationship between the economic institution and the social environment.

### 1.5. Previous studies

- ❖ Study by (Bassam Fathi Al-Thiabat), (The Impact of Social Responsibility on the Organizational Performance of Jordanian Islamic Banks), Al-Jazeera Journal of Economics and Finance on April 07, 2017, Al-Balqaa Applied University. Identifying the attitudes of

the study sample individuals towards the dimensions of social responsibility and organizational performance. the study concluded that the levels of integration of social responsibility concepts lead to high values among the study sample.

❖ study by Pharaoh M'hamed, Diet Zian Kamal, (The impact of corporate social responsibility from social performance towards comprehensive performance), Algerian Journal of Economics and Administration, Issue 08, 2016, Jilali University, Bonamah, p. 88: An analytical study of Carroll's theories and Friedman's contributions. The study concluded that there is an inevitable theoretical relationship between social performance and financial performance related to the social impact hypothesis according to the principle of opposing the organizational stagnation that It, in turn, improves the overall performance.

### 1.6. research aims

- Determining the major parameters controlling the concept of social responsibility, which are related to economic and administrative thought.
- Examining the economic performance of Al Salam Bank against the background of its perceptions of the strategic importance of the impact of intellectual and social reference in explaining the strength of performance and its success.

### 1.7. Study hypotheses:

- h1 - The concept of social responsibility differs in different schools of economic thought.
- h2 - The concept of social responsibility differs in different schools of managerial thought.
- h3 - The economic performance of Al Salam Bank indicates the ability to successfully the theory of social responsibility and work according to the conditions of society .

## 2. Social responsibility in systems economic:

If the concept of social responsibility reflects the unity of principles and goals between the economic institution and its surroundings, and that they constitute a common pattern for mutual benefit. However, but even the perception, despite its importance, was not sufficiently embodied in various economies, exposed to competition and contradiction through several stages in the history of the economy.

### 2.1. Social responsibility in a liberal economy:

Adam Smith presented his theory of economics according to an expanding perspective on the meaning of utility, taking advantage of the conditions of supply and demand. where limited the utility to being the property of the closest circle, to include owners and shareholders only. explain conviction in Machiavelli's ideas justifying the sectorial and bourgeois, which enshrined the rupture between the institution and its surroundings . that these convictions crystallized the absence effect of organized tendency, after the decline of the Church's role as a result of its strategic alliance with aristocrats. All this led to the emergence of reformist movements that came influenced by the studies and research of the seventh and eighteenth century philosophers, I mentioned the importance of organic unity, created a societal trend that rejects the classical authority of the Church and the aristocrats in which many historians believe that it was influenced by the intellectual liberation that spread other aria in time. At the clarity of the idea where that societal goals should be part of the goals of the institution, their incorporation into the liberal economy remained surrounded by a kind of doubt and another from misunderstanding, and across two levels, first one rejects the approach and considers it a pressure on profit and a waste of acquired wealth, and the second limits it. In some distant aspects and not through an integrated

format that engages stakeholders in a proposal that reflects commitment and coordination on the impact of the importance of the environment when formulating the strategy of the institution. All this, makes liberal thought and the consequent economy far from representing the theoretical context of the concept of social responsibility and that both the institution and society should be a partner that shares the principles as well as the results within a relationship that distributes responsibility in a fair and purposeful manner. Socially responsible investment is the application of principles of sustainable development in the way that investment the overall dimensions, economic and social impact using the basic laws and partners in order to increase the decisions and performance (Nasseri & Samard , 2020 )

## **2.2 .Social responsibility in communal economy**

Contrary to the foundations on which liberal economics was based, Karl Marx pushed his ideas to preserve the right of everyone from the opportunism of individuals by proposing ideas that organize the economy according based on the prevalence of ownership, thus restricting individual benefit within a framework of collective benefit. Where even the idea seemed to introduce the concept of social responsibility, he was in fact practicing a kind of reaction to Adam Smith's approach. that made him on opposition with the instinctive of ownership. What lost the idea and practice the condition of balance and led it later to announce its retreat and confinement. Let us record an additional failure in understanding the optimal concept of the theory of social responsibility in an economy based on the prevalence of ownership and its lack of asymmetry of the marriage between the duality of right and duty. This would make neglecting these controls an unjustified disregard and a neglect of the interfering effect on the institution's relationship with its surroundings.

