

Corporate Social Responsibility: An Assessment of Approaches of Bangladeshi Companies

S. M. Mahfuzur Rahman^{1*} and Hazera Akter²

ARTICLE INFO

Article History:

Received: 22nd May 2022

Accepted: 31st July 2022

Keywords:

Ethics,
Stakeholders,
Philanthropy,
CSR Policies.

JEL Classification:

M 14,
D 64.

ABSTRACT

Purpose: This study explores the approaches of Bangladeshi companies towards Corporate Social Responsibility (CSR) in terms of their perception of ethical issues in conducting businesses and the forms and scale of their CSR activities.

Methodology: The methodology components of this exploratory study are: an extensive literature review, identification of the issues and dimensions of CSR in business firms, development of data collection tools, conducting the survey and interviews, and data processing and analysis.

Findings: Most companies are observed to view CSR as philanthropic donations and charitable work. Their CSR activities do not serve the interests of all stakeholders. They also do not have an organizational structure of CSR planning and implementation. Companies other than those in the banking sector do not have CSR budget.

Practical Implications: The study is expected to benefit the stakeholders of Bangladeshi companies and the policy makers to review the CSR activities of companies and to upgrade their CSR planning and performance.

Originality: The study shows how Bangladeshi companies deal with CSR responsibilities and suggests that further studies are required in the light of findings from the literature review and the analysis of the current CSR practices of these companies. The study emphasizes the importance of ethics in considering issues like social norms and standards, the interests of stakeholders such as pays and benefits to employees, workplace environment and safety, product safety and norms in accounting, finance and marketing, whistle blowing, environment conservation and payment of taxes to government.

Limitations: Company executives are reluctant in disclosing their budgets and expenditures in philanthropic activities. It was difficult to assess the position of many companies because their executives lacked clear understanding of the concept and practices of CSR.

1. Introduction

Corporate Social Responsibility (CSR) entails a bundle of corporate activities and behaviours that benefit society beyond economic and legal or regulatory obligations. CSR depends on the corporate executives' approach of carrying out these activities following the social obligations towards stakeholders (Jain and Jamali 2015; Halme and Laurila 2009; Windsor 2006). The CSR activities in the developing countries are observed to be evaluated from social and environmental perspectives focusing on the sustainable development goals (SDGs) for the developing world (Jain and Jamali 2015; Hardjono and van Marrewijk 2001; Jamali and Keshishian 2009). Though the companies in the world as well as in Bangladesh evidence some advancement in practicing CSR, they do not demonstrate sufficient clarity in conceptual understanding of CSR. Their practice of CSR signals their lack of strategic planning whereas their CSR activities are profoundly philanthropic in nature

* Corresponding Author

¹ Vice Chancellor, BGMEA University of Fashion and Technology, Dhaka, Bangladesh, Email address: ibmahfuz@gmail.com, ORCID ID: 0000-0002-1431-2078

² Assistant Professor, Department of International Business, University of Dhaka, Dhaka, Bangladesh, Email address: hazera@du.ac.bd, ORCID ID: 0000-0002-1279-9513

with significant influence from religious as well as cultural values (Jain and Jamali 2015; Jamali, Zanhour and Keshishian 2009; Visser 2008; Welford 2005). Though some companies are involved in community development work, they have neither definite policies regarding the CSR expenses nor dedicated management structure and resources to address societal, environmental and corporate governance issues in the absence of strict enforcement of existing laws and effective pressure from civil society and interest groups like consumer forums. Companies in Bangladesh also do not have formal documents on code of ethics or ethics guidelines and they do not invest a significant amount of time in dealing with ethical issues.

While studying corporate culture in companies of Bangladesh most researchers usually focus on conventional issues such as the board structures or audit committee activities and often do not give much attention to business ethics and especially, CSR. The literature review carried out for this study has found that the studies so far conducted on CSR activities of businesses in Bangladesh addressed CSR of a selected number of multinational companies of the dominant sectors of the economy and the studies covered mainly the philanthropic activities of the companies.

Given the preliminary observations, this study makes an attempt to provide an empirical evidence of CSR practices in Bangladeshi companies.

2. Literature Review

2.1 The Concept of CSR

The existing literature on CSR shows that the understanding of it varies significantly because of the differences in national and cultural approaches to business, motivation for CSR and the perspectives and methods of its implementation. International Organization for Standardization considers CSR as,

“the responsibility of an organization for the impacts of its decisions and activities on society and the environment through transparent and ethical behavior and states that CSR contributes to sustainable development, including the health and the welfare of society, takes into account the expectations of stakeholders, is in compliance with applicable law and consistent with international norms of behavior, and is integrated throughout the organization and practiced in its relationships” (ISO 2010).

The OECD Guidelines for Multinational Enterprises require corporations to contribute to economic, social and environmental progress, respect human rights, encourage local capacity building, uphold good corporate governance, and foster trust between business and society (OECD 2011). Sims (2017) identified that *“the highest standards of disclosure, labor and industrial relations and consumer protection should also be encompassed within the CSR, as is the avoidance of bribery and anti-competitive behavior”*. European Commission (EC) has defined CSR as the responsibility of enterprises for their impact on society, noting that *“Companies can become socially responsible by following the law and integrating social, environmental, ethical, consumer, and human rights concerns into their business strategy and operations”* (EC 2011). An almost similar view has been expressed by the Australian Human Rights Commission (2008) and some individual researchers (Blowfield and Frynas 2005).

2.2 Company Approaches towards CSR

Companies develop their own views on CSR following their policies and strategies. Microsoft, Google and Walt Disney are on the list of world's top ten companies with the best CSR practices. The focus of CSR activities of Microsoft is on the application of the power of technology to ensure corporate responsibility, safeguard human rights, and protect the planet (Microsoft 2018). Google emphasizes inclusion, openness, science, and commitment to the environment; and operates business in an environmentally sustainable way (Google 2020). Disney focuses on volunteerism and offers free tickets to people in exchange for a day of volunteering service in their communities which encouraged over one million people in the United States to commit to such service (Disney 2020). Many big corporations in other parts of the world, including in India also believe in a comprehensive CSR strategy and the examples are: Unilever, TATA group, and Aditya Birla group.

