

A Review of Corporate Social Responsibility (CSR) Theories and an Assessment of the CSR Practices in Banking Industry: Bangladesh Perspective

Afruz Haque¹, Md. Momin Uddin², Shafiqur Rahman³

Abstract

This study aims to review three renowned theories of CSR and to develop a conceptual CSR model based on these theories. In this study, the authors also attempted to examine the CSR practices of State-owned Commercial Banks (SoCBs) of Bangladesh. For reviewing CSR theories authors adopt an extensive literature review approach. The study is based on secondary data and information, especially on CSR activities of banks which were sourced from banks' websites, Bangladesh Bank's publications and newspapers. Purposive sampling technique is used to select four SoCBs for the study. Results of this study discover that SoCBs in Bangladesh prioritize the education, health and disaster management sectors for their CSR activities but pay little attention on the environmental, arts and culture and community investment sectors. Study also reveals that SoCBs in Bangladesh are lagging behind in incorporating technology and innovation into their CSR events. In addition to contributing to the literature of different aspects of CSR theories, this study will help enhance the knowledge of CSR practices in the banking industry. To balance the interest of all stakeholders of a corporation, this study proposes a conceptual model of CSR which can be adopted by any bank or business institution. It is recommended for all banks to follow a comprehensive CSR model for the betterment of all stakeholders and to ensure sustainable development.

Key words- Corporate Social Responsibility (CSR), State-owned Commercial Banks (SoCBs).

¹ Lecturer, Department of Humanities and Social Sciences, Dhaka University of Engineering & Technology, Gazipur; afruz@duet.ac.bd

² Assistant Professor, Department of Management Studies, Patuakhali Science & Technology University, Dumki, Patuakhali—8602; mominuddin.521@pstu.ac.bd

³ Head, Department of Business Administration, International Open University and Academic Staff, Kent Institute Australia. Email: Shafiq.Australia@gmail.com

1. Introduction

Corporate Social Responsibility (CSR) sheds light on the social impact of corporations or business organizations which is becoming very crucial for all stakeholders now-a-days (Schröder, 2021). The practice of CSR is becoming a strategic trend for many sectors. The scope of CSR is also expanding with the passage of time. CSR puts certain responsibilities on every business organization which is essential for achieving sustainable development (Boğan, 2020). Like every business organization, banking industry considers Corporate Social Responsibility (CSR) as one of the most powerful weapons to acquire the competitive advantage among different competitors. The banking sector of Bangladesh consists of sixty-one (61) scheduled and five (05) non-scheduled banks. Among sixty-one scheduled banks, there are 6 (six) State owned Commercial Banks (SoCBs), forty-three (43) Private Commercial Banks (PCBs) in which thirty-three (33) banks are conventional PCBs and ten (10) banks are Islami Shariah Based PCBs, three (03) specialized banks and nine (09) Foreign Commercial Banks (FCBs) (<https://www.bb.org.bd>). All scheduled banks of Bangladesh consider CSR as one of their main obligations besides regular banking activities. Bangladesh Bank (BB), the central bank of Bangladesh, concentrates intensely on articulating CSR in the banking industry of Bangladesh (Khan, 2010).

The process of carry out CSR responsibilities is a tough task. For this reason, organizations should be careful at the time of adopting and implementing CSR models. According to Brin & Nehme (2019), CSR implementation process for any organization should be divided into two levels: internal and external. They also recommended that every organization must have a committee for monitoring the process of CSR implementation.

CSR's outstanding impact on social development has inspired researchers to do research on this issue. As a result, the scope of research on CSR practices, especially in banking sector, is expanding. Over the last few years researchers have developed so many complex models to represent stakeholders' reaction to CSR practice (Gursoy et al., 2019; Kim et al., 2017). This study aims to review some prominent CSR theories to demonstrate CSR practices. The main objective of this study is to review three theories of CSR to generate an understanding of different aspects of CSR and to develop a conceptual CSR model based on these theories. Besides this author also attempted to assess CSR practices of State-owned Commercial Banks (SoCBs) in Bangladesh. The central bank of Bangladesh and the policymakers of the government should set standards and policies on CSR which ensure a sound contribution to the vital sectors of CSR, especially in education, environment, innovation, and technical expansion for all banks.

One of the limitations of this study is that this study is conducted without considering two SoCBs (Bangladesh Development Bank Limited and Basic Bank Limited), for which the results may not be generalized.

2. Literature Review

2.1 CSR Concepts and Definition

CSR, as we know it today dates back to the 1950s (Frederick, 1960). In the earlier period, when all means were considered lawful for the purpose of profit maximization, business organizations and companies demonstrated blindfold behavior. Not being able to ensure a healthy and safe job environment, disrupting the balance of the natural environment and child labor are few examples of these irresponsible behaviors. However, as a result of stakeholder pressure, it is now widely understood that, in addition to financial gains, companies have some social and environmental duties (Carroll, 1989). Now-a-days the company's success is measured not just in terms of financial indicators, but also in terms of responsible behavior in social and environmental fields (Serra-Cantalops et al., 2018).

Although many scholars have examined the definitions, models and theories of CSR, the view of Reza Safar zad, James Brussea, Milton Friedman, R. Edward Freeman, Archie Carroll, Maryna Saprykina and Yaroslav Kutovy have gained more acceptance (Brin & Nehme, 2019). There are multiple definitions of the concept of CSR. Dahlsrud (2008) found that the definition given by the Commission of the European Communities is the most widely used. European Community (2001) defined CSR as “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis”.

According to Home & Watts (2000), CSR refers to the voluntary corporate activities. In addition to profit goals, CSR also contributes to economic growth and ethical behavior while enhancing the quality of life of the employees in their families and the local community and society as a whole. Safar zad et al. (2016) opined that CSR is the legal requirement of any organization which comprises continuous commitment towards the organization. They also added that organizations should maximize corporate profits by balancing environmental, ethical and economic interests. Milton Friedman gave the complete opposite view of the above-mentioned definition of CSR. He argued that the sole responsibility of the management of the company is to maximize the profits of its owners and shareholders where the free-market mechanism is responsible for solving the social issues (Friedman, 1962).

James Brusseau and Archie Carroll gave quite similar opinion on CSR. According to them, the CSR framework consists of four important dimensions: economic, legal, ethical and philanthropic (Brussaeau, 2011; Carroll, 2016).

