Case study

A COMPARATIVE ANALYSIS OF CORPORATE SOCIAL RESPONSIBILITY PRACTICES IN THE BANKING INDUSTRY. THE CASE OF GHANA AND CHINA

Abstract

Corporate Social Responsibility has become the norm and among the well accepted practices of organizations in the 21st Century. Even though it is not mandatory in most countries, the society has made it morally unacceptable for institutions to overlook these aspects of their operation. However, despite the acceptance in developed economies, organizations in developing economies are yet to come into terms Corporate Social Responsibility, what really it entails and the best practices. The issue of contention has been if they (the organizations) are mandated to contribute their quota to the growth of the economy by job creation, payment of taxes and other levies to the government (which is meant for this purpose), why should they further unburden their organizations with other practices such as CSR. This study juxtaposes the practices of CSR in some selected banks in two developing economies namely Ghana and China, to determine the Corporate Social Responsibility practiced. The selected banks are considered very key as their activities cover the area of agriculture and other sensitive parts of their economy. Two banks were examined from each country to ascertain the similarities and differences of their practices of CSR. Secondary data from the banks website and Social Responsibility Report were examined and compared. The analysis supports that corporate social responsibility has a positive effect on the society and ensures sustainability of the banks in the long run. It enlightens the stakeholders on the

practices of these banks and also provides best direction for the Ghanaian Banks on the current trend of CSR.

Keywords: Corporate Social Responsibility (CSR), Corporate Sustainability (Corporate Growth), Social, Economic, Environment, China, Africa, Ghana.

Introduction

Research works in recent times has placed much significance on corporate sustainability. Corporate Social Responsibility is an alternative to the traditional growth and profit maximization model. Sustainable banking industry and maximizing shareholder's wealth cannot be attained in today's ever growing and dynamic world solely through short-term profit but rather through a responsible behavior. Although the primary objective of corporations is to make profits (Friedman,1970), current businesses are expected to show much concern to its stakeholders by getting involved with social issues. Advocates suggest that a way to increase the long-term profit and growth of banks is by being good corporate citizens. The World Business Council for Sustainable Development, in 1999 accepted that CSR can be described as a corporation's ethical behavior towards society. In further extension, The Conference Board of Canada (1999) introduced elements of CSR which are employee relations, creation and maintenance of employment, financial performance, human rights, environmental responsibility and investment in community outreach. One study through a survey concluded after interacting with the top performing companies with CSR programs that there is a positive correlation between CSR and Economic Development.

However, in this current era, the trend of CSR has changed and financials cannot be the only determinant of a company's sustainability.

CSR IN THE BANKING INDUSTRY

Current studies have considered CSR as a public relations issue still under discussion. According to Frankental (2001), CSR is an invention of public relations and it can only have real substance if it considers all with stakeholders' participation and reinforce this in its company objectives. Studies suggest that, there is a positive relationship between corporate social performance and financial performance the banking industry (Simpson and Kohers, 2002). The costs of being socially responsible are outweighed by improvement in productivity or other associated financial performance indicators, however the resources geared towards social responsible practices are not so high to make the bank unprofitable.

Yeung (2011), suggested that in order to become a socially responsible bank, there is a need to have a mindset which places much emphasis on "risk management, business ethics and corporate social responsibility through internal management of people and process; understanding complex financial products and external management of economic situation for the benefit of stakeholders; protect the rights of customers with setting up channels for customers to address complaints."

In The 3C's for Responsible Banking in Asia and the Pacific: Corporate Governance, Corporate Social Responsibility and Corporate Sustainability, United Nations "Economic and Social Commission for Asia and the Pacific" (ESCAP), highlighted two areas of potential CSR focus for banks and financial institutions: small and medium-size enterprises (SME) access to financing and green business financing. According to this report, banks have begun to pay more attention on CSR, adhere to international codes of conduct and offer financial products that take account of sustainability issues; but there is still significant room for improvement.