## **2.3. Social responsibility in Islamic economics**

The discussion about the relationship of the concept of social responsibility in Islamic economic theory imposes a separation between two requirements, a chapter related to the various principled literature which the meanings were cited, and a historical chapter that deals with the dynamic projection of those theories and their practical applications within their temporal context. Where we will find that social responsibility was an integral component of economic theory. Islam came in multiple contexts, the most important of which was the ritual of Zakat and the other means of spending that accompany it, which brought the theory of right and duty from its philosophical stage into apparent values and specific shares taken from the wealthy of the nation to be distributed among the poor. in a way that guarantees and cohesion of the components of society and the sustainability of development. It excludes an entity without others, but has also obligated institutions and companies to their religious and social duties, through which it guaranteed the strong application of the concept of social responsibility and obligated all members of society to abide by its teachings as long as they declare their affiliation with it. It is also increase the neuronal type of obligatory ,that reject the vertical hard order . The Islamic economic theory is unique in that it blends the two types of spiritual and legislative discourse. It also increase the fundamental establishing relate to the concept in the theory of Islamic economics by combating pests, describing it as a behavior that monopolizes money among a few and depends on the fate of the great majority of society to need and poverty. To assume the meaning of the right as a concept restricted by the rights of others, in a way that constitutes a methodology that controls economic practice and makes it more flexible. However these theoretical literature of Islamic economics did not remain monotonous, it

take a negatively sense in later historical stages, whether related to the sub-interpretation of the general theories, or for other considerations that negatively affected the articulation of legal objectives. which produced an economically heterogeneous society despite its possession of the largest intellectual economic base, a major decline in adapting and benefiting from its literature. And we will try in the following to demonstrate stages.

### **2.3.1. The first stage:**

The literary power of the first and second caliph enabled the establishment of the actual principles upon which Islam was based, which is the mediation between the love of money and its sacrifice. It established the circulation money concept and fought its monopoly. In order without fighting the instinctive love of ownership or its denial, Where the Muslim community in that period embodied the strong idea, that money it belongs to Good ,and that human are just successors to it, by distributing it in a fair way negated social distinctions . Well it was the reason for its strength and cohesion. That translating the dynamic meaning of the concept of social responsibility, although it was not necessarily related to a relationship between economic entities and society, but it did not drop the sense of responsibility towards the elements of society with each other, and therefore this feeling is the last of opportunism that will appear later after the rise of the level of the ego and the emergence of symptoms of disintegration in his social relations.

### **2.3.2. The second stage:**

This stage of Islamic history differed greatly from its predecessors, in which the area of the state expanded to become a vast empire and to emerge with it to return with it the old disagreement over the concept of the booty, at a time when the second khalifa reject the maiming of the concept to be related at the open spaces were considered absolute spoils and related it expertly with a simple goods, witch keep the agricultural lands and houses remain in the hands of their original owners, they the relation with theme steel in except through taxes they pay in exchange for the services they receive . such as providing protection and care. One part of the Muslims saw that this allocation is unjustified and that the term in Quran have an absolute sense ,where they considered That everything that fell into their hands is spoilage, and it is an explanation that added to his recommendation that the third caliph did not oppose it. The conquerors turned them into new feudal lords (Al-Ghazali, 2006), These options also produced a, discontented society was formed from those who could not participate in the conquests (Abdullah bar, 2003,p:264). These a new concepts make an understanding retreat in values and a vertical division of society. Decrease the big values which was a principal rules in the past reduced its levels of responsibility. However, this misconception of the concept of ownership and its legitimacy would not have allowed the loss of large symbols associated with Islam as a value represented in zakat, thus preserving a great gain that embodies social solidarity in its finest form that forms a solid framework for the relationship of right to duty in Islamic thought (Malik bin Nabi, 1966, p ) 43) , In a way that promotes the maintenance of a guaranteed and sustainable development .