“Corporate Social Responsibility Theories: Mapping the Territory”, a leading article in the field of CSR, in which Elisabet Garriga and Domenec Mele have classified CSR theories and approaches into four groups:

1. Instrumental theories group is the first group, where corporations are viewed as the sole instrument for wealth creation, and corporation's social activities are merely a means to attain economic goals.

2. Political theories group is the second group, which is concerned about the power of corporations in society and the proper utilization of this power, especially in the political arena.
3. Integrative theories group is the third group. According to integrative theories, corporations ought to focus on satisfying social needs as corporations' continuity, existence and growth depend on society.
4. Ethical theories group is the fourth group, in which ethical values were considered as an enabler in maintaining the relationship between business and society (Garriga & Melé, 2004).

Dima Jamali and Charlotte Karam investigated the differentiating characteristics between the concept of CSR and its practice in real life especially in developing countries in their study (Jamil & Karam, 2018). CSR basically focuses on treating organization's stakeholders in an ethical and responsible manner (Hopkins, 2012).

2.2 The Practice of CSR in the Banking Industry

The role of banks in continuing the advancement of modern economy is undeniable (Lui et al., 2021). Due to the substantial use of community resources, the banking industry should contribute more frequently than other industries to the society (Wu & Shen, 2013). The major portion of banking funds comes from the public. Banks are considered as trusted institutions for people as it is responsible for ensuring the secure and profitable return of depositors (Lui et al., 2021). For the pivotal role of banking sector in economic and social development, the banking industry has become a leader in implementing corporate social responsibility (Forcadell & Aracil, 2017).

The reasons for the practice of CSR in the banks and other institutions include the desire of obtaining legitimacy (Du & Vieira, 2012), achieving sustainable competitive advantage (Porter & Kramer, 2006), enhancing brand reputation and equity (Fatma et al., 2015) and improving stakeholders' behavior of advocacy (Du et al., 2010). Banking professionals' CSR activities are the reflection of their compliance to the code of ethics, transparency, collaboration with social organizations and attention to the interests of intended parties (Graafland & van de Ven, 2011). According to a study on Spanish Banking Institutions, three groups (employees, customers and communities) are benefited from the CSR activities performed by banking professionals (Pérez & Del Bosque, 2012). Zhang et al. (2020) revealed that the importance of social activities in maximizing profits through corporate governance is immense. Disclosing the statement of CSR activities is one of the prime responsibilities of the banking institutions as it helps in gaining the trust of the people. For example, the banks of Lebanon disclose their CSR activities willingly to show their excellent performance (El Khoury, 2018).

Lui et al. (2021) studied the corporate social responsibility disclosure (CSR/D) levels of traditional and Islamic banks in Malaysia. They found that Islamic banks revealed higher levels of total CSR/D than conventional banks after controlling for several determinants of CSR/D. Few studies found that Islamic banks have showed less interest on social issues in the perspective of CSR (Belal et al., 2015; Maali et al., 2006). Aracil (2019) opined that Islamic

banks should give more emphasis on CSR strategies and practices to compete on conventional banks. Bhuiyan, Darda, & Hossain (2021) investigated the impact of Islamic Bank's CSR activities on the sustainable development of Bangladesh in their study from beneficiaries' perspective. They found that beneficiaries are quite satisfied with the respective bank's CSR activities. Bhuiyan et al. (2021) also highlighted that Islamic Banks should spend more on economic, sports and cultural programs as part of the CSR activities for the long-term socio-economic development of Bangladesh.

Sarker, Siddique, & Akter (2021) investigated the relationship between corporate social performance (especially philanthropic) and firm's value in their study. Their study revealed that irrespective of firm's size, corporate social performances have a positive association to firm's value and customer's decision.

Financial Inclusion (FI) is a pre-requirement especially for developing countries for achieving sustainable development. For this reason, policy makers give high priority on this issue. Haldar et al. (2016) explored the role of CSR activities performed by commercial banks of Bangladesh in accelerating financial inclusion. In the perspective of Bangladesh, Private Commercial Banks (PCBs) are putting greater effort in financial inclusion through CSR practices than SoCBs and FCBs (Haldar et al., 2016).

Bangladesh Bank, the central bank of Bangladesh, has already taken many initiatives to implement FI through social welfare activities (Bangladesh Bank, 2013). Most of the banks and financial organizations of Bangladesh perform CSR to reduce poverty, empower women, develop education and health care facilities, deal with disaster, and enrich the culture of the country (Alam et al., 2010). There is no chance to overlook the importance of CSR in the overall development of a country. Stakeholders of organizations must have a thorough understanding of CSR theories and models for the proper and successful implementation of CSR programs.

This study contributes to the literature by analyzing various aspects of important theories of CSR. In addition, the study will help in enhancing the knowledge of the CSR practices in the banking industry. To achieve sustainable competitive advantage, almost all organizations are trying to implement the CSR approaches through various ways. However, in most cases, stakeholder interests prevail over community interests in materializing CSR (Brin & Nehme, 2019). To balance the interests of both parties, our study aims to develop a conceptual model of CSR which can be adopted by any bank or business institution. A uniform framework of CSR is essential for proper implementation of CSR projects. It is recommended for all banks to follow a comprehensive CSR model for the betterment of all stakeholders and to ensure sustainable development.

3. Methodology

This study aims to review prominent theories on CSR and to develop a conceptual CSR model. For reviewing CSR theories authors adopt an extensive literature review approach. Three important CSR theories are discussed and analyzed in this article: The Carroll Theory, The Triple Bottom Line Theory and The Stakeholder Theory. Another

objective of this study is to assess the corporate social responsibility (CSR) practices and expenditures of CSR funds in different sectors of State-owned Commercial Banks (SoCBs) in Bangladesh. This study is based on secondary data and information, especially on CSR activities of banks which were sourced from banks' websites, Bangladesh Bank's publications and newspapers. To enrich the literature of the study a number of articles from several journals, working papers and related books are also reviewed.