CSR IN AFRICA AND ASIA

In recent times, various research and literature on the meaning of CSR in Asian and African organizations has resolved that (Khan & Atkinson,1987; Khan,2005; Visser,2008) in order to develop suitable CSR principles and modules organizations must consider the various aspects of CSR. Some studies suggested that most of the CSR initiatives in this parts of the world are purely philanthropic (Mohan,2001; Visser,2008) while internationally, CSR activities go beyond this (Arora & Puranik,2004; Belal,2010; Welford, 2004). The focus of the world shifted to the banking sector in the rise up to the 2008 economic crisis when countries of the world used large public funds to manage the crises. After the crises, many were concerned about how to restore the confidence in the financial institution. The issue of CSR was raised as part of Corporate Governance which emphasized on the financial institutions being good corporate citizens. A research by Visser (2008) revealed that, Economic responsibility still rank higher in terms of emphasis in Africa. While philanthropy ranks the second, legal and ethical responsibility follows in sequence. He also identified that regarding economic responsibilities, corporate social responsibilities were to generate investment and income, produce safe product and service, create jobs, invest in the human capital, support technology transfer and blend physical and institutional infrastructure.

According to Forstater et. al., (2010), the UN Global Compact is one of the most widely adopted CSR initiative in Africa with the established of 11 networks in the African continent. The Executive Council of the African Union (AU) in promoting Africa's regional and continental integration agenda announced its decision to facilitate the critical role private sector plays in the socio-economic development.

OVERVIEW OF CSR INCHINA

CSR in Chinese business has been linked to the case of Confucian classical philosophy which says before you satisfy yourself in business, make sure others

are satisfied. Studies in China has emphasized that, CSR in businesses can benefit in tremendous ways if the society they operate in is comfortable, this intend creates a long term benefits for the organizations.

According to Bingjun Li et al, (2014), CSR has been part of the Chinese society as far back as 2500years ago in the era of the Spring and Autumn. The studies revealed that, CSR in the Chinese context, had much to do with the Confucian virtue of *Yi,* which means righteousness: using the principles or norms of obtaining and distributing benefits. *Li,* which happens to be the opposite of *Yi* means the benefits and profits of one's elves. According to the Confucian philosophy, the relationship between *Yi* and *Li* which says that a person of noble character understands *Yi*, while a lower person only knows *Li*. Businesses with *Li* character just pursues short-term profit and self-interest, while a *Yi* business regards longer-term and broader gains. Base on the scenario, the Chinese ancient philosophy of CSR (*Yi* rather than *Li*) can be interpreted as being ethical, rather than simply profit-oriented. CSR in China has been the "*ideological and political work*" of the administrative departments. The Chinese government has frequently used awareness campaigns to promote corporate social responsibility, for example, by holding meetings and conferences, and displaying slogans such as "*serve the people*" and "*socialist spiritual civilization*".

The rise of the Chinese state banks in adopting best practices of CRS has given no room for private banks to avoid following in that suite. It has to be noted that with the high population in China, the government cannot be the only source of national development for its citizenry therefore the need for the private sector to join. The role of the private sector in national development is seen in terms of core business of investment, training and technology development and also partnership and support to build the institutions, policies and local capacities needed for a

sustainable economy (A survey of Chinese business and executive by fortune Magazine China,2010).

The growth of CSR in China has in many aspects taken the trail of international best practices making it comparable. Initially, multinational and Chinese companies took the approach of sponsorship of local education, sporting activities, tree planting and other small-scale environmental and community efforts.

In 2008, the State owned Asset Supervision and Administration Commission of State(SASAC) published the guidelines on CSR. It is seen as the way for enterprise to contribute to China's national development goals. Perhaps more than anywhere in the world, CSR is focused on ensuring compliance on social and environmental issues. However, the trends are moving rapidly into strategic stage where business can gain a competitive advantage by aligning their strategy to address societal concerns and further towards the civil stage where broad industry actions is aligned to national sustainable development priorities.