## **3. Social responsibility in the various management schools:**

The concept of social responsibility for firms, requires that the different departments of interest be partners in the goals and objectives in a way that confirms the occurrence of mutual benefit and denies the harm resulting from the work of the institution. Which need a increasing of non-traditional angles visions in formulating the strategy of the institution. If

the economic schools differ in their degree of conviction in the adopting of the concept, then the emerging schools in liberal economics - which dominated the wheels of economic practice - differed in their judgment of the concept (CRS), where it also varies from school to school.

### **3.1. Social responsibility in the scientific school:**

The increasing demand at the beginning of the twentieth century constituted a pressure method towards the increase of production. which made the strength of the performance of institutions centered on one meaning, the maximizing the productive capacity without paying attention to other considerations. The institution, according to the scientific school, is an unaffiliated point, whose its function just to convert raw materials into outputs that others should consume it . Among the most prominent pioneers of this theory are (Frederick Taylor), (Henry Fayol) and (Max Weber), where their thoughts revolved around, the necessity of achieving Productive sufficiency, the submission of all individuals to strict discipline and control, the adoption of formal communication between the various administrative levels (Wahiba M., 2014) .which neglect of the human resource within the organization, even it was the near partner in the institution circle. Where explain the priority of the productive to meets the growing demand of the scientific school and rejecting all the other considerations related to the behavioral dimensions and their inevitable effects . that keeping the concept of social responsibility to far from attention and activation due to the absence of its rational reasons. which will be formed later as a result of the emergence of new circumstances.

### **3.2 Social responsibility in behavioral school theory**

The concept of total productivity in the scientific school were linked in to the physical factors and to the ability to material stimulus alone, where it is the approach was refuted in the thirties of the last century and that productivity is also determined by social factors and positive communication between workers and employees in a phenomenon that indicates the importance of the individual within his human group, according to the various human interactions of the organism in its surroundings ( Hassan Al-Shamaa, 2020, p.: 42), as these ideas of the behavioral school are an extension of the school of human relations, following the contributions of Elton Mayo, Mary volet, and others. To realize the importance of the human resource within the economic institution, and the necessity for its investment as resource, which expanding the circle of responsibility towards the perimeter of the institution, and that interests do not stop at the interests of the owners or shareholders.

### **3.3. Social responsibility in Systems School theory**

Systems theory appeared in the mid-sixties of the twentieth century gave birth to the ideas of Chester Bernard, which he put forward in his book (The functions of the director 1933), where he defined the institution as a social system of exchange and cooperation based on the overlap between its components and parts, and that those parts are linked to each other and adapt to each other. Also (Luding .von.Bertanlaffy) reformulated the theory in 1938 within a more comprehensive proposal, to make the relationship of the institution with its surroundings more like the relationship that brings together the partial components of the living organism according to an interactive pattern that organizes responsibilities and arranges them in inseparable circles that involve everyone in the starting points as in The goals. The institution, according to systems theory explain its surroundings influences, that it is affected it is according to a conception that combines part, with the whole and the whole by part, as they are partial systems within a larger system . as this concept can be

used to justify the emergence of the concept of social responsibility (Nawal B., 2019,p:66-67).

### **3.4. Social responsibility in the contingency school**

The conditions of increasing competition imposed new patterns of control and management, which all classic forms of management became limited after the expansion of the enterprises into large companies. It is a form that abolished the modularity of management and centralization of decision. According to this theory, there is no ideal way to manage, but rather it requires flexible structures and different plans based on generalizing decision-making centers and delegating authority to enable the institution to interact with emerging situations and have flexibility in identifying options and making decisions, and working according to this theory is subject to a group Of the arrangements that have to do with the structure of the institution, such as the age of the institution, its size, its strategy and the degree of control over technology, etc... (Wahiba M., 2014, p .: 133), as these state establish new conditions for understanding the new concept of social responsibility(SCR) and its dynamic labeling caring its new circumstances and conditions For production and distribution. That in it the consumer and the producer are entities that are transferred with their thoughts, awareness, and available factors to express their satisfaction with what they receive from the economic institution in a different way.