All the (06) SoCBs in Bangladesh (Bank Limited, Janata Bank Limited, Agrani Bank Limited, Rupali Bank Limited, BASIC Bank limited, Bangladesh Development Bank Limited) are the population of this study from which we have chosen four (04) SoCBs (Sonali Bank Limited, Janata Bank Limited, Agrani Bank Limited, Rupali Bank Limited) purposively considering their large market share. Sample year of this study covers 2015-2018. After exploring the CSR practices of each selected banks, a comparison has been made based on the CSR expenditures allotted to different sectors among the four SoCBs. This study used statistical software MS-Excel for analyzing data and the summarized results presented with the help of several tables, charts and graphs.

4. Review of Prominent Theories of CSR

Researchers explain the practice of CSR with the help of a variety of theories. In other words, they develop their models based on different theories (Boğan, 2021). The term 'theory' refers to "a consistent and coherent group of general propositions used as explanations for a class of phenomena" (Bormann, 1996, pp. 83). These theories are helpful to learn and understand the features of different CSR models and apply them in real life.

In this section, we will explain three widely accepted theories of CSR critically. By reviewing these theories of CSR, we have tried to develop such a model that will contribute to social development in addition to representing the interests of all stakeholders of an industry.

4.1.1 Pyramid of CSR (Carroll, 1991)

Carroll provided a theory considering the interaction of business or corporation with the surrounding community and the entire world, which is commonly known as Carroll's pyramid of CSR (Brin & Nehme, 2019). Carroll presented corporation's responsibility towards society with the help of four dimensions in his theory (Carroll, 2016).

- A. Economic Dimension: Generally making money or maximizing profit is the prime concern of all organizations. Considering this fact Carroll mentioned economic responsibilities as the first pillar of the pyramid of CSR. Business operation, investment, marketing strategies, financial strategies are common attributes of the economic obligation of the organization. No corporation, either profitable or non-profitable, can survive or exist ignoring the economic obligations. Carroll opined that business operations should be conducted for the purpose of making profit which is the basis of the implementation of CSR programs. He also added that, profits need to be reinvested to sustain business growth (Brin & Nehme, 2019).
- B. Legal Dimension: Carroll placed legal dimension at the second stage in his CSR pyramid. According to Carroll, organizations must be respectful to laws and

regulations. A fair business can impact on the community as well as the society positively which inspires corporations to cling to law. Producing quality product, paying taxes properly and refrain from money laundering are some examples of legal responsibilities which help corporations to create CSR values (Brin & Nehme, 2019).

- C. Ethical Dimension: This is the third pillar of Carrol's pyramid of CSR. Ethical responsibility motivates the corporation to act for the betterment of the society even if it is not necessary in the eyes of the law. Carroll stated that corporation should follow the spirit of the law not just the code of the law (Brin & Nehme, 2019).
- D. Philanthropic Dimension: This dimension includes voluntary activities which are not mandatory or required by the law. Philanthropic responsibilities are the reflection of company's wishes and desires as these responsibilities are not resulted from external pressure (Carroll,1989). Corporations carry out philanthropic responsibilities solely to meet society's expectations. Corporations can obtain their reputation and good citizenship image as a by-product through their philanthropic responsibility.

The main theme of this theory is to implement CSR projects in an ordered manner. Visser (2010) stated that economic responsibility receives the most attention in developing countries, philanthropy comes in second, and then legal and ethical responsibilities are considered.

4.1.2 Triple Bottom-line Theory (1998)

John Elkington, founder of the Triple Bottom Line (TBL) theory, first mentioned this theory in his renowned book "Cannibals with Forks: The Triple Bottom Line of 21st Century Business" (Elkington,1998). According to Elkington (1998), CSR framework consists of three dimensions: economic, social and environmental which are focused on attaining sustainable output. Since TBL theory emphasis on continuous profit-making, social development and environmental protection, both for-profit and nonprofit corporations can adopt and apply this theory for performing their CSR projects (Brin & Nehme, 2019).

- A. Economic Obligation: Elkington (1998) opined in his book that corporations should concentrate more on making long-term consistent profits than high profits. Corporations that adopt TBL theory should develop strategic plans for ensuring sustainable profits. Through expenditure and tax calculation, market opportunities and benchmark evaluation and high-risk elimination corporations can ensure a continuous profit and achieve sustainability in the long run.
- B. Social Obligation: According to TBL theory business organizations should place emphasis on their social issues as well as economic issues. On TBL theory, corporations have been asked to pay more attention to achieve social sustainability. Social affairs such as human rights, unemployment rate, child labor, women's participation in the workforce, educational and health services provided by the government may vary from region to region which makes it more complex for corporations to achieve social sustainability. However, corporations must try to satisfy surrounding social demands for their existence and competitive advantage.
- C. Environmental Obligation: TBL theory also focuses on environmental sustainability. Every organization has some responsibilities regarding the context of the

environment. They should exercise utmost caution when using natural resources and must consider environmental changes and environmental laws.

Flexibility is one of the main features of TBL theory which has increased the adoption and acceptance of this theory in performing CSR projects (Brin & Nehme, 2019). But this theory also has some loopholes. Timothy F. Slaper investigated the challenges of putting this theory into action which includes quantifying each of the three dimensions, locating relevant data and assessing the policy's contribution to the sustainability (Slaper & Hall, 2011).

4.1.3 Stakeholder theory (Freeman, 1984)

Stakeholder theory is commonly used to assess CSR perception from the employee's perspective (Park et al., 2018; Park & Levy, 2014). This theory claims that the responsibilities of the company are not limited to its internal stakeholders but also have some responsibilities to its external shareholders. Owners, employees and investors are considered as internal stakeholders where customers, retailers, suppliers, community groups, governments etc. are external stakeholders. According to this theory, a company must consider the interest of all stakeholders while making decisions (Farmaki, 2019; Karakuş, Onat and Yetiş: 2018). Edward Freeman, the founder of Stakeholder Theory, opined in his study "Strategic Management, A Stakeholder Approach" that the benefits of the stakeholders of each organization are affiliated with the actions of that organization (Freeman, 2010). This theory recommends that every individual or group with legal interests has the right of making claims, and the organization should treat each party equally at mediating claims (Freeman, 1984). This theory emphasizes on balancing the interest of all stakeholder groups of a company (Donaldson & Preston, 1995). One of the risks of applying stakeholder theory is that company directors may consider only those stakeholders' opinions whose interests match with their interests (Brin & Nehme, 2019). Transparency is a must to put this theory into practice.