OVERVIEW OF CSR IN GHANA

The practice of CSR in Ghana is predominantly high in large multinational enterprise. Ghana is a growing economy with a high domination of the foreign banks, which makes it most common to have them publishing and practicing the best CSR. The banking industry in Ghana has a special award dedicated to CSR which seeks to praise the banks that engage in the growth of the country. The concept has been that businesses are part of the Ghanaian society, and this gives the firms the responsibility to contribute to community and national development. Initial stages of banks in Ghana may not view organizational stability as a main concern. They will strive for growth to create a dynamic rapid evolving organizations that become a recognized force in the industry. Stability sounds like

a company that is standing still. Nevertheless, this long-term goals of income growth and increased profits can be served by maintaining stability with certain aspect of the bank.

Measuring CSR

Since 1970, researchers have adopted various ways to measure corporate social responsibility, however the result from most of these attempts has normally come with mixed feelings. Partly as a result of difficulty in deciding what should be measured for measurement purposes. Boone,1984 categorized CSR as;

Community Projects: These covered developmental activities that company's played a significant role or provided substantial support. These include civil and cultural programs, youth activities, student and social activities and local earth programs.

Contributions: This covers activities such as educational programs, federate drives, Health awareness and other activities that can have serious consequence on the society if not prevented.

Equal employment opportunities: This was in regards to eliminate discrimination which gives preference to the abled, men and majority group. It determined company's willingness to give equal employment opportunities to women, the disabled and minority groups.

Environmental concerns and energy conservation: Environmental and Energy conservation has been a major threat to the ecosystem, this seeks to see policies procedures organizations have in place to conserve them.

Voluntarism: This measure according to the number of hour contributed by persons loaned to or a given lease time for public service work, this is to encourage individual involvement.

Social Investment: These include those that would not otherwise have been made under the company's customary lending standards or those in which social consideration played in the investment decision, organizations that are focused on corporate social responsibility growth will proactively promote the public interest in encouraging community growth and development. By having a positive impact on the society, the organization are also making a difference to themselves. It is not only when it comes to profit but also how the employee thinks and the economy.

With the increasing importance and demand for CSR, it is worthwhile to determine CSR impact on corporate sustainability in the banking sector. This study aims at investigating:

- The nature of CSR practiced by banks in Ghana and China.
- The similarities and differences in the practices of CSR among the selected banks.
- To what extent does CSR affect Corporate sustainability of the banks
- To what extent does their policies impact the society?

Methodology

This study examined secondary data collected from websites, corporate social responsibility reports and annual reports of the banks. A two (2) years report was examined, reviewed and compared. This study adopts the purposive method to make the selection both the Ghanaian and the Chinese banks. The Ghanaian banks

were selected based on their highest wining bank of the Ghana Bankers CSR awards.

BANK OF CHINA (BOC)

BOC's mission of "promoting social welfare and contributing to a prosperous nation" were adhered to and it vigorously carried out its development strategy of serving the society, delivering excellence and adoration of the people first approach. The Bank's core values of "pursuing excellence" and the corporate cultural spirit of "integrity, performance, responsibility, innovation and harmony" has been the anchor of being customer-centric, market-oriented and technology-led, worked with its various stakeholders to make contributions to the development of their economy, society and environment.

Stakeholders: The bank believes that social responsibility is important for creating and maintaining long-term core competitiveness, forging closer relationship with stakeholders and enhancing brand value. With this mind set, the bank has developed a module it believes showing the involvement of its stakeholders.

Table 1. Involvement of Stakeholders

Stakeholders	Expectation	Response
Country	Implement national macroeconomic policies. Promote transformation of economic growth mode.	Promote RMB internationalization, One Belt and One Road and other strategies and support industrial structure upgrading and development of medium, small and

		micro enterprises.
Supervisory Authority	Stick to legal compliance and maintain financial stability	Strictly abide by laws and regulations, improve the comprehensive risk management system, propel legal compliance of G-SIFI's, and strengthen internal control and fraud case prevention mechanism, to prevent all kinds of financial crimes.
Shareholders	Keep creating value for shareholders. Exercise the right to know and decide.	Advocate prudential operation, improve corporate governance, strengthen investor relations management and disclose information in a compliant manner.
Customer	Protect consumers' rights. Improve inclusive of financial services. Enhance service quality.	Safe guard the safety of customer information and assets, organize educational activities on consumer financial knowledge, strengthen internet finance innovation of banks and diversify service channels and product.
Employees	Protect the legal interests and right of employees. Promote career development.	Enhance democratic management of employees, optimize the training system and improve the remuneration incentive plan.