### **3.5. Social responsibility in Z- (William O'Shea)theory**

William O'Shea's theory, move us to a different resonance of think and resonance ,that it was completely different from all that has been discussed. Where that the prevails borne in East civilizations has different philosophical contexts from European even Islamic thought. where William O'Shea's theory is organically linked to existing philosophy to sacrifice. And loyalty, by emphasizing the importance of the group collective decisions, open communication, shared responsibility and great concern for workers' affairs, as well as proposing to keep the worker for life (Harem, pp .: 2010, pp: 66-67). All these arrangements make us stand in front a deferent kind of resonance . European focusing its attention on the equivalent production of demand, and arguing about the importance of the human factor, and another makes the human being the representation of all capital. This will arrange a different scheduling of strategies, policies and tactical programs between the two poles. This partial we will adopt it to convert and understand the extent of interest in to the more far circle of he enterprise which gives a dynamic connotation to the concept of social responsibility for the economic institution.

## **4 . Applied study:**

Chester Bernard believes that the institution and the environment constitute a social system of exchange and cooperation, which is the definition that we will refer to in evaluating the general strategy of Al Salam Bank (in Algeria) and to identify its ability to adapt its transactions according to the formal and implicit requirements of a society with its civilized justifications to judge the sound financial performance associated with moral and value dimensions if What is related to monetary circulation related to the social impact hypothesis, which will make commitment to it in compliance with the expanded concept of social responsibility and an indication of the ability of Algerian economic institutions to position between modern theories.

### **▪The sample:**

Represented in Al Salam Bank - Algeria - and it was chosen in an intentional way as it is a foreign direct investment with unmixed capital. It was established on 06/08/2006 and approved by the Bank of Algeria on 09/10/2006 to start practicing its activity on 20/10/2008. As a result of the Algerian-Emirati cooperation, with a social capital of 7.2 billion Algerian dinars, which was raised in 2009 to 10 billion dinars.

- **Study tools:** The published financial reports of the bank extending from 2011 to 2017 were it was published on its sits .
- **Study methodology:** we adopt a The descriptive approach where it look the most capable methodology capable to answering the study hypotheses.
- **Statistical methods :** We use the open source data analysis, R software .

#### **4.1. Study the third hypothesis**

The Applied study concerned to examine the economic performance of Al Salam Bank and its ability to successfully and civilization agree with a theory and its, linked to a positive social impact according to the conditions of society and its civilization look where it related into special condition completely deferent into traditional monetary,. so we will focus on examining its performance according to two levels.

- A first level examine the economic performance of Al Salam Bank taking the nature and form of its loans., by examining its transactions and then reading them according to a strategic perspective that reflects the extent of their connection with developmental dimensions and trends that serve the community.
- A second level official is studying the bank's ability to include the value dimensions of society in its transactions, by tracking the extent of the relevance of the depositors' share to the shareholders' rights as reflecting the bank's ability to comply with the terms of the theoretical partnership with its social environment ,ho believe in Participatory Formulas and reject the classical monetary approach

##### **4.1.1. Descriptive study of the nature of the loans granted and its relationship to the net result**

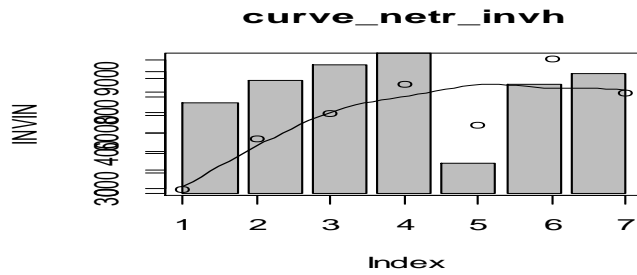
This study clear the bank's developmental orientations, and the nature of the result ( RNET ),where its related with the nature of the loans, investment loans, and real estate loans.

##### **❖ The net score and investment loans (INVIN) at Al Salam Bank:**

Investment loans, those loans are oriented to purchase raw materials or semi-finished products to be input in subsequent production processes, which may be related to receivables with natural persons or companies, and their maturities differ according to the nature of the project. Such as financing the purchase of raw materials, production equipment, etc. ...