4.2 Conceptual Model of CSR

So far, management experts and researchers have developed many CSR theories and models. Each theory has some advantages as well as some limitations. For example, Carrol skips the environmental aspect in his prominent 'Carrol CSR pyramid' theory (Brin & Nehme, 2019). On the other hand, John Elkington incorporates economic, social and environmental dimensions of performance in the CSR framework which was discussed in The Triple Bottom Line Theory (Elkington, 1998) but ignored legal and ethical dimensions. Stakeholder Theory puts more emphasis on economic dimension which motivates stakeholders to maximize corporate profits (Brin & Nehme, 2019). Legal, ethical and environmental aspects will be compromised if organizations give more attention to only profit maximization. Considering all these factors, we have tried to create a conceptual model of CSR which will come up with the complete reflection of both stakeholder's interest and community interest.

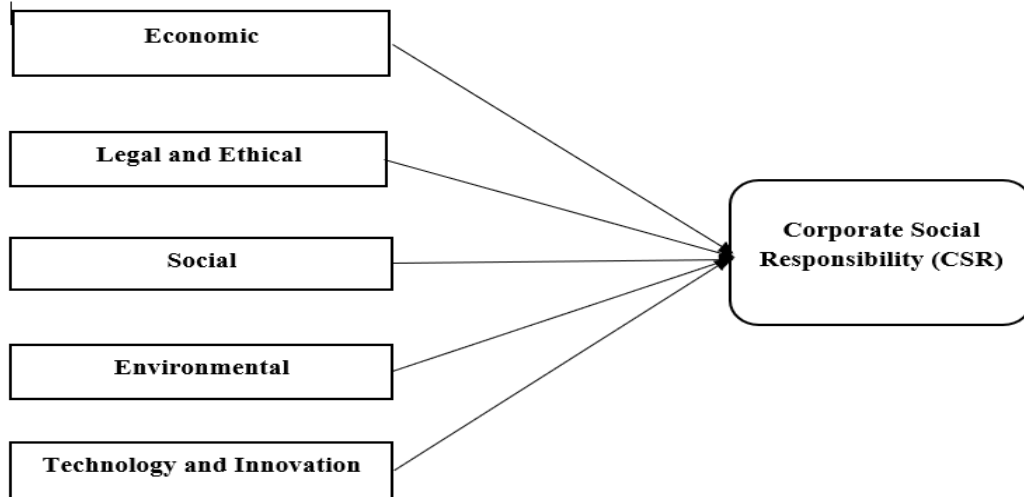


Fig. 1. Conceptual model of CSR (created by authors)

The above-stated CSR model consists of five components. In this model, first two dimensions (Economic, Legal and Ethical) are adopted from Carrol's CSR pyramid (Carroll, 1991) and next two dimensions (Social and Environmental) are taken from TBL theory (Elkington, 1998). This model also emphasizes on environmental and technological dimensions. Banks must focus on environmental sector to maintain the balance of the environment and to create a healthy society. Waste management, energy recycling, reservation of resources, environmental policy development should be considered as part of bank's CSR events.

On the other hand, technology and innovation are playing significant role in maximizing bank's earning and profitability (Abejirinde & Anele, 2021). Different disrupting technologies such as Robotic Process Automation (RPA), Digital Account Opening (DAO), Person-to-person (P2P) payments, chatbots, machine learning, blockchain, Internet of Things (IoT) are enhancing the efficiency of banks management and operation. Use of E-money products, mobile banking and internet banking are acting as a mechanism of both accelerating bank's profit margin and financial inclusion. However, most of the banks in our country have not yet started using these technologies. Considering the importance of 'technology and innovation' in achieving financial inclusion and sustainable development we have added this dimension to our conceptual CSR model. As the emergence of Financial Technology has a tremendous impact on financial stability, government and the central bank of Bangladesh, Bangladesh Bank, should give highest attention on this sector.

5. Assessment of CSR practices of State-Owned Commercial Banks (SOBs) of Bangladesh

Banking community is responsible to perform CSR to attain sustainable economic and social development (Epstein et al., 2018). The banking sector in Bangladesh involved itself in different types of social and philanthropic well-being activities for many years. However, Bangladesh Bank guidelines, published in 2008, have been assisting all state-owned and private banks to perform CSR obligations in a more organized way (Mahbuba & Farzana, 2013). One of the main objectives of this study is to scrutinize the CSR performances of SoCBs in Bangladesh. For serving the objective this study considers four leading SoCBs of Bangladesh which are listed in Table 01.

Table 01: stated owned commercial banks in Bangladesh

SL No.	Name	Year of Establishment
1	Sonali Bank Limited (SBL)	1972
2	Janata Bank Limited (JBL)	1972
3	Agrani Bank Limited (ABL)	1972
4	Rupali Bank Limited (RBL)	1972

5.1 Sector wise CSR contribution of Stat-owned Commercial Banks in Bangladesh

This section aims to provide a big picture of CSR activities performed by SoCBs in Bangladesh during 2015-2018.

Table 02: Sector wise CSR Activities of Sonali Bank Limited (In Million Taka)

Category	2015	2016	2017	2018	Total
Education	18.8	4.2	4.00	3.8	30.8
Health	9.1	1.5	7.4	7.00	25.00
Disaster Management	12.5	2.5	-----	5.00	20.00
Environment	-----	-----	-----	-----	-----
Art & Culture	-----	1.00	-----	-----	1.00
Infrastructural development	-----	-----	-----	0.30	0.30
Community investment	-----	-----	-----	0.20	0.20
Others	15.3	4.6	1.5	5.00	26.4
Total	55.7	13.8	12.9	21.3	103.7

Source: CSR report of Bangladesh Bank (sustainable finance Unit, Bangladesh Bank)

As one of the leading SoCBs of Bangladesh, Sonali Bank Limited has been participating in various social activities to support the disadvantaged people of the country. Table 02 depicts that the disbursement in different CSR activities of Sonali Bank Limited from 2015-2018 is consecutively 55.7, 13.8, 12.9 and 22.3 million takas. From 2015-2018 the disbursement in education, health care, disaster management, arts & culture and infrastructural development sector are 30.8, 25.00, 20.00, 1.00, 0.30 million takas respectively. Although SBL has spent 0.20 million takas on community investment and 26.4 million on others from 2015-2018, it has no contribution to the environmental sector. The total contribution of Sonali Bank Limited in different segments of CSR from 2015-2018 is 104.7 million takas.