Community	Give back to communities. Fulfill global corporate citizenship responsibilities.	Support the development of educational undertakings and jointly build communities.
Environment	Protect environment and promote sustainable development.	Specify and implement the green credit policy and persist in green office and green purchase.

* Bank of China CRS 2014

Corporate Governance: CSR plays a significant role in BOC's business operations and it is incorporated into her strategy. In the area of corporate governance, BOC strictly abides by the regulations and laws of the PR China and observes the rules and guidelines issued by various regulatory bodies, such as Shanghai Stock Exchange, Hong Kong Securities and Futures Commission, and the Stock Exchange of Hong Kong. Moreover, various Board Committees are set up: Audit, Nomination and Remuneration, Risk, Strategy and Budget, and Management Committee, to take care of relevant matters.

Contributing to Charity and Public Interest: The bank assumed its responsibility as a global citizen and tapped into various platforms and its own strength to support poverty alleviation and cultural undertakings. It helps fight against natural disasters and devote itself into community and public interest. With much emphasis on poverty alleviation over the past 13 years continuously, the bank has supported local infrastructure construction and developed related industries to create conditions for increasing income in poverty-stricken areas. In September 2014, the bank lunched the "visiting people, benefiting livelihood and warming hearts" serial activities in Xinjiang.

Supporting Cultural and education undertakings: The Bank has greatly supported the development of education and cultural...art undertakings. Since 2008, BOC has been the contracted strategic corporation partner of National Centre for the Performing Arts in China for seven conservative years, promoting cultural and arts exchanges between China and the world. The bank is also the executive sponsor of students' loans for higher education institutions under the ministries and commissions of the central government, from 2004 till the end of 2015.

AGRICULTURAL BANK OF CHINA (ABC)

In recent times, enterprises are built to place much emphasis on people's livelihood. Engaging in more social responsibility has now become the consensus of global governments, enterprises and the public in general. It is believed that, enterprises that show care for employees, serve customers, protect environment, repay the society and create value can win social respect and consolidate the foundation for sustainable development says Liu Shiyu (ABC Chairman,2014).

The development and growth of the society has been the main vein of the corporate culture of ABC. Their CSR philosophy of "giving priority to responsibility, benefiting the general public, taking the lead in fulfilling responsibilities, promoting the well-being of the society" has been the marrow of the corporate culture of ABC. Taking root in and serving "Sannong" are the historical heritage of ABC.

Corporate Governance: The bank pays great attention to the requirements of the policies of the government and the regulatory authority . It has finally identified the Key Topics of ABC Social Responsibility by collecting the key expectations and appeals of stakeholders, the opinions of departmental heads and experts, and

the hot issues of the banking industry that the public is concerned about on the basis of taking into account its own development strategy. The key expectations include, "Serving Sannong, supporting the real economy, alleviating poverty, improving people's livelihood, assisting in environmental protections, optimizing services, taking delight in public welfare, helping employee succeed.

Stakeholder Participation: By sorting out the characteristics of its own business and operations, the bank classified its major stakeholders into government, regulatory authority, shareholders and investors; customers, employees, suppliers and partners; and public, communities and environment. It identified stakeholders through scientific methods and steps up the communication and exchanges with them to find out about their appeals in the field of social responsibility and the use of responsibility practices to actively respond to their concerns, promote their participation and join them in creating a beautiful future for themselves and the generation unborn.

Table 2.