**Figure 01:** Investment Loans and the Net scores ( NETR)





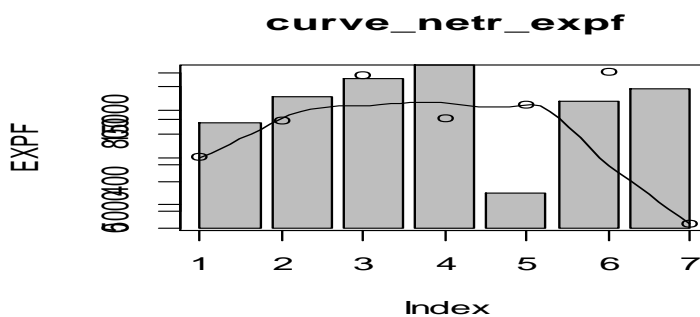
Source: Prepared by the researchers based on R

Salam Bank is the only self-financing direct investment in the banking sector in Algeria, which explains the high percentage of investment loans, which amounted to 32.18% on average in the period (2011-2017). reached its peak in 2016 with a value 40.79% of total loans. The curve of investment loans according to Figure (01), constitutes an increasing trend over time, which is in tendency with the net result curve, making a summer and a call to open the investment in various sectors, which will constitute an important tributary for cash circulation in banks and a way to revive the national economy away from oil

❖ **The net score and a Consumer Loans (EXPF) Al Salam Bank:**

Consumer loans mean those loans oriented to purchase a final goods in profit to individual needs and not for use in subsequent production processes. They may be given to individuals in their natural capacity and may also be granted within contractual relations between an institution and the bank, such as contracts for the purchase of utility vehicles...

Figure 02 :the net score ( NETR)and exploitation loans



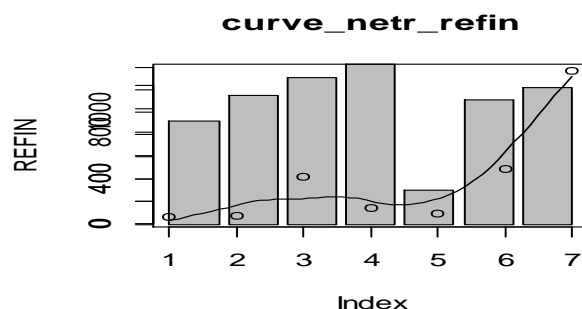
Source: Prepared by the researchers based on R

Consumer loans describe 60.07% as total average of the total loans at Al Salam Bank, which is an option that does not reflect a developmental dimension in the bank’s mission, but rather the pattern of adopting the same method for traditional banks without the ability to provide additional a development value. However, the percentage decreased in 2017 and reached 15.33 %, What can be understood as the adoption of a new policy in the bank or a commitment to directives to the directives of the monetary authority of the Central Bank.

❖ **The net score and Home loans (REFIN) at Al Salam Bank**

They are a kind of loans with a proposal and oriented for Individuals needs construction or for infrastructure modernize. they are a kind locked as a long-term loans .

Figure 03: the net score ( NETR)and Home loans



Source: Prepared by the researchers based on R

These kind of loans are usually related to the embodiment of basic facilities, such as buildings, dams, etc.. according to the bank’s data, they were not among its priorities, although they constitute a fundamental basis in supporting the policy of openness towards society consolidating the dynamic concept of social responsibility. where it proved just 1.74% of the total loans . which is a very small percentage in the structure of loans if compared it into exploitation loans 66.07%, or investment loans 32.18%. and we note that the bank raised the value of this type of loan in 2017. These choses shoood a decline strategy of the bank of this kind of loans ,or its adopting of a special policy for loans of Central Bank, such as the credit ceiling ,and keeping the same monetary policy, that serves the monetary and commercial strategic directions of the state.

❖ **Results of the descriptive study:**

The structure of the loans shoood an absolute predominance of consumption loans. referring to the preference consumer trends loans of the traditional banks, over those related to financing basic enterprises or to create a new values and investments, serving the strategic interests of society. Several Al Salam Bank was a unit of a group a across the world, which have succeeded in managing their assets according to innovative financial engineering tools, as well as proving their ability to adapt to Islamic requirements and Sharia requirements ( that represent the integration identity of the community). However, in Algeria, and in that extended since 2011to2017, not succeeded in providing an unconventional addition to the banking business according to a more comprehensive perspective. Indicates a field of innovation in Islamic banks in general, to make them a copy of traditional banks, which consumed the balance of trust between them and the economic partners and society.