Social impact of their CSR activities has become a matter of increased focus and attention in both national and multinational companies of Bangladesh (Belal 2001). However, the CSR objectives of these companies in Bangladesh do not focus much on encouraging the business to carry out good citizen-like activities with the aim of reversing the perceived trend of businesses with little commitment to society (Belal 2008). The most common CSR practices by MNCs in the country involve activities of providing assistance to poor people in some locations, giving some services in healthcare and education, donating funds for “*cultural enrichment, youth development, women empowerment etc. and patronizing sports and music etc.*” (Alam et al. 2010).

2.3 CSR is not Merely Some Activity, It is a Strong Policy Tool

Ali and others (2010) noted that CSR is an approach (management strategy) whereby a company considers the interests of all stakeholders, both within the organization and in the society and applies those interests while developing its strategy and during execution. CSR offers to organizations various opportunities for differentiating themselves from competitors and for reducing costs. CSR can create an affirmative impact on the society, while conducting business activities (Asemah, Okpanachi and Edegoh 2013). This goes with the observation that “*companies that demonstrate proactive CSR would not only expect to contribute to the creation of societal welfare, but also to improve their own performance*” (Galbreath 2008). Organizations need to cater to the environment where they carry out their operations so as to earn the goodwill of their stakeholders and this, in turn, enhances the performance of the organization financially and in other areas. The main idea of CSR is that companies should acknowledge that “*they play in society more than just an economic role*” (Robins 2008). CSR is also “*a driving force in strengthening the process skills of individuals in the community, enabling people to work together towards common goals and objectives*” (Asemah, Okpanachi and Olumuji 2013). Crowther and Aras (2008) considered that “*the central tenet of social responsibility is the social contract between all the stakeholders to society as well as environment*”. Thus, it will have implications for members of society, both now and in the future.

CSR practices help the companies themselves and this has been established through a large number of arguments including the following findings:

CSR helps increase the ability of companies to retain employees since employee commitment is enhanced by the benefits they receive from CSR programs and therefore, employees are observed to

react differently while performing at the workplace (Koh and Boo 2001; Peterson 2004) and the employee perception of CSR activities of their organizations is positively and directly related to their job satisfaction (Allen and Meyer 1990; Meyer and Allen 1997).

- a. *CSR leads to enhance customer satisfaction* as CSR offers manifold benefits to businesses through ethical performance, both internally (cultivating a sense of loyalty and trust amongst the employees) and externally (establishing positive public relations and earns a special respect amongst its peers). In addition, CSR provides organizations with the basis for considering the social interests through pursuing responsibility to impact on shareholders, employees, customers, communities, and environment from all facets of organizational operations (Asemah, Okpanachi and Edegoh 2013).
- b. *CSR improves operational efficiency and is often accompanied by an increase in quality and productivity* by serving as a soothing diversion from the routine workplace practices and giving a feeling of satisfaction and a meaning to the lives of the employees.
- c. *CSR strengthens competitiveness* through fostering long-term loyal relationships with company consumers, who perceive themselves as an investor or brand with purchasing power for the company (Asemah, Okpanachi and Edegoh 2013), motivating consumers to pay a premium price for products offered by a company engaged in CSR (Austin et al. 2005; Du et al. 2010), establishing a positive corporate reputation that makes consumers resilient to negative company news (Du et al. 2010), and making consumers promotional agents for a company or brand through positive word-of-mouth communication.
- d. *CSR has an impact on the financial performance of companies* because of having a significant positive relationship with the financial performance measures like return on equity (ROE) and return on assets (ROA) as companies practicing true CSR activities increase employee satisfaction (Uadiale and Fagbemi 2011). Greater employee satisfaction results in growing employee productivity and thus, company profitability by boosting company image converting it into a competitive advantage in the long-run (Pava and Krausz 1996; Ruf et al. 2001).
- e. *CSR improves a firm's efficiency* since there is a positive association between CSR and company efficiency (Stuebs and Sun 2010); between reputation and various performance dimensions (Dierickx and Cool 1989; Fombrun and Shanley 1990; Herremans et al. 1993; Landon and Smith 1997) as well as between reputation and competitive efficiency advantages for companies (Podolny 1993; Fombrun 1996; Roberts and Dowling 2002) that can support creating cost advantages (Podolny 1993) along with firm efficiencies (Fombrun and Shanley 1990; Herremans et al. 1993; Stuebs and Sun 2009).
- f. *CSR creates investor loyalty* as modern investors are “strongly interested in a company's overall reputation and public perception, as well as its relationships with specific stakeholders such as customers, employees and public authorities” (Hoffman and Fieseler 2012). Moreover, investors support responsible corporate behaviour since such behaviour raises the profitability of their investments through developing good stakeholder relationships creating positive effect on the bottom line by reducing risks, increasing

reputation, legitimacy and competitive advantage, and aligning the interests of companies, the environment and society for mutual value creation (Heal and Heal 2008; Kurucz et al. 2008; Carroll and Shabana 2010).

- g. *CSR is good for increasing customer satisfaction and customer loyalty* as a loyal and satisfied consumer is seldom discount-oriented (Grant 2000). CSR efforts can convert the 'soft-core' (those who buy only a couple of brands) and 'switchers' (those with no loyalty) consumers to the 'hardcore' (those who only buy one particular brand) category (Kotler and Armstrong 2008) implying that customer loyalty and satisfaction can be enhanced through its societal contributions (Raman et al. 2012).
- h. *CSR is good for stakeholder loyalty* since companies adopt CSR activities on a voluntary basis and through CSR, they improve their relationship with their key stakeholders (Barnett 2007). Companies engage in socially responsible activities not only to enhance relationship with stakeholders but also to use the stakeholder feedbacks (Barnett and Solomon 2012).
- i. *CSR in marketing gives some direct commercial benefits to the firm*, such as, creating business value, increasing customer and employee loyalty, strengthening their brand identities (Bhattacharya et al. 2009), marketing based on moral principles (carefully maintaining consumers' privacy, avoiding stereotyping and targeting the vulnerable audience like children and elderly), and refraining from deceptive marketing strategy and use of misleading, false, or unproven information to advertise products to consumers.
- j. *CSR helps building reputation of companies* as a firm' sassessment, by outsiders of how well it meets its commitments and conforms to stakeholders' expectations, is associated with CSR. Companies with better CSR standards garner more reputation in the market and provide investors with higher stock market returns (Logsdon and Wood 2002). In addition, CSR generates more employee loyalty and greater productivity, better bargaining power with their suppliers, more stable revenues, and higher resilience in facing crises (Herremans et al. 1993).