Stakeholders	Expectations & Appeals	Responses & Methods
Government	Increase efforts to support real economy. Promote the implementation of national strategies. Serving the countryside financially. Promote mass entrepreneurship and innovation. Achieve the steady growth of taxes. Expand employment.	Orient around "serving Sannong", expand coverage of country financial services, increase credit issuance, total of "Sannong" related loans have maintained "rate of increase higher than that of the past year "for continuous years. Supporting "the Belt and Road initiative", the Yangtze River

		Economic Belt project, and "the integration Beijing-Tianjin-Hebei Regions. Direct our resources towards mass entrepreneurship and innovation movement though innovations in product and methods, fully supporting development of entrepreneurs.
Supervisory Authority	Operate in good faith and comply with laws and regulations. Maintain financial stability. Strengthen comprehensive risk management system.	Improve the major risk management policy framework, make sure it is layered, scientific and full-coverage.
Shareholders and Investors.	Create sustainable value returns. Improve corporate governance. Strengthen the management of investor relations. Disclose information completely, truthfully and accurately.	Continuous improve corporate governance structure. Increase the values of shareholders. Upgrading investors' hotline, return every call ASAP, and make sure small and medium investors' right are fully protected and heard.
Customers	Continuous enhance service quality. Intensify the capabilities of electronic services. Maintain the rights and interests of customers.	The Boeing Project is fully operational, realizing the goal of customer-centered, fast product innovation and fully improve management abilities. Strive to be

		the first-rate information bank that focuses on technological innovation capability, production and operational safety and IT governance system. Strength customer rights protection, creating a healthy financial environment, always keep customer rights protection in mind.

* ABC CRS REPORT, 2015

Creatively promoting Agricultural Modernization: ABC responded actively to the decision of pushing forward agricultural modernization development, firmly established in the concept of innovative development, and focus on key links in and industries. The bank stepped up innovative efforts in service object, service products and service models and other aspects, and effectively improved the breadth and depth of services for modern agriculture.

Supporting the Construction of beautiful and Livable Countryside: ABC has actively implemented the concept of green development, extended green financial services, effectively promoted green development in rural areas, adhered and sped up rural constructions. The bank helps common people to live better, boosting the construction of "beautiful countryside" that is more suitable for living, working and traveling, and truly realizing happiness and well-being for all.

Forcefully pushing forward targeted poverty alleviation and poverty eradication: With "Sannong" being at the heart of the bank, financial poverty alleviation work has been both a responsibility and an honor to the bank. According to the spirit of the Poverty Alleviation and Development Conference held by the central

government, the duty of ABC is crucial for poverty. The Central Government issued Guidance Opinions on Financial Services for Precise Poverty alleviation. The bank "grasped the pulse" in poor areas and focused on precise poverty alleviation, not only "transfuse blood", but also "make blood". With sincere services, the bank has made great contributions to promoting economical social development in poor areas and in helping poor farmers prosper.

AGRICULTURAL DEVELOPMENT BANK OF GHANA (ADB Bank)

ADB Bank believes that making short-term returns is not the only concern of the company in its day-to-day operations. The bank is of the believe that committing some tokens to worthy causes gives some satisfaction not only to the members of the communities in which it operates but also among their workforce who feel proud knowing that they are contributing to community empowerment and growth. Having won the Ghana Banking Award's Most Socially Responsible bank twice on the trot, ADB Bank believes that their ability to support many social projects also a plays a significant role in building customer loyalty and has supported the less privileged and other just causes while continuing to adhere to distinctive ethical values.

ADB Bank highlighted 4 areas that are much important to them, this include: Corporate Governance, Stakeholder engagement.

Corporate Governance: The bank has proper structure for…implementing the best corporate practices. The core guiding principles of the bank's governance practices are; Enhancing shareholder's value through good corporate governance. The respective roles of shareholders, Board of Directors and management in the governance architecture should be clearly defined, some of which include majority

membership of independent directors in the size of the Board of Directors. Independent directors is defined broadly as directors who are not employed by the bank, who are not affiliated with the organization with significant financial dealings with the bank. These principles have been articulated in a number of corporate documents of the bank including the Bank's regulations, rules and procedures for boards, a code of conduct for directors and rules of business ethics of staff.