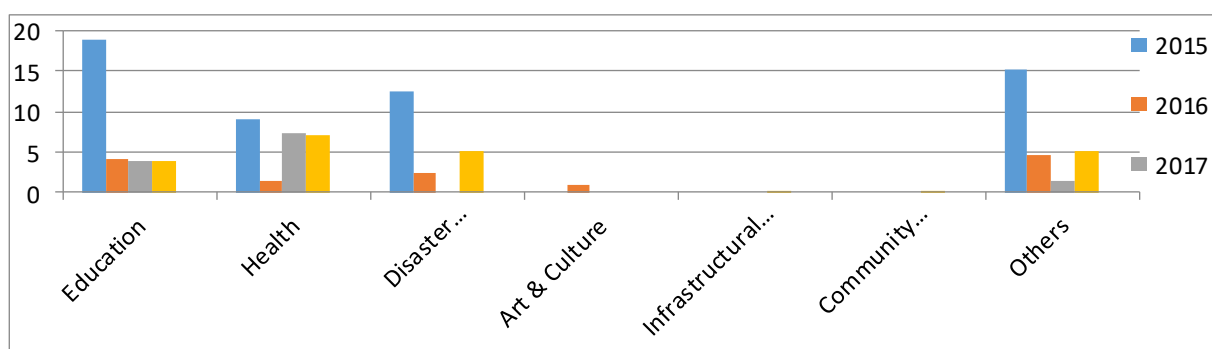


Chart 1: Graphical presentation of CSR contribution by Sonali Bank Limited

Table 03: Sector wise CSR Activities of Janata Bank Limited (In Million Taka)

Category	2015	2016	2017	2018	Total
Education	11.4	-----	-----	0.10	11.50
Health	7.3	-----	-----	1.8	9.1
Disaster Management	15.8	7.8	7.00	9.00	39.6
Environment	-----	-----	-----	-----	-----
Art & Culture	-----	-----	-----	-----	-----
Infrastructural development	-----	-----	-----	-----	-----
Others	-----	1.3	1.00	2.3	4.6
Total	44.5	9.10	8.00	13.2	64.8

Source: CSR report of Bangladesh Bank (sustainable finance Unit, Bangladesh Bank)

Janata Bank Limited is constantly contributing through various CSR activities for building an inclusive society. Table 03 depicts that the disbursement in CSR activities of Janata Bank Limited from 2015-2018 is consecutively 44.5, 9.10, 8.00 and 13.2 million takas. From 2015-2018, JBL has spent 11.50 million in the education sector, 9.1 million in health care sector, 39.6 million in disaster management sector and 4.6 million in others. JBL has not made any contribution in environmental, arts & culture and infrastructural development sectors. The total contribution of Janata Bank Limited in various sectors from 2015-2018 is 74.8 million takas.

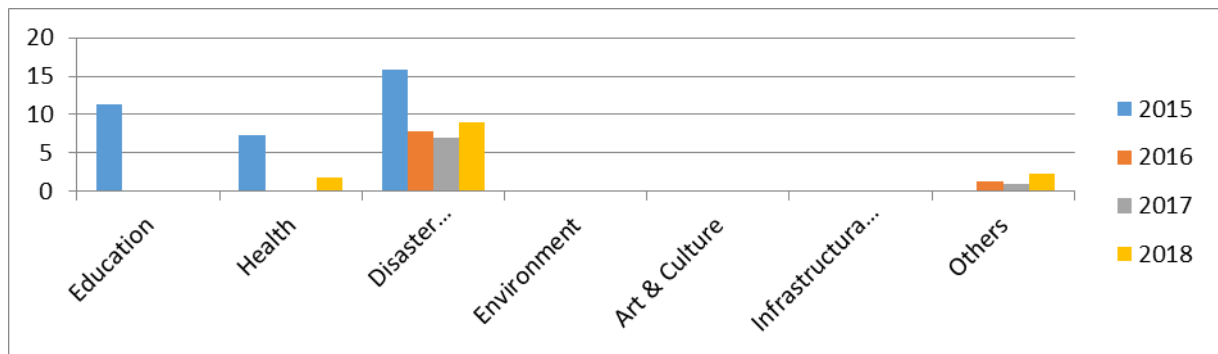


Chart 2: Graphical presentation of CSR contribution by Janata Bank Limited

Table 04: Sector wise CSR Activities of Agrani Bank Limited (In Million Taka)

Category	2015	2016	2017	2018	Total
Education	-----	0.10	-----	-----	0.10
Health	10.00	10.00	-----	-----	20.00
Disaster Management	17.4	22.6	-----	-----	40.00
Environment	-----	-----	-----	-----	-----
Art & Culture	-----	0.40	0.40	-----	0.80
Infrastructural development	-----	-----	-----	-----	-----
Community Investment	-----	0.10	-----	-----	0.10
Others	-----	1.3	0.40	-----	1.70
Total	27.4	34.5	0.80	-----	62.7

Source: CSR report of Bangladesh Bank (sustainable finance Unit, Bangladesh Bank)

Table 04 represents that the disbursement in CSR activities of Agrani Bank Limited from 2015-2018 is consecutively 27.4, 34.5, .80 and 00 million takas. In education, health care, disaster management, the disbursement from 2015-2018 is consecutively 0.10, 20.0, 40.0 million takas. The disbursement from 2015-2018 in arts & culture, community investment and others sectors are 0.80, 0.10 and 1.70 million takas respectively. During 2015-2018, ABL has made no expenditure on environmental and infrastructural development sectors. In total, ABL contributed 62.3 million in various well-being activities from 2015-2018 as part of their CSR activities.