2.4 CSR Practice in National Context

In the corporate culture of Bangladesh, CSR is comparatively a new concept, swayed by the rapid increase in awareness of CSR reporting. As of now, Bangladeshi companies are observed to perceive CSR as philanthropic donations to various charitable organizations, underprivileged population and religious organizations. Naeem and Welford (2009) measured the sensitivity to CSR amongst businesses operating in Bangladesh and Pakistan and observed significant differences in the practice of CSR by listed local companies and multinational corporations. According to the findings of the study, all the companies appeared to have failed in engaging with many aspects of CSR related to sustainable development such as anti-corruption, gender equality, child labor, community giving, and formal representation of workers in management. Moyeen and West (2014) studied the attitudes and perceptions of senior managers in Bangladesh. They observed that CSR programs had some impact in terms of fostering an affirmative, but only a sketchy view of sustainable development, while many important issues relating to sustainable development and environmental concerns remained on the periphery of the managers' understandings and perceptions

of CSR. Though Miyan (2006) concluded that multinational companies (MNCs) are witnessed to pioneer the CSR initiatives in Bangladesh, Masud and others (2013) evidenced that the CSR practices of MNCs are not well spread in Bangladesh. Gardner and others (2012), and Gardner (2015) studied “*a program of community engagement undertaken by Chevron at a gas field in Sylhet, Bangladesh through examining the ideologies and practices of the program, digging beneath the corporation’s claims of partnership with the community*”. The study found that the program comprised a set of practices and relationships with a small and selected section of people and not the community. Thus, the activities were like a ‘disconnected development’ because Chevron remained detached from the area and its inhabitants in general. Chevron’s program contributed to reproducing hierarchy and inequality and was not of much help in promoting rights and providing pathways to poverty alleviation.

Studying the CSR practices of banks in Bangladesh, Haldar and Rahman (2015) concluded that most managers consider CSR as their philanthropic donations and use of funds allocated for this purpose whereas Saha and others (2013) found that the banks’ contribution to their CSR activities comprises an insignificant part of their profit. Rahman (2017) identified how government policies, guidelines and regulations influence CSR initiatives in Bangladesh banking sector. Analyzing the CSR data of 48 commercial banks, the study found that the banks’ CSR activities are very limited and this finding is similar to the study by Saha and others (2013), and Nasrullah (2016).

CSR contribution of non-bank financial institutions (NBFIs) in Bangladesh is also very insignificant in proportion to their profit (Hamid 2016). Another study by Das and others (2015) showed that CSR disclosure is positively associated with firm size, board size, ownership structure, and independent non-executive directors in the board, while the association is negative with companies’ profitability and the age of the company. The study also revealed that banks do not have any structured format for CSR practices and they need to adopt a comprehensive format for CSR reporting such as the Global Reporting Initiative (GRI), 2006. However, the Bangladesh government does not have any guideline for CSR contribution by companies and it is not mandatory for companies to disclose allocation and disbursement of funds in their CSR activities (Saha et al. 2013). Thus, it is suggested that government influence can increase CSR initiatives to benefit the society in an incremental way.

Bangladesh Bank (BB), the central bank of Bangladesh, defines CSR as a form of business ethics that includes the discharge of responsibility of business organizations in their business rules and practices (BB, CSR Guidelines, Circular No. 01 dated 1st June, 2008). A review of the documents of BB on ‘CSR by banks and financial institutions (FIs)’ suggests that BB considers CSR as (i) taking stock of the economic, social and environmental impacts of a business, (ii) mitigating the negative impacts and bolstering the benign impacts, (iii) taking up action programs and community investments to reduce social exclusion and inequality and to address the key sustainable development challenges (meeting the needs of the present generation without impairing the ability of future generations to meet theirs’ is a generally accepted meaning of ‘sustainable development’). BB monitors CSR activities of all scheduled banks and FIs in the country through a specialized unit, called the Sustainable Finance Department. The Guidelines require reporting by banks on their philanthropic expenditures in some selected sectors like education, health, climate change (disaster management and environment), culture, infrastructure development, income

generation and some others. However, these guidelines do not cover the corporate activities that could address the interests of employees as a major group of stakeholders in businesses and also, parties like suppliers and contractors considering the point that these issues are addressed in the employees' codes of conduct and service rules.

Businesses in Bangladesh mostly follow laws, rules and regulations that are largely inherited from the British period (Belal 1999). Although many business organizations of the country have their own service rules, they do not specify the elements of a professional and independently developed code of conduct and also, do not fully implement international standards or codes of ethics (Ather et al. 2011). Under the circumstances, experts suggest that embracing social and environmental obligations in codes of conduct together with enhanced transparency, accountability enabling effective market discipline and supervisory oversight will be the way forward in ensuring the deeper ingraining of ethical conduct in developing economies like Bangladesh (Rahman 2009).

3. Objective of the Study

This paper aims at exploring the approach of companies in Bangladesh towards CSR and analyzing their CSR practices. More specifically, the study attempts,

- A. To evidence the perception and practice of ethical issues in conducting businesses by companies of Bangladesh as part of their corporate culture; and
- B. To know how and to what extent the companies in Bangladesh engage themselves in CSR related activities and demonstrate their concern towards society, people, government, suppliers and other stakeholders.

4. Methodology

The theoretical underpinning for CSR consists of three main theories including Carroll Theory, Triple Bottom Line Theory, and Stakeholder Theory. These theories have identified several obligations for companies' CSR activities. The Carroll's theory identified four responsibilities (i.e. economic, legal, ethical, and philanthropic), which intersect the dimensions (i.e. economic, social, and environmental) identified in John Elkington's Triple Bottom Line Theory. Edward Freeman's Stakeholder Theory depicted all possible internal and external stakeholders of the companies to whom the companies should be responsible for their activities to build long-term relationship. The ideas identified in the theories have worked as the foundation for preparing the survey instruments used for collection of field data on CSR practices of the companies in Bangladesh.

The study attempted to assess how companies in Bangladesh understand the concept of CSR and what is their practice of CSR through a questionnaire based survey of the companies from various sectors. The questionnaire incorporated issues relating to the views of the respondents (executives of sample companies) on CSR and its focus and components, the recognition of the role and importance of stakeholders in CSR, the system of setting norms and values in the companies, consideration of business dilemmas, recognition of whistle blowing and among many others, the nature, coverage and volume of philanthropic donations/giving as a CSR activity.