Stakeholder: The bank recognizes the importance of engaging with various stakeholders such as customers, employees, shareholders, government , regulators, suppliers and the general public, in achieving its business goals and upholding their CSR commitment. ADB has in place customer-centric banking services to help address customers' needs. It gathers feedback from customers through survey and communication between customers and front-line staff. It also has a Customer Personal Data Protection Policy to guide departments in collecting and protecting customer information properly.

For shareholders, channels have been put in place to collect feedback from shareholders. They also have the rights to obtain available information of the bank, make proposals at annual general meetings.

For government and regulators, the bank adheres to laws and regulations strictly and observes the rules and guidelines issued by regulatory authorities. Close communication is maintained with regulatory authorities as the central bank observes the banking industry closely. The company also actively participates in various committees of governmental or industrial bodies as it plays?? vital part in the government policies in enhancing the agricultural sector.

In regards to employees, the bank treasures people as the most important asset. It aims at providing a people-oriented culture to employees. For instance, having a fair and transparent recruitment policy which speaks against discrimination on grounds of race, religious, sex, marital status, sexual orientation, disability or age, providing good working conditions and occupational development opportunities for employees, and providing open and transparent communication channel for employees etc. The bank has Staff Code of Conduct which governs workplace practice. The company provides competitive remuneration packages and incentive schemes to reward employees with good performance. To have a work-life balance, the company organizes a range of recreational activities for staff, free and regular body checks are provided. Staffs are encouraged to participate in volunteer services e.g. Blood Donation, Cancer and other health treats. Also, regular visit by senior management to various branches also forms part of collecting feedback from staff and customers in other to enhance its contribution to all stakeholders.

GCB Bank

GCB bank formally known as Ghana Commercial Bank is to a large extent the leading bank in Ghana in terms of market share. With majority of the citizens banking with them, the bank recognizes the interdependence relationship between her and the community and has resulted in a continuous investment in communities and also provides support to make the society a better place for all. The bank has embarked on several numbers of initiatives in the areas of providing educational finance to schools, provided financial aid to disaster victims as well as providing medical assistance to the needy ones. The environmental and sporting initiatives have also been at the heart of the bank. The bank, having won the Best CSR Bank of the year on several occasions than any other bank in Ghana, uses a variety of top-down and bottom-up approaches to effectively engage her stakeholders . These

include customers, staff, shareholders, suppliers, business partners, regulators and the community .The bank has put great efforts in four areas which can be obtained from the banks website: Corporate Governance and Business, Stakeholders, Environment, and Community Investment.

Corporate Governance: The Board of Directors commits to high standards of integrity and ethics. The bank has is committed to strong corporate governance practices that allocate rights and responsibilities among the Bank's shareholder, the Board and Executive Management to provide for effective oversight and management of the bank in the manner that enhances shareholder value. Matters relating to risk management governance, internal control, policies and practices on compliance with legal and regulatory requirements are considered by the Board. The bank follows the guidelines and requirements set by the Bank of Ghana and the Ghana Stock Exchange Limited. The Board has set up five committees – Audit and Compliance, Human Resource and Remuneration, Risk and Capital, Large Credit Exposure and Nomination to oversee different important aspects. Front line staffs are also operating ethically, honestly and with full accountability to maintain the corporate reputation.

Stakeholders: GCB is seen as a beacon of the public and so has made their stakeholders a very delicate part of its operation. Its major stakeholders include customers, shareholders, suppliers, staff and government. For customers, the bank has a standardized complaint handling procedure to ensure customer feedback is dealt in an efficient manner that conforms with the service pledges. In providing services to customers, the bank provides clear, transparent and balanced information to customers; and the bank ensures the privacy of customers' personal information. The bank has formulated a set of "Privacy Principles" to guide staff in protecting customer details. GCB also offers a wide range of products specifically

for small and medium-scale enterprises (SME) under the theme Sustaining SME Opportunities in Today's market" which empowers entrepreneur to maximize returns and enhance the bottom-line, create more new employment opportunities.