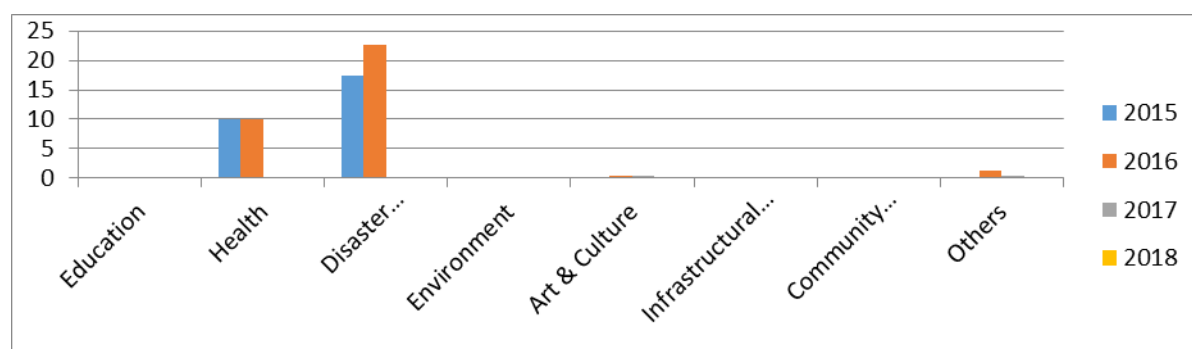


Chart 03: Graphical presentation of CSR contribution by Agrani Bank Limited

Table 05: Sector wise CSR Activities of Rupali Bank Limited (In Million Taka)

Category	2015	2016	2017	2018	Total
Education	-----	-----	-----	0.34	0.34
Health	-----	0.10	-----	4.5	4.6
Disaster Management	4.7	10.1	-----	-----	14.8
Environment	-----	-----	-----	-----	-----
Art & Culture	-----	-----	-----	2.2	2.2
Infrastructural development	-----	-----	-----	0.30	0.30
Community Investment	-----	-----	-----	1.4	1.4
Others	4.00	1.2	-----	1.00	6.2
Total	8.7	11.4	-----	13.00	29.84

Source: CSR report of Bangladesh Bank (sustainable finance Unit, Bangladesh Bank)

Table 05 depicts that the disbursement in CSR activities of Rupali Bank Limited from 2015-2018 is consecutively 8.70, 11.4, 00 and 13.00 million takas. The disbursement from

2015- 2018 in the education sector is 0.34, health care sector is 4.6, disaster management sector is 14.8, environment sector is 00, arts & culture sector is 2.2, infrastructural development sector is 0.30, community investment is 1.4 and the other sector is 6.2 million. The total contribution of Rupali Bank Limited in various sectors from 2015-2018 is 33.1 million takas.

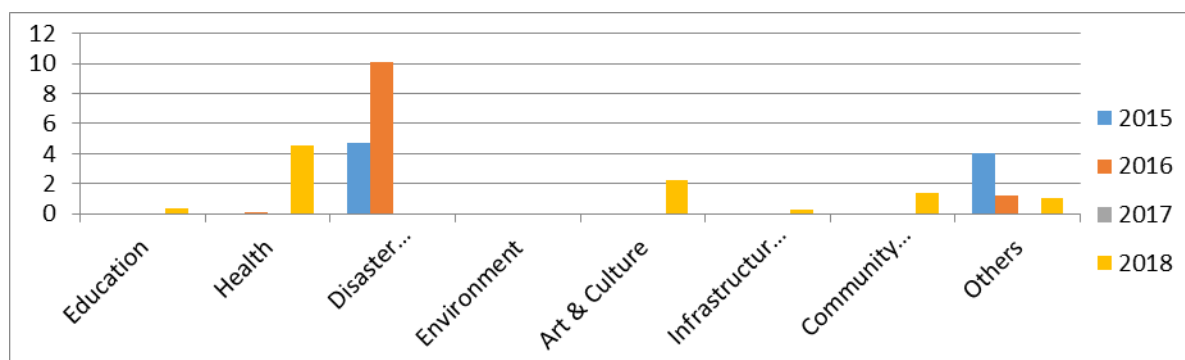


Chart 04: Graphical presentation of CSR contribution by Rupali Bank Limited

Table 06: Sector wise CSR Expenditure by four SoCBs from 2015-2018 (Amount in million Taka)

Sectors of CSR	Sonali Bank Limited	Janata Bank Limited	Agrani Bank Limited	Rupali Bank Limited	Total
Education	30.80	11.50	0.10	0.34	42.74
Health	25.00	9.10	20.00	4.60	58.70
Disaster Management	20.00	39.60	40.00	14.80	114.40
Environment	-----	-----	-----	-----	-----
Art & Culture	1.00	-----	0.80	2.20	4.00
Infrastructural Development	0.30	-----	-----	0.30	0.60
Community investment	0.20	-----	0.10	1.40	1.70
Others	26.40	4.60	1.70	6.20	38.90
	103.70	64.80	62.70	29.84	261.04

Table 06 provides us with a comparison of CSR expenditures performed by four leading SoCBs in Bangladesh. From this table, it is clear that SBL contributes highest to CSR purposes among four sample banks. From 2015-2018, the CSR disbursements of these four SoCBs have been highest in the disaster management sector and lowest in the infrastructural development sector. This table also depicts that SBL put the highest emphasis on the education sector whereas the other three banks make their highest contribution to the disaster management sector. It is very surprising that these four banks have not made any contribution to the environmental sector.

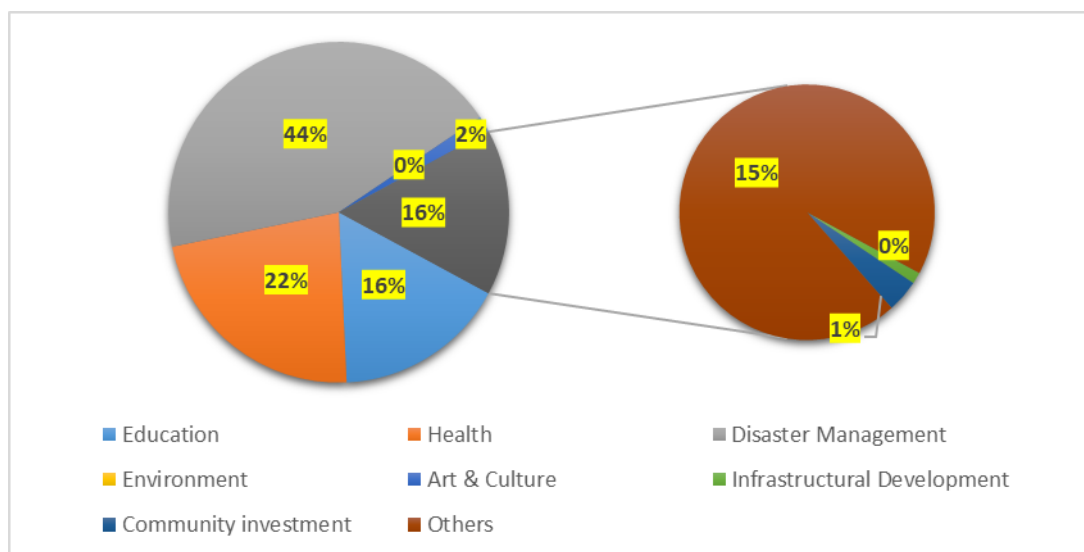


Chart 05: CSR expenditure on different sectors by SoCBs

Chart 05 represents that SoCBs make the highest contribution (44%) to the disaster management sector. The disbursement on health, education, others, arts & culture and community investment sectors are 22%, 16%, 15%, 2% and 1% respectively. They make very little contribution to the community investment sector which is less than 1% and completely ignore the environmental sector.