The initial sample size comprised 120 companies, 5 from each of the selected 24 sectors of business, which had been preliminarily considered to be positioned better in terms of CSR. In the

face of practical difficulties in having effective access, it was difficult to ascertain the ideal sampling structure and also, not all sectors could be covered. In addition, after receiving the filled in questionnaires from the sample companies, it was found that not all questionnaires were complete with information on all counts and in some cases, the information received in some questionnaires were inconsistent. Table 1 provides the distribution of final sample companies (92), from which the filled in questionnaires had been processed and analyzed for the purpose of the present study. It may be noted that the number of banking companies (27) in the list is disproportionately large and this happened because, banks appeared to be relatively better organized with their allocations for CSR (at least in terms of philanthropic giving) and the data received are more or less consistent. [See Annexure, Table 1]

The average number of years the companies (surveyed and taken into consideration for analysis) are in business is 28.5 (minimum 2 and maximum 212, standard deviation 26.1), average number of their employees is 4701 (minimum 4 and maximum 120000, standard deviation 14327.1) and their average annual turnover is Tk. 8463.6 million (minimum 1 and maximum 62500 million, standard deviation 14990.9).

The data had been processed using SPSS for a simple descriptive analysis. The study attempted to reveal the natural approach of business executives of Bangladesh to CSR. The results therefore, are also presented in a narrative form with the use of simple tables and illustrations.

5. Findings and Interpretations

5.1 Understanding of Businesses and their Executives about the Purpose of CSR

The survey conducted for the purpose of this study revealed that the respondents did not emphasize the need for CSR as an instrumental tool to achieve both the short-term and long-term goals of businesses. Also, it could not be asserted from the responses whether the companies associate CSR with issues, like,

- Maintaining business ethics in various departments of business including human resources management, finance and accounts, production methods and technology, sales and marketing, clients, suppliers, and contractors;
- Ensuring compliance in terms of meeting obligations to the government and to the environment and thereby, building the corporate image, attaining gains in business through better access to financing from outside, avoiding litigations, and the like;
- Increasing employee loyalty through addressing issues of their training, skills development and welfare, reducing employee turnover and increasing productivity;
- Improving customer service and customer loyalty;
- Increasing goodwill of the company, developing brand image, building reputation and enhancing competitiveness;

The majority of respondents expressed that they understand CSR of their companies as their philanthropic donations to individuals and communities to provide grants and scholarships to the poor and disadvantaged students, help severely sick people unable to pay for treatment, support

activities like sports, cultural events, research and publications etc., provide financial and material help to people affected by cold waves and natural disasters like droughts, floods or river erosions as well as to build infrastructure for health, education and religious services, establish facilities for community meetings/entertainment, and construct dams and cyclone shelters.

5.2 Approach towards CSR in Theory and Practice

Companies in Bangladesh vary in understanding their approach towards CSR and CSR practices and many of them do not consider it necessary to get involved in CSR, some are moderately involved, and some practice philanthropic donations as their CSR activity (see Annexure, Table 2). Only a few companies informed that they had the stakeholders approach to serve the interests of the stakeholders like shareholders, employees, customers, community and environment. A number of companies stated some reasons for not having CSR but the reasons they mentioned appeared misleading and sometimes, also vague.

One of the methods of understanding how CSR issues evolve in businesses and what can be a practical way of managing them is to know whether businesses recognize that there are dilemma situations in their enterprises. In an effort to understand the position of the sample companies, the survey questionnaire incorporated the “Four-Way Test” and “Publicity Test” of their executives. The table 3 (in the Annexure) presents the findings from the tabulation of the responses on this count.

The survey revealed that 65% of the respondents were not familiar with the Four-Way Test and 77% of them were not familiar with the Publicity Test (see Table 3). This means that majority business executives are not properly equipped with the situation analysis for CSR and most likely, they also might not think of putting themselves accountable to the society for their actions. It may be noted here that the survey could not ascertain whether business executives conduct these tests even if some of them are familiar with them.

About 50% of the managers interviewed in the survey claim that they strongly follow ethical practices while 40% of them follow such practices at moderate levels. The remaining 10% are not sure about how to grade their position in terms of having ethics practices and CSR in their organizations.

5.3 Following Ethics Norms and Standards

It has been observed that the companies do not follow any consistent set of ethical standards. Only 21 percent of respondents said that they follow some standards of their own, 32 percent said that they follow some government-approved guidelines, and the remaining said that they follow occasional decisions taken by their management committees. In most cases, the standards are not defined in any form but are derived from existing laws, regulations and guidelines developed and issued by government agencies. In a sense, the position of the companies relating to business ethics is that of ‘conducting business legally’.

5.4 Role of Stakeholders in Creating Business Ethics

The companies surveyed were observed to know that stakeholders do have some role in creating ethics in business. However, the different groups of stakeholders varied in assessing their role in the process. The findings of the survey in this regard are presented in Table 4 (in the Annexure).

It is interesting to note that the executives of over one-third of businesses interviewed did not respond to the question whether they had any assessment of the role of stakeholders in creating business ethics (see Table 4). About 40% of the respondents do not recognize that employees, civil society, community and news media have a role in the creation of business ethics but about one-third of them consider that shareholders, customers and employees have a significant role in the same. The survey also found that only about one-fifth of various groups of stakeholders have a moderate role in the process and from 6% to 21% of different groups of stakeholders have a marginal role in it.

5.5 Policy and Behavioral Determinants

The survey findings suggest that most businesses recognize the importance of a strong corporate culture in organizational ethics. However, the opinions on the role of corporate culture as well as on different aspects of the role of employees vary. Table 5 (in the Annexure) presents the summary of findings of the survey in this context.

More than one-third respondents did not have any say on the role of stakeholders in creating business ethics (see Table 5). Nearly 60% of the respondents said that determinants like corporate culture, policies/rules of standard behavior of employees and defined criteria for hiring / selection of employees have a strong role in developing companies' business ethics, while 30 to 50% of the respondents believe that corporate culture, written code of ethics, system of recognizing employees' accomplishments, defined set of criteria for employees' selection and promotion, employees' participation in decision making, and the attitude towards companies. Also, companies' attitudes to their employees have a moderate role in creating ethics in an organization. Only 6 to 11% hold the opinion regarding corporate culture, policies/rules of standard behavior of employees, system of recognizing employees' accomplishments, defined criteria for employees' selection, and the employees' attitude towards companies as well as companies' attitudes to their employees, playing a marginal role in the process. In addition, 15 to 22% expressed that the role of written code of ethics, defined criteria for employees' promotion and employees' opportunity in decision making have such a marginal role.