**4.2. The relationship of the depositors 'share of profits to shareholders 'equity**

**4.2.1. Correlation matrix between the (NETR) and other monetary index**

It is a quantitative relationship between the various financial performance indicators, which gives the nature of the relationship between them.

**Table 02:** correlation matrix between the net result and monetary index

	NETR	BBK	SONF	DBE	INDD	ETD	REFIN	EXPF	INVH	DAC	Vac
NETR	1										
BBK	0,631299	1									
SONF	0,240323	0,66039	1								
DBE	-0,26962	0,159979	0,457721	1							
INDD	0,062242	0,432487	0,916184	0,670939	1						
ETD	0,062696	0,433484	0,916133	0,672184	0,999997	1					
REFIN	0,303126	0,713572	0,971455	0,479948	0,923525	0,923718	1				
EXPF	-0,07559	-0,2141	-0,73023	0,047724	-0,56873	-0,56739	-0,59547	1			

INVH	0,359352	0,391068	0,359841	0,748843	0,531839	0,533346	0,453181	0,246261	1		
DAC	0,038596	0,364766	0,698148	0,922435	0,857763	0,858759	0,726046	-0,18858	0,827292	1	
Vac	0,170971	0,398105	0,856278	0,722923	0,966269	0,966507	0,863145	-0,48768	0,681959	0,921087	1

Source: Prepared by the researchers based on Excel

Not: VAC = equity, SONF = good loans, INDD = retail deposits, ETD = corporate deposits, DAC = Depositors' Share of Profit, REFN = Home Loans, EXPF = Operating Loans, INVH = Investment Loans, DBE = Bad Loans, NETR = Net Score

The matrix correlation between the profits of the depositors, the net result, and the equity of the shareholders, where the depositors' share of the profits in the shareholders' equity was associated with a strong positive coefficient of 92.22%, while it was associated with 38.59% with the Net Score, which puts us in front of a perception of the relationship that binds The bank which are based on shareholders' pre-commitment in accordance with debt contracts, as is the case with traditional banks, where the banks are obligated to guarantee capital interest in the form of profits, and not linked to the achieved result, as this conviction was strengthened by the weak positive relationship between shareholders' equity and the net result of 17.05%.

#### ❖ Multiple regression model between the depositors' share of profits with the net result of equity

In this part of the study, we will learn about the relationship of the depositors' share of profits as a dependent variable to each of the net result and shareholder equity within a linear regression model, allowing the estimation of its parameters. But we will first have to ascertain the validity of its application. Where (Bin Hussein, 2019, p:27-29) said that the Disrespect of these conditions would estimate false parameters of the model.

#### ❖ Check the conditions for applying normal linear regression to the multiple model (Iade, 2021)

r( correlations)			Conditions for applying linear regression <sup>1</sup> ~netr +dac ) vac(
dac	netr		
0.39	0.17		<i>That the dependent variable be a linear function</i>
	netr	dac	<i>Absence of autocorrelation between independent variables</i>
netr	1	0.039	
dac		1	
Variance			<i>The values of the variable x are variable and not fixed</i>
vac	dac		
127164.47	5033859		
Mahal. Distance			<i>Normal distribution of residual residues and no outliers</i>
4.403			
Shapiro -teste			<i>Normal distribution of variables</i>
vac	dac	netr	
0.292**	0.950**	0.098**	
Collinearity Statistics			<i>multiple linear correlation</i>

tolerance		vif
dac	0.999	1.001
nter	0.999	1.001

Source: Prepared by the two researchers based on R

□ The condition of linearity of the relationship between the independent variables and the dependent variable: He revealed the existence of an average correlation between the equity of shareholders and the depositors 'share of profits, which explains the linear relationship with the dependent variable, but the correlation is characterized by weakness with the net result.

□ The condition of the absence of self-correlation between the independent variables: the correlation matrix between the independent variables revealed the existence of autonomy between the variables, that is, they are not related to each other by strong coefficients.

□ the condition that the values of the variable x are variable and not fixed: the matrix of covariance between the independent variables explains their non-fixed nature.

□ Condition of normal distribution of residual residues and absence of outliers: the Mahal value. Distance at a degree of freedom equal to the number of variables (2) equals 4.403, which is less than the tabular value of 20.09. Therefore, we judge the moderation of the residual distribution and the absence of extreme values.