6. Conclusion

The importance of CSR for achieving sustainable development is increasing worldwide. However, still the practice of CSR in Bangladesh is lagging behind compared to other developed countries. Most of the SoCBs prioritize the education, health and disaster management issues but pay little attention to the environmental, arts and culture and community investment issues. SoCBs in Bangladesh are failed in integrating technology and innovation into their CSR events. To balance the interest of all stakeholders of a corporation,

authors propose a conceptual model of CSR which incorporates economic, legal and ethical, social, environmental and technology and innovation dimensions. At present the use of technology and innovation is essential to ensure quality customer service and to maximize bank's profits. Considering the importance of 'technology and innovation' in achieving financial inclusion and sustainable development we have added this dimension to our conceptual CSR model. Government, policy makers and the central bank of Bangladesh, Bangladesh Bank, should give highest attention to this sector to ensure sustainability and economic growth. All the banks should spend a handsome portion of their CSR expenditure on this sector to facilitate the deployment of these technologies in the banking industry and to develop a trained and skilled human capital for getting the highest output from the proper utilization of these technologies. There is a scope for researchers to study how bank's CSR programs can create job opportunities and sustainability through the expansion of technology and innovation.

References

- Abejirinde, A. A., & Anele, K. A. (2021). Technological Advancement and Effectiveness in The Nigerian Banking Sector. *International Journal of Innovative Social Sciences & Humanities Research*, 9(2),86-95.
- Alam, S.M.S., Hoque, S.M.S., Hosen, M.Z. (2010). Corporate social responsibility of multinational corporation in Bangladesh: A case study on Grameen phone. *Journal of Patuakhali Science and Technology University*, 2(1), 51-61.
- Aracil, E. (2019). Corporate social responsibility of Islamic and conventional banks: The influence of institutions in emerging countries. *International Journal of Emerging Markets*.
- Bangladesh Bank. (2013). Developmental Central Banking in Bangladesh-Recent Reforms and Achievement (2009-12). Dhaka: Bangladesh Bank.
- Bangladesh Bank. (2015). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/jun_2015.pdf
- Bangladesh Bank. (2015). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/dec_2015.pdf
- Bangladesh Bank. (2016). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/jun_2016.pdf
- Bangladesh Bank. (2016). *Half yearly CSR reports of Banks and Financial Institutions* https://www.bb.org.bd/pub/halfyearly/csr_activities/dec_2016.pdf
- Bangladesh Bank. (2017). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/jun_2017.pdf
- Bangladesh Bank. (2017). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/dec_2017.pdf
- Bangladesh Bank. (2018). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/jun_2018.pdf
- Bangladesh Bank. (2018). *Half yearly CSR reports of Banks and Financial Institutions*. https://www.bb.org.bd/pub/halfyearly/csr_activities/dec_2018.pdf

- Bangladesh Bank. (2020). Annual report. <https://www.bb.org.bd/pub/annual/anreport/ar1920/index1920.php>
- Belal, A. R., Abdelsalam, O., & Nizamee, S. S. (2015). Ethical reporting in islami bank Bangladesh limited (1983–2010). *Journal of Business Ethics*, 129(4), 769-784.
- Bhuiyan, M. A. H., Darda, M. A., & Hossain, M. B. (2021). Corporate social responsibility (CSR) practices in Islamic banks of Bangladesh. *Social Responsibility Journal*. DOI 10.1108/SRJ-07-2020-0280.
- Boğan, E. (2020). Sorumlu turizm. In A. Olcay (Ed.), *Alternatif turizm* (pp. 143-164), Gazi Kitapevi: Ankara.
- Boğan, E. (2021). A review of prominent theories in perceived CSR-employee outcomes link in hospitality literature. *Journal of Multidisciplinary Academic Tourism*, 99-105.
- Bormann, E. G. (1996). *Symbolic convergence theory and communication in group decision making*. In R. Y. Hirokawa & M. S. Poole (Eds.), *Communication and group decision making* (2nd ed., pp. 81–113). Thousand Oaks, CA: Sage.
- Brin, P. V., & Nehme, M. N. (2019). Corporate social responsibility: analysis of theories and models.
- Brussaeu, J. (2011). *The Business Ethics Workshops*. Boston Academic Publishing. Vol. 1.
- Carroll, A. B. (1989). *Business and society: Ethics and stakeholder management*. 2nd Edition, South-Western Publishing Co. USA, Ohio.
- Carroll, A. B. (2016). Carroll's pyramid of CSR: taking another look. *International journal of corporate social responsibility*, 1(1), 1-8.
- Dahlsrud, A. (2008). How corporate social responsibility is defined: an analysis of 37 definitions. *Corporate Social Responsibility and Environmental Management*, 15(1), 1-13.
- Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of management Review*, 20(1), 65-91.
- Du, S., & Vieira, E. T. (2012). Striving for legitimacy through corporate social responsibility: Insights from oil companies. *Journal of business ethics*, 110(4), 413-427.
- Du, S., Bhattacharya, C. B., & Sen, S. (2010). Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. *International journal of management reviews*, 12(1), 8-19.
- EC (European Commission). (2001). Promoting a European framework for corporate social responsibility. *Green Paper, 264 Final, Brussels, Belgium*.
- El Khoury, R. (2018). Corporate Governance Does Affect Bank Profitability: Evidence from Lebanon. *International Journal of Business & Management Science*, 8(1).
- Elkington, J. (1998). Partnerships from cannibals with forks: The triple bottom line of 21st-century business. *Environmental quality management*, 8(1), 37-51.
- Epstein, M. J., Elkington, J., & Herman, B. (2018). *Making sustainability work: Best practices in managing and measuring corporate social, environmental and economic impacts*. Routledge.
- Farmaki, A. (2019). Corporate social responsibility in hotels: a stakeholder approach. *International Journal of Contemporary Hospitality Management*, 31, 2297-2320.