5.6 Training on Ethics and CSR

Survey findings show that 15.2 percent of companies do not have any program of ethics training for employees/managers and 21.7 percent of them fall in the category 'marginal' in this respect. However, 35.9 percent of respondents replied to the question "how strong is the ethics training for employees/managers in your company" that ethics training for employees in their organization is moderate and 21.1 percent said that it was strong in their companies (See Annexure, Figure 1).

The survey findings suggest that companies give little attention to CSR training and about 37 percent of companies have marginal or no arrangements of ethics training for their managers or employees and about 26 percent of managers' claim that such training is strong in their companies. Companies in Bangladesh do have the concern for becoming competitive but they do not seem to be strong in having any special program for creating shared value of business, institutions, community, which could be the base for a strong corporate culture in their organizations. The distribution of

companies in terms of efforts in creating such value (according to responses of managers interviewed) is marginal – 31%, moderate – 30% and strong – 38%.

5.7 CSR Management and Code of Ethics

Almost 50% of the companies do not have any organizational structure for the management of CSR. While most companies concentrate on achieving their profit targets and managing the business budgets, they do not do a cost-benefit analysis of their CSR activities in whatever form they have such activities. Executives of companies however, admit that breaking norms of ethics in business (rules relating to ‘legal behavior’) may lead to litigations in court and penalties, including termination from the job. For practical purpose, ethical norms to a manager mean government rules relating to different dimensions and aspects of business such as human resource management, procurement, production, use of technology, sales and marketing, supply chain relations, accounting and quality reporting. Some companies have their own code of conduct and their own regulations for employees’ safety at the workplace, fair recruitment and employees’ performance evaluation, and fair payment to them. It has also been found that some companies have provident fund and life insurance facility for employees.

A substantial number of managers interviewed (44%) claim that their companies are strongly promoting sustainable business model, 37% say that their position in this regard is moderate and the remaining are marginal in this regard. However, the problem is: none of the companies could assert exactly what they understand by having a strategy of sustainable business model and the interpretations vary to a significant scale.

Companies of Bangladesh recognize the need for ethically conducting businesses for competitive advantages, goodwill, employees’ loyalty, and customers’ trust and also, enhanced productivity and improved efficiency through better employees’ and customer satisfaction. But although about 67.8% of the companies claimed that they have a formal document on Code of Ethics or Ethics Guidelines, none could provide a copy of such document using the plea that these are ‘confidential papers’ and the managers need permission from their ‘bosses’ for such disclosure. Also, almost no firm has been found to have any Ethics Committee or ethics manager. Concepts like increasing shareholders’ value and ethical practices are largely ‘sidelined’ although in inquiries, many companies express that they do try to give importance to these issues.

6. Practice of CSR in Companies of Bangladesh

6.1 How Companies Make Decisions on CSR

Executives of about 58 percent of companies interviewed consider CSR activities as donations and philanthropic activities and others admit that in theory, CSR is taking care of the interests of stakeholders including owners, employees, customers, suppliers, government, and environment. Companies have different attitudes in incorporating value judgments and norms in CSR activities. About 13 percent of companies interviewed do not have any system to incorporate values and norms or any guidelines on ethical behavior; about 26 percent of them claim that they set values and norms through decisions by their board of directors; 28 percent use board meetings as the medium to define code of conduct; and 33 percent reported to conduct CSR activities by a special committee

(see Annexure, Table 6). However, 76 percent of firm managers interviewed informed that they address CSR issues (related to implementation) as and when necessary, while 24 percent do not know when and how these are to be addressed.

According to the survey responses by company executives, the focus on ethics is marginal (or nil) in 18.5 percent of business houses of Bangladesh; it is moderate in 61% of them and extensive in 20.5%. The responses to another question “Is your company’s ethics management associated with pragmatic business issues rather than unnecessarily spending time, energy and resources in CSR?” (a control question to understand how consistent the firm managers are in understanding or carrying out CSR) suggest that about 55 percent companies are concerned with ‘pragmatic business issues’; and 45 percent of companies supported that ‘CSR is unnecessarily spending time, energy and resources’. The survey findings however, are to be taken with caution since in responding to many questions, the interviewees tried to present their companies from the viewpoint of “being positive” and avoiding the risk of creating confusion by responding otherwise.

6.2 The Components of CSR Activities: Product Quality, Customer Satisfaction and Employee Welfare

The majority (nearly three-fourths) of the companies recognized that their companies emphasize product quality and safety for customers, and employee rights and welfare. 46.2% of them give importance to employers’ interests and 39.6% to suppliers’ and contractors’ rights. Companies giving importance to responsibility to government, community interests, and environment account for 68.1%, 59.3% and 64.8% respectively. Only 11% of respondents indicated that their CSR activities cover other components such as provisions for workers’ health and safety, and donations to healthcare and education services including scholarships, relief and rehabilitation, games and sports, and training in computer skills. But this is another perplexing finding since most companies in the country having CSR programs contribute to community through philanthropic donations and take responsibility towards customers and employees merely as routine business affairs and not as part of taking care of the interest of these groups of stakeholders (see, for example, summary findings on some issues relating to interest of employees’ as presented in Tables 7 through 10 in the Annexure).

6.3 Observations on Care for Environment as Part of CSR

Some businesses do care for the environmental safety, environment conservation and protecting environment from degradation. The review of responses suggests that most companies are in favor of contributing to abating environmental degradation and mitigating the effects of global warming although in practice, businesses spend a little for this purpose. It is often seen that they even do not follow the mandatory rules and the standard social norms of refraining from environment pollution through industrial effluents and carbon emissions. The analysis of responses from companies on what they think should be in consideration while talking about the issue of care for the environment leads to the *following observations*:

- Banks of Bangladesh are yet to prepare a sound plan of Green Banking and implement it.
- Businesses do not adequately emphasize producing green products, prevent depletion of natural resources, controlling pollution, and recycling wastes.

- Tree plantation is still not in the priority in many cases and is not looked at as an activity of CSR.
- Businesses are reluctant in spending money on cleanliness and beautification of public places.