□ The condition of no multi-linear correlation: the values of the inflation factor (vif) came less than 2, which explains the absence of a linear numerical problem in the model, and the Tolerance factor was less than 0.1, which allows the variables to be included within a normal linear model.

Where the previous results ,of the model does not suffer from problems that hinder the use of the multiple regular regression model, which will give an unbiased estimate of its parameters.

#### 4.2.2 Analysis of the regression between profit and shareholder equity ,net result and depositors

```
>mymodel<-lm(VAC~DAC+NETR,data = mydata)
> summary(mymodel)
Call:
lm(formula = VAC ~ DAC + NETR, data = mydata)
Residuals:
    1    2    3    4    5    6    7
36.010  7.661 -41.356 -20.402 -20.419  -3.639  42.144
Coefficients:
            Estimate Std. Error t value Pr(>|t|)
(Intercept) -3.633e+02  1.023e+02  -3.551  0.02377 *
DAC          3.488e-02  6.867e-03   5.080  0.00708 **
NETR         3.279e-02  4.320e-02   0.759  0.49009
---
Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
Residual standard error: 37.71 on 4 degrees of freedom
Multiple R-squared:  0.8698, Adjusted R-squared:  0.8047
F-statistic: 13.36 on 2 and 4 DF, p-value: 0.01696
```

Source: Prepared by the student based on R

$$VAC = -364.612 + 0.03573 (DAC)$$

The regression showed, that there was no strong relationship between the result and the depositors' share of the profits (38.59%), while the depositors' share of the profits was linked to a strong coefficient positive for shareholders' equity (92.22%) that shows the type of relationship between the bank and the shareholders. In other way the regression analyze between depositors' share of the profits and shareholders' equity and Net Score (NETR) showed that it related with an negative constant ( -364.612 ) and a positive coefficient ( 0.0357 ) with depositors' share, explained the nature of relation with the net score. where the shareholders are related with a classical convention in AL Salam -bank, where The bank grants capital interest related to the size of deposited investments and not according to the principles of Islamic banking rules, that binds the depositors' share of profits according to the principle of participation in benefit and losses. that's traditional forms banking business formulas does not constituting any inclusion of creativity or value dimensions that reflect the degree of adaptation to societal requirements and a representation of what it adopts. From the title of Islamic banking, describe in many senses the dynamic performance of CSR concept in its large sense.

## 5 . discussion of results:

The study revolved around two axes, one that focused on analyzing the extent to the concept of social responsibility relates to the intellectual theories establishing different economies. Where it was As a projection of levels think that reflect a layer of thinking among the decision makers. The pragmatism of the Liberian economy has defined its strategic options and framed it within a vision based on the ongoing conflict. we Porter's perception explained for example that the existence of the institution must governed by its ability to manage the conflict between five forces. reflected an interpretation that does not allow the growth of conceptual options related to social dimensions. In the same way Karl Marx literature dedicated Canceled the individuals needs in reason to cover the group priority where that's keep the same filed. All this led us that the behavioral practices in the economy need a social requirement. reflected the ability to grow and learn of the institution. As for the second axis it was concerned to examining the performance of the Al Salam Bank, in way of the correlation hypothesis performance and development. asking the question, was Al Salam Bank succeed to its economic performance by linking a social developmental value and integrate some level of monitors performance. and the second relates to its ability to adapt the theoretical literature of Islamic economics and Islamic banking in the Algerian environment? where the result was generally negative, reflected a total decline in its role, showed a stagnation role of the central bank and monetary agencies system, which reject all levels of creativity. where The regression showed, that there was no strong relationship between the result and the depositors' share of the profits (38.59%), while the depositors' share of the profits was linked to a strong coefficient positive for shareholders' equity (92.22%) that shows the type of relationship between the bank and the shareholders. In other way the regression analyze between depositors' share of the profits and shareholders' equity and Net Score (NETR) showed that it related with an negative constant ( -364.612 ) and a positive coefficient ( 0.0357 ) with depositors' share, explained the nature of relation with the net score. where the shareholders are related with a classical convention in AL Salam -bank, where The bank grants capital interest related to the size of deposited investments and not according to the principles of Islamic banking rules, that

binds the depositors' share of profits according to the principle of participation in benefit and loses. That's traditional forms banking business formulas does not constituting any inclusion of creativity or value dimensions that reflect the degree of adaptation to societal requirements and a representation of what it adopts. From the title of Islamic banking, describe in many senses the dynamic performance of CSR concept in its large sense.