- Fatma, M., Rahman, Z., & Khan, I. (2015). Building company reputation and brand equity through CSR: the mediating role of trust. *International Journal of Bank Marketing*.
- Ferdous, J. (2015). Corporate Social Responsibility Practices in Bangladesh: An Assessment of Four State-Owned Commercial Banks (SoCBs). *International Journal of Business, Economics and Law*, 8, 36-41.
- Forcadell, F. J., & Aracil, E. (2017). Sustainable banking in Latin American developing countries: Leading to (mutual) prosperity. *Business Ethics: A European Review*, 26(4), 382-395.
- Frederick, W. C. (1960). The growing concern over business responsibility. *California Management Review*, 2(4), 54-61.
- Freeman, R. E. (2010). *Strategic management: A stakeholder approach*. Cambridge university press.
- Freeman, R.E. (1984). *Strategic Management: A Stakeholder Approach*, Pitman, Boston, Massachusetts.
- Friedman, M. (1962). *Capitalism and Freedom*, University of Chicago. Press, Chicago, IL.
- Garriga, E., & Melé, D. (2004). Corporate social responsibility theories: Mapping the territory. *Journal of business ethics*, 53(1), 51-71.
- Gursoy, D., Boğan, E., Dedeoğlu, B. B., & Çalışkan, C. (2019). Residents' perceptions of hotels' corporate social responsibility initiatives and its impact on residents' sentiments to community and support for additional tourism development. *Journal of Hospitality and Tourism Management*, 39, 117- 128.
- Haldar, P. K., Rahman, S. M., Mia, M., Ahmed, F., & Bashawir, A. (2016). Assessing the role of corporate social responsibility practices of commercial banks in enhancing financial inclusion: a study on banking sector in Bangladesh. *International Journal of Economics and Financial Issues*, 6(4), 1778-1783.
- Holme, R., & Watts, P. (2000). Corporate social responsibility: making good business sense, report from World Business Council for Sustainable Development (WBCSD). Geneva, Switzerland.
- Hopkins, M. (2012). *The planetary bargain: Corporate social responsibility matters*. Routledge.
- Jamali, D., & Karam, C. (2018). Corporate social responsibility in developing countries as an emerging field of study. *International Journal of Management Reviews*, 20(1), 32-61.
- Karakuş, Y., Onat, G., & Yetiş, Ş. A. (2018). Yöneticilerin, Aşçıların Yetkinliklerine Yönelik Beklentilerinin Değerlendirilmesi. *Journal of Tourism and Gastronomy Studies*, 6(4), 299-321.
- Khan, H. U. Z. (2010). The effect of corporate governance elements on corporate social responsibility (CSR) reporting: Empirical evidence from private commercial banks of Bangladesh. *International Journal of Law and Management*, 52(2), 82-109.
- Kim, H. L., Rhou, Y., Uysal, M., & Kwon, N. (2017). An examination of the links between corporate social responsibility (CSR) and its internal consequences. *International Journal of Hospitality Management*, 61, 26-34

- Lui, T. K., Zainuddin, M. H., Wahidudin, A. N., & Foo, C. C. (2021). Corporate social responsibility disclosures (CSRDs) in the banking industry: a study of conventional banks and Islamic banks in Malaysia. *International Journal of Bank Marketing*.
- Maali, B., Casson, P., & Napier, C. (2006). Social reporting by Islamic banks. *Abacus*, 42(2), 266-289.
- Mahbuba, S., & Farzana, N. (2013). Corporate Social Responsibility and Profitability: A Case Study on Dutch Bangla Bank Ltd. *International Journal of Business and Social Research*, 3(4), 139-145.
- Park, S. Y., & Levy, S. E. (2014). Corporate social responsibility: perspectives of hotel frontline employees. *International Journal of Contemporary Hospitality Management*, 26(3), 332-348.
- Park, S. Y., Lee, C. K., & Kim, H. (2018). The influence of corporate social responsibility on travel company employees. *International Journal of Contemporary Hospitality Management*, 30(1), 178-196.
- Pérez, A., & Del Bosque, I. R. (2012). The role of CSR in the corporate identity of banking service providers. *Journal of Business Ethics*, 108(2), 145-166.
- Porter, M. E., & Kramer, M. R. (2006). Strategy and society: the link between corporate social responsibility and competitive advantage. *Harvard business review*, 84(12), 78-92.
- Safar zad, R., Farahnaki, E., & Farahbakhsh, M. (2016). Corporate Social Responsibility, Theories and Models. *Theories and Models (September 3, 2016)*.
- Sarker, A., Siddique, F. K., & Akter, F. (2021). CORPORATE SOCIAL RESPONSIBILITY AND FIRM VALUATION: A STUDY BASED ON PRIVATE COMMERCIAL BANKS OF BANGLADESH. *Academicia Globe: Inderscience Research*, 2(04), 119-131.
- Schröder, P. (2021). Corporate social responsibility (CSR) website disclosures: empirical evidence from the German banking industry. *International Journal of Bank Marketing*.
- Serra-Cantalops, A., Peña-Miranda, D. D., Ramón Cardona, J., & Martorell-Cunill, O. (2018). Progress in research on CSR and the hotel industry (2006-2015). *Cornell Hospitality Quarterly*, 59(1), 15-38.
- Slaper, T. F., & Hall, T. J. (2011). The triple bottom line: What is it and how does it work. *Indiana business review*, 86(1), 4-8.
- Visser, W. (2010). CSR 2.0: FROM THE AGE OF GREED TO THE AGE OF RESPONSIBILITY\$. *Reframing Corporate Social Responsibility: Lessons from the Global Financial Crisis*, 231.
- Wu, M. W., & Shen, C. H. (2013). Corporate social responsibility in the banking industry: Motives and financial performance. *Journal of Banking & Finance*, 37(9), 3529-3547.
- Zhang, Y., Chong, G., & Jia, R. (2020). Fair value, corporate governance, social responsibility disclosure and banks' performance. *Review of Accounting and Finance*, 19(1), 30-47.