6.4 Philanthropic Giving

Most of the respondent companies reported that they provide donations for organizing special events, contributing to charities, and providing funding support in some specific areas. Such CSR contributions made by them include the following:

- Donations to government and non-government organizations for sponsoring sports, cultural programs, seminars and workshops etc., as well as for funding charity of the recipient organizations.
- Distributing winter clothes to poor people.
- Distributing relief, food, drinking water and medicine to people in flood-affected areas.
- Stipends to students of schools/colleges/universities and institutions of vocational education, religious education etc.
- Financing establishment of orphanages, schools, pre-schooling education facilities for disadvantaged children.
- Providing computers to educational institutions and special allowances to internees, and among others, providing education support to children of employees.
- Donations to religious establishments like mosques, temples, and special religious missions.
- Donation for establishing institutions that provide healthcare support and also for support to people suffering from malnutrition, diseases, epidemics, and natural disasters.

These statements however, are hardly supported by actual practices of the companies, at least to the extent that they thought, would be 'noteworthy'. The survey findings suggest that although about 80% of the respondents mentioned that their companies do philanthropic giving, only about 12% of them agreed (and the rest declined) to provide data on the amounts of the donations.

Bangladesh Bank guidelines indicated that the amounts to be spent by banks and FIs as % of their total CSR expenditures should be at least 30% in education, 20% in health, and 10% in mitigation of climate risk. But Table 11 (in the Annexure) compiled by analyzing the data on their philanthropic expenditures during the period from January 2016 to December 2018 shows that banks and FIs did not comply with the desired levels. The table however, does not present the insignificant amounts of philanthropic expenditures of banks and FIs in culture, infrastructure development, income generation and other areas.

7. Conclusions

Following is a list of the key findings of the study on approaches of the Bangladeshi companies towards CSR:

- Most companies do not have a comprehensive understanding of CSR. Even if they recognize the need for following CSR guidelines or policies formulated by Bangladesh Bank or the CSR related provisions incorporated in laws and regulations, the compliance records of these companies are not satisfactory.
- CSR is looked at mainly as philanthropic donations and most companies having CSR are engaged in charitable work.
- The CSR policies of companies are usually set by shareholders, and stakeholders are hardly involved in the process.
- Companies do not pay importance to CSR as the responsibility of business to all groups of stakeholders in the short-, medium- and long-term goals of businesses.
- Only a few firms are moderately involved in CSR, some are involved in taking philanthropic donations as their CSR activity while others either do not practice or do not even recognise CSR as a part of the responsibility of the businesses.
- Only about one-third of the companies know about “Four-Way Test” and “Publicity Test”, and ethical approaches to identify and solve the dilemmas but there is practically no evidence that the companies use them in practice.
- Companies are observed not to follow any consistent set of ethical standards and the vast majority of them do not have any organizational structure to set CSR norms and implementation of CSR programs.
- Companies give little attention to CSR training and about one-third of them have marginal or no arrangements of ethics training for their managers or employees.
- Companies practically do not have any focus on product quality, safety for customers, employee rights and welfare, and environment conservation in their CSR programs.
- Most companies verbally claim that they are active in CSR practices but they are reluctant (sometimes, very protective) in disclosing details of their CSR activities.

8. Future Research Perspectives

The content of the present study may help initiating new studies on CSR practices in Bangladeshi companies, which now focus mostly on philanthropic donations as part of their CSR and such future studies may open avenues for expanded and more appropriate avenues of CSR by them. The future research may analyze the business philosophy of the Bangladeshi companies and the ways how they can restructure their businesses to fairly address the CSR issues in order to serve the interests of all stakeholders including the businesses themselves.

References

- Alam, S. M., Hoque, S. M., and Hosen, M. 2010. Corporate Social Responsibility (CSR) of MNCs in Bangladesh: A case study on Grameen Phone Ltd. *Journal of Potuakhali University of Science and Technology*. Forthcoming, Available at SSRN: <https://ssrn.com/abstract=1639570>
- Ali, I., Rehman, K. U., Yilmaz, A. K., Nazir, S., and Ali, J. F. 2010. Effects of corporate social responsibility on consumer retention in cellular industry of Pakistan. *African Journal of Business Management*, 4(4), 475-485.
- Allen, N. J., and Meyer, J. P. 1990. The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of occupational psychology*, 63(1), 1-18.
- Australian Human Rights Commission 2008. *Corporate Social Responsibility and Human Rights*. Australian Human Rights Commission: Australia. Available at _ <http://www.humanrights.gov.au/publications/corporate-social-responsibility-human-rights>
- Asemah, E. S., Okpanachi, R.A., and Edegoh, L.O. 2013. Business advantages of corporate social responsibility practice: A critical review. *New Media and Mass Communication*, 18(1), 45-54.
- Asemah, E.S., Okpanachi, R.A., and Olumuji, E.P. 2013. Universities and corporate social responsibility performance: An implosion of the reality. *African Research Review*, 7(4), 195-224.
- Ather, S. M., Khan, M.A., and Hoque, N. 2011. Motivation as conceptualized in traditional and Islamic management. *Humanomics*, 27(2), 121-137.
- Austin, J., Leonard, H., Reficco, E., and Wei-Skillern, J. 2005. *Social Entrepreneurship: It's For Corporations, Too*. In *Social Entrepreneurship: New Paradigms of Sustainable Social Change*, edited by A. Nicholls. Oxford, UK: Oxford University Press.
- Belal A. R. 1999. Corporate Social Reporting in Bangladesh. *Social and Environmental Accounting*, 19(1), 8-12.
- Belal A. R. 2001. A study of corporate social disclosures in Bangladesh. *Managerial Auditing Journal*, 16 (5), 274-289.
- Belal. A. R. 2008. *Corporate Social Responsibility Reporting in Developing Countries: The Case of Bangladesh*. London, UK: Routledge.
- Barnett, M. L. 2007. Stakeholder influence capacity and the variability of financial returns to corporate social responsibility. *Academy of Management Review*, 32, 794– 816.
- Barnett, M. L., and Solomon, R. M. 2012. Does it Pay to be Really Good? Addressing the Shape of the Relationship between Social and Financial Performance. *Strategic Management Journal*, 33, 1304–1320.
- Bhattacharya, C.B., Korschun, D., and Sen, S. 2009. Strengthening stakeholder–company relationships through mutually beneficial corporate social responsibility initiatives. *Journal of Business Ethics*, 85(2), 257-272.
- Blowfield, M., and Frynas, J. G. 2005. Editorial Setting new agendas: critical perspectives on Corporate Social Responsibility in the developing world. *International Affairs*, 81(3), 499-513.
- Carroll, A. B., and Shabana, K.M. 2010. The business case for corporate social responsibility: A review of concepts, research and practice. *International journal of Management Reviews*, 12(1), 85-105.