For suppliers, GCB Bank has strict standards for assessing suppliers, such as requirements on environmental, social and ethical practices. Suppliers have to comply with the banks procurement policies. For instance, suppliers are required to comply with her Ethical and Environmental Code of Conduct for Suppliers of Goods and Services, suppliers have to respect human rights of employees and individuals, and to comply with relevant legislation and regulations. Suppliers also need to complete a questionnaire covering environmental issues during the tender process. The bank has stringent procedures governing staff conduct when handling procurement issues.

For staff, employees are the relationship builders and public face of the business. GCB provides wide range of staff training and development programs to its employees. Various training is being offered to employees' depending on the position, which include financial knowledge, banking products and operations, compliance, risk management, leadership and management skills and sales and relationship management.

Environmental: The bank aims to serve as a catalyst for positive environmental change among manufacturing companies, e-Banking services has been the way forward with paperless office gradually gaining its grounds in the bank.

Community Investment: GCB Bank has initiated and currently participates in a wide range of activities to promote social development, personal empowerment and long-term economic growth for the communities and the bank. Very prominent initiative by the bank includes providing infrastructural development in schools as

well as provide scholarship to outstanding basic, secondary students. The Bank seeks to support domestic companies with the view of nurturing them to bolster the economy and to become competitors at the international level. In promoting arts and culture and sports among youngsters, the bank has sponsored various youth and players of the creative art industry.

DISCUSSION AND ANALYSIS

After a close review of the CSR practices of the 4 leading banks in Ghana and China, below is a summary, listing the areas they specifically mentioned in their websites, Sustainability or CSR reports

Table 3. Areas of CSR which BOC, ABC, ADB and GBC Bank mentioned (For those items with * mean that they are heavily involve in)

	BOC	**ABC**	**ADB**	**GCB Bank**
Corporate Governance	*	*	*	*
Stakeholders:				
Shareholders	*	*	*	*
Employee	*	*	*	*
Customer	*	*	*	*
Suppliers	*	*	*	*
Government	*	*	*	*
Regulations	*	*		

Community Investment				
Education	*	*	*	*
Donation	*	*	*	*
Volunteering	*	*	*	*
Environment	*	*		

SIMILARITIES AND DIFFERENCES

SIMILARITIES

From the table above, it can be determined that the banks have similar practices of corporate social responsibility practices even though the banks have different names for its various activities. The researcher categorizes CSR into 4 areas namely; Corporate Governance, Stakeholders, Community Investment and Environmental. Regarding stakeholders, its coverage was quite broad; Shareholders, employees, customers, suppliers, government, Regulators. Community Investment also seeks to identify the bank's commitment in education, donation, volunteering.

Both banks in these two countries specifically mentioned and carried out good corporate governance practices. From their various reports, it can be identified that strong adherent practices are in place with well-structured organizational structure.

Stakeholders have been identified as key players in order for the bank to survive into the near future. Banks have demonstrated that with attesting to that effect. The banks in China went a step further in compiling a table with various stakeholder

expectation and their response to them which is quite emulating. This helps in achieving business goals and CSR in the best interest.

All the banks mentioned in their report and website their investment in various community in the area of poverty reduction, educational aid, health support, donation in various areas of needs and volunteerism which is quite positive for CSR practices.

DIFFERENCES

Irrespective of the high similarities between the banks, there exist some differences which to a large extent, cannot be taken out of CSR practices.

In the aspect of environmental, BOC and ABC has worked hard to reduce emission and highly conserved energy. They have promoted and supported technologies in the area of energy savings and other environmental protection aspects. The two banks in China thus BOC and ABC have strict laws against the issuance of funds for any company engaged in activities that are not environmental friendly while the two banks in Ghana has done little or nothing in this regard. Much attention should be placed on this area to ensure sustainable development -that is, meeting the needs of the present without compromising the ability of the future generation to meet theirs. (Brundtland, 1987).