## 6. Conclusion:

In high competition, it become necessary to focus on credibility and managing the economy through the investment of trust, according in strategic relation with social partner. That's requires a strategic dimension according to a unified conception of the principles and objectives, highlighting the depth of its relationship and its awareness of the overlap between physical and social dimensions. Even the success of the experience of Islamic banks in many areas, such as some European countries. The experience has remained retreating in Algeria, despite the passage of more than two decades since the beginning of the first experience with Al Baraka Bank and the Gulf Algerian Bank. Well the society still looks at the experience with a big suspicion and lack of seriousness. That's was a reason to its unable to specifically products through which to convince society that its operations are in theme correctly sense, where they are based on sharia values. Where It is a result shared by all Islamic banks. reflected a failure to modernize the monetary system of central bank's policies, which neglected the requirements of the supposed integration between banks as economic units and the social requirements, that they could have transforming society into a partner in the financing process within a space of mutual benefit and trust based on foundations of shared interest and distributed responsibility, and in general these points can be recorded as the reasons that led to these results

- The fear of change associated to a manager of a monetary system in Algeria .
- The total Dependence of economic decision on the political chooses .
- The inability to develop strategically chooses far from oil .
- The monopolism for several strategic sectors, such as investing in education or that other investments are related by energy-related.
- The illusion of the amendment to the Laws concerned the Money system .
- The failed experiment at the beginning of the second millennium, represented by Al Khalifa Bank, where the public treasury compensation the small depositors.
- The absence of a strategy to qualify the human resources working in the banking s based on a fundamentals investment transformation In the banking sector and Islamic banks.

All of these reasons and others increase the maintaining stalemate in the relationship of banks and financial institutions, and not enabling them to undertake experiments that proved successful in other countries that developed a wider areas for investment and entering with society in an actual partnership that takes into account its moral and value requirements, which reflects the dynamic theory of the open systems of Chester Bernard's, where the social system of exchange and cooperation depends on the overlap between its components and parts, and that those parts are linked to each other and adapted to each other.

## 7.Recommendations:

The Algerian monetary system are completely linked into the Property of the state management, and administration policies, which made it lose the characteristic of

liberation. ,that guarantees the success of experiment. including in Islamic banks based on theme theory that believe in the possibility of investing in societal depth. Imitating successful experiences in the world .

- Reconsidering the relationship of the central bank with Islamic banks on social requirements .
- Adopting a flexible legislative, where Islamic banks can allowed from each other according to Islamic theory .
- Adopting the same formula between the Central Bank and Islamic banks based on Islamic theory monetary bonds,
- Establishing specialized Islamic banking institutes .
- Allowing Islamic banks to invest outside the money-trading, such as allowing them to own shares in companies, agricultural and other investments, in a way that supports their legitimate perspectives.
- Availability of some legislative privacy for Islamic banks of an investment nature.
- Re-reviewing some laws, such as the credit ceilings of Islamic banks, in order to enable them to adopt strategic options,
- Linking Islamic banks to each other through special legislations that allow them to borrow from each other without interest model as the commercial banks hypotheses .

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## 9. Appendices

Years	NETR	BBK	SONF	DBE	INDD	ETD	REFIN	EXPF	INVH	DAC	Vac
2011	898	2189	13687.463	218.35	296439	21047	64	10860	2940	10230	60
2012	1120	3003	19905.700	789.461	558366	39905	75	14793	5732	11350	78
2013	1267	4021	27335.788	1438.458	1052732	76806	421	19696	7104	12617	78
2014	1383	2859	22167.791	1771.684	2105464	149590	143	15066	8649	14000	150
2015	301	2210	20341.467	2 788 810	4210928	296321	92	16567	6430	14301	126
2016	1080	2769	28373.453	2472.534	8421856	590428	494	20169	10071	15381	206
2017	1181	3989	98.638	2518.852	16843712	1178087	1376	3653	8171	16611	300