- Cone, Inc. 2010. *Cone's cause evolution study*. Boston, MA: Cone, Inc. Available at www.coneinc.com/2010-cone-cause-evolution-study.
- Crowther, D., and Aras, G. 2008. *Corporate Social Responsibility: Part I- Principles, Stakeholder and Sustainability*. Denmark: Ventus Publishing ApS. ISBN 978-87-7681-415-1.
- Das, S., Dixon, R., and Michael, A. 2015. Corporate social responsibility reporting: a longitudinal study of listed banking companies in Bangladesh. *World Review of Business Research*,5(1), 130-154.
- Dierickx, I., and Cool, K. 1989. Asset Stock Accumulation and Sustainable Competitive Advantage, *Management Science*, 35, 1504-1511.
- Disney. 2020. *Volunteering*. USA: The Walt Disney Company. Available at <https://thewaltdisneycompany.com/volunteering/>
- Du, S., Bhattacharya, C. B., and Sen, S. 2010. Maximising business returns to corporate social responsibility (CSR): The role of social responsibility communication. *International Journal of Management Reviews*,12(1), 8-19.
- EC. 2011. *Corporate social responsibility and Responsible business conduct*. Brussels, Belgium: European Commission (EC). Available at http://ec.europa.eu/growth/industry/corporate-social-responsibility_en
- Fombrun, C. J. 1996. *Realizing value from the corporate image*. Boston, MA: Harvard Business School Press.
- Fombrun, C., and Shanley, M. 1990. What's in a Name? Reputation Building and Corporate Strategy. *Academy of Management Journal*,33(2), 233-258.
- Google. 2020. *Environmental Report 2020*. USA: Google. Also Available at <http://environment.google/projects/environmental-report-2020>
- Galbreath, J. 2008. *The benefits of corporate social responsibility: An empirical study*. In ANZAM Conference Proceedings (22nd Annual Conference. Auckland).
- Gardner, K. 2015. Chevron's gift of CSR: moral economies of connection and disconnection in a transnational Bangladeshi village. *Economy and Society*, 44(4), 495-518.
- Gardner, K., Ahmed, Z., Bashir, F., and Rana, M. 2012. Elusive partnerships: Gas extraction and CSR in Bangladesh. *Resources Policy*, 37(2), 168-174.
- Haldar, P. K., and Rahman, S.M. 2015. Assessing Impact of CSR in Business Leverage of Commercial Banks in Bangladesh. *Amity Business Review*,16(2).
- Halme, M., and Laurila, J. 2009. Philanthropy, integration or innovation? Exploring the financial and societal outcomes of different types of corporate responsibility. *Journal of Business Ethics*, 84 (3), 325-339.
- Hamid, T. 2016. Corporate Social Responsibility Practices and Disclosures of Non-Bank Financial Institutions in Bangladesh. *The Cost and Management*,44(1).
- Hardjono, T.W., and van Marrewijk, M. 2001. The social dimensions of business excellence. *Corporate Environmental Strategy*,8(3), 223-233.
- Heal, G.M., and Heal, G. 2008. *When principles pay: corporate social responsibility and the bottom line*. New York, USA: Columbia University Press.
- Herremans, I. M., Akathaporn, P., and McInnes, M. 1993. An investigation of corporate social responsibility reputation and economic performance. *Accounting, Organisations and Society*,18(7-8), 587-604.

- Hoffmann, C., and Fieseler, C. 2012. Investor relations beyond financials: Non-financial factors and capital market image building. *Corporate Communications: An International Journal*, 17(2), 138 – 155.
- ISO. 2010. *ISO 26000: Guidance on Social Responsibility*. Switzerland: International Organisation for Standardization (ISO).
- Jain, T., and Jamali, D. 2015. *Strategic approaches to corporate social responsibility: Development-Oriented Corporate Social Responsibility*. Sheffield: Greenleaf Publishing.
- Jamali, D., and Keshishian, T. 2009. Uneasy alliances: Lessons learned from partnerships between businesses and NGOs in the context of CSR. *Journal of Business Ethics*, 84(2), 277-295.
- Jamali, D., Zanhour, M., and Keshishian, T. 2009. Peculiar strengths and relational attributes of SMEs in the context of CSR. *Journal of Business Ethics*, 87(3), 355-377.
- Koh, H.C., and Boo, E. H.Y. 2001. The link between organizational ethics and job satisfaction: A study of managers in Singapore. *Journal of Business Ethics*, 29(4), 309-324.
- Kurucz, E., Colbert, B., and Wheeler, D. 2008. *The business case for corporate social responsibility*. In Crane, A., McWilliams, A., Matten, D., Moon, J. and Siegel, D. (eds), *The Oxford Handbook of Corporate Social Responsibility*. Oxford, UK: Oxford University Press.
- Landon, S., and Smith, C.E. 1997. Indicators by Consumers: The Case of Bordeaux Wine. *Journal of Consumer Policy*, 20(3), 289-323.
- Logsdon, J. M., and Wood, D.J. 2002. Reputation as an emerging construct in the business and society field: An introduction. *Business and Society*, 41(4), 365-370.
- Masud, A., Hoque, A.A.M., Hossain, M.S., and Hoque, M.R. 2013. Corporate Social Responsibility Practices in Garments sector of Bangladesh, A Study of Multinational Garments, CSR view in Dhaka EPZ. *Developing Country Studies*, 3(5), 27-37.
- Meyer J. P., and Allen N.J. 1997. *Commitment in the workplace: Theory, Research and Application*. London, UK: Thousand Oaks.
- Microsoft. 2018. *Corporate Social Responsibility Report*. USA: Microsoft. Also Available at <http://www.microsoft.com/en-us/about/corporate-responsibility>
- Miyan M. A. 2006. Dynamics of Corporate Social Responsibility-Bangladesh Context. *Journal of AIUB Bangladesh*, 3(1), 13-32.
- Moyeen, A., and West, B. 2014. Promoting CSR to foster sustainable development: Attitudes and perceptions of managers in a developing country. *Asia-Pacific Journal of Business Administration*, 6(2), 97-115.
- Naeem, M. A., and Welford, R. 2009. A comparative study of corporate social responsibility in Bangladesh and Pakistan. *Corporate Social Responsibility and Environmental Management*, 16(2), 108-122.
- Nasrullah, A. M. 2016. State of Corporate Social Responsibility in Bangladesh. *Journal of Asian Business Management*, 8(2), 67-91.
- OECD. 2011. *OECD Guidelines for Multinational Enterprises*. Organization for Economic Co-operation and Development (OECD), France: OECD Publishing.
- Pava, M. L., and Krausz, J. 1996. The association between corporate social-responsibility and financial performance: The paradox of social cost. *Journal of Business Ethics*, 15(3), 321-357.
- Peterson, D.K. 2004. The relationship between perceptions of corporate citizenship and organizational commitment. *Business and Society*, 43(3), 296-319.

- Podolny, J. M. 1993. A status-based model of market competition. *American Journal of Sociology*, 98(4), 829-872.
- Pradhan, S., and Ranjan, A. 2011. Corporate social responsibility in rural development sector: Evidences from India. *School of Doctoral Studies (European Union) Journal* 2, 139-147.
- Rahman, A. 2009) *9th NurulMatin Memorial Lecture on Ethics in Banking*. Dhaka: Bangladesh Institute of Bank Management.
- Rahman, S. 2017. Role of Government in the Promotion of Corporate Social Responsibility (CSR): The Case of Bangladesh Banking Sector. *Australian Academy of Accounting and Finance Review*, 1(1), 44-68.
- Raman, M., Lim, W., and Nair, S. 2012. The impact of Corporate Social Responsibility on Consumer Loyalty. *Kajian Malaysia*, 71-93.
- Rangan, K., Chase, L., and Karim, S. 2015. The truth about CSR. *Harvard Business Review*93(1/2), 40-49.
- Roberts, P. W., and Dowling, G.R. 2002. Corporate reputation and sustained superior financial performance. *Strategic Management Journal*, 23(12), 1077-1093.
- Robins, F. 2008. Why corporate social responsibility should be popularised but not imposed. *Corporate Governance*, 8(3), 330-341.
- Ruf, B. M., Muralidhar, K., Brown, R.M., Janney, J.J., and Paul, K. 2001. An empirical investigation of the relationship between change in corporate social performance and financial performance: A stakeholder theory perspective. *Journal of Business Ethics*, 32(2), 143-156.
- Saha, A. K., Dey, S., and Khan, A. 2013. Corporate social responsibility in Bangladesh: A Comparative study of Commercial Banks of Bangladesh. *The Bangladesh Accountant*, 69-80.
- Sims, R. R. 2017. *A contemporary look at business ethics*. Charlotte, North Carolina: Information Age of Publishing Inc. (IAP).
- Stuebs, M. T., and Sun, L. 2009. Corporate Reputation and Technical Efficiency: Evidence from the Chemical and Business Services Industries. *Journal of Applied Business Research*, 25(5), 21-30.
- Stuebs, M. T., and Sun, L. 2010. *Social responsibility and firm efficiency in the business services industry*. AAA 2010 Management Accounting Section (MAS) Meeting Paper. Available at_ SSRN: <https://ssrn.com/abstract = 1435032>
- Uadiale, O. M., and Fagbemi, T. O. 2012. Corporate social responsibility and financial performance in developing economies: the Nigerian experience. *Journal of Economics and Sustainable Development*, 3(4), 44-54.
- Visser, W. 2008. *Corporate social responsibility in developing countries*. In The Oxford handbook of corporate social responsibility. Oxford, UK: Oxford University Press.
- Welford, R. 2005. Corporate social responsibility in Europe, North America and Asia. *Journal of Corporate Citizenship*, 17(1), 33-52.
- Windsor, D. 2006. Corporate social responsibility: Three key approaches. *Journal of Management Studies*, 43(1): 93-114.

Appendices

Table 1. Number of Companies of Different Sectors Interviewed

Sectors	Frequency	Percent	Sectors	Frequency	Percent
Banking	27	29.3	Service Provider	2	2.2
Garments	8	8.7	Telecommunication	2	2.2
Electronics	8	8.7	Medical Equipment	2	2.2
Pharmaceuticals	6	6.5	Newspaper	1	1.1
Conglomerate	6	6.5	Energy	1	1.1
IT	6	6.5	Footwear and Textile	1	1.1
Food Products	4	4.3	Consumer Goods	1	1.1
Freight Forwarding	3	3.3	Advertising	1	1.1
Housing	3	3.3	Packaging	1	1.1
Garments Accessories	2	2.2	Automobiles	1	1.1
Financial Service	2	2.2	Healthcare Service	1	1.1
Consultancy	2	2.2	Ceramics	1	1.1
			Total	92	100.0

Source: Author’s analysis on survey findings

Table 2. How do Businesses Approach towards CSR; and Have CSR in Practice

No. of Respondents	Response (Summary) as position of the Companies in Terms of CSR	Not on the CSR behaviour of the Companies
3	These companies have low focus on CSR activities; they mainly concentrate on production	(a) Follow shareholders’ approach to CSR looking at the interests of the owners and employers and ignore that businesses gain by serving the interests of all stakeholders; and (b) Put themselves in risk by acting in the interest of own production and profit making only.
6	Most employees of these companies have no idea about CSR and they also do not feel the need for CSR	
23 (banking companies)	These companies (banks) consider that they should not get involved in any CSR activity	
25	These companies are moderately engaged in one form of CSR - the philanthropic activities. In developing their plan for CSR they treat business ethics as the base and try to follow Bangladesh Bank guidelines on CSR by banking sector companies.	Hold extreme positions; they are inclined to avoid but only to comply with Bangladesh bank guidelines, practice some philanthropic giving.
40	These companies follow some standardised form of international CSR, work with vision to bring a positive change in the society and seem to be oriented to address customer satisfaction and the needs of the society.	Encouraging type but in some cases, the pattern is ‘promotional’ in nature, although much better than others in terms of CSR in proper meaning.
1 (Novartis BD)	This internationally reputed company is recognised for its priority to CSR and maintaining ethical standards in operation in Bangladesh, just as it does in all countries of operation.	Stands high in terms of addressing CSR activities.

Note: There is some overlapping in responses of the same type and therefore, the total number respondents as shown in the table is 98, while the actual number of