With regards to regulations, BOC and ABC has gone ahead in accepting and practicing best CSR reporting by the requirement of Global Reporting Initiative(GRI) and others which outlines best CSR initiatives and proper disclosure of CSR activities. ADB and GCB Bank have done little or nothing in this regard making it difficult for their stakeholders to know and acknowledge their responsible activities to the society.

In terms of details disclosure, BOC and ABC have clearer description about its CSR practices in more different areas. With reference to table 1 and table 2, the banks mentioned it various engagement with various stakeholders in a much clearer and greater details.

The long term goals of revenue growth and increased profit can be served by maintaining stability with certain aspects of the banks. With CSR, the bank can achieve sustainable growth. CSR helps the banks in this notable aspect as follows; Customer retention and Increase in Market Share: CSR has been proven to be of great help in maintaining customer loyalty which is important for companies because it is costlier and difficult to attract new customers than to retain existing customers (Mandhachitara &Poolthong, 2011). Businesses that has shown their commitment to the community and environment has resulted in higher customer satisfaction. These satisfied customers are more likely to continue to do business with the company, thereby resulting in a stable, loyal customer base which is a valuable asset of this industry.

Positive Image on Employee satisfaction: Banks that have ethical lapses such as ignoring standards for how employees should be treated can suffer damage to their reputation when it comes to employee retention and maintaining of high profile skilled employees. The banking industry is one of the industries that has very sensitive customers and would cry foul when employees are changed so often. It tends to create undue tension for the bank because when it comes to money issues, consistency in relationship managers and other employees are key. A company's image affects all of its stakeholders and making it unstable. Nielsen Group reports that during a recent survey asking employees if CSR was important to them, 67 percent of the respondents replied that it was either strong or essential to them when it comes to choosing the right employer.

Competitive Advantage: Companies in recent years' companies has come into terms with the fact that when CSR is practiced well, it can create significant benefits in terms of reputation and returns. Husted and Allen (2001) stated that CSR strategies can create a competitive advantage when used properly, pointing out that there are positive benefits associated with CSR actions. By showing the uniqueness of the community's value to the banks, they create a preference for them over their competitors (Holme, 2010). Zadek (2005), identifies three generations of companies in relation to their responsible competitiveness. First generation companies have short-term, pain alleviation strategy. Second generation companies establish strategic planning risk management policies while third generation companies incorporate the concept of social responsibility into their strategy.

Tailored Made services: Getting closer, engaging in CSR activities gives banks the opportunity to know the other banking needs of their clients, the challenges others are facing in the banking industry and design new products and services to meet this client.

With the growing demand from society for corporations to support the communities they operate, it is becoming clearer the important part companies play in the development of the society. A company cannot progress positively in a retrogressing society (Adeyanju, 2012). Companies have contributed to the development of society in various activities in the area of education, poverty alleviation, environmental protection and very sensitive areas which make the society a better place.

Conclusion and Recommendation

Corporate social responsibility has grown to be inevitable in business practices and customers today, more or less anticipate companies to be socially responsible. To build and sustain a competitive advantage to enhance profitability, corporate bodies/groups should integrate the concept and best practices in their companies. Customers have become very much aware and very complicated of their environment against the perception that corporate organizations make a lot of profits, it becomes imperative for these companies to put back into the society through corporate social responsibility initiatives.

From the analysis above, it is evident that corporate social responsibility has a positive effect on the society which in the long run, provides sustainability for the banks. It has clearly been displayed by the banks and it is quite commendable. Although the selected banks in Ghana has done little on their website for their various stakeholders to know what they do in terms of CSR and to what extent it is transforming lives. The selected Banks from China has gone far ahead with their presentation and well struck out strategic corporate social responsibility practices.

Notwithstanding the wide acknowledgment of Corporate social responsibility, it yet still deserves greater responsiveness and more commitment from corporate organizations especially in the developing economies. This offers an opportunity to the corporate world to think out of the box and explore other potentially viable areas to improve on their products and get to the heart of the various stakeholders which will go a long way to ensure the longevity of the organizations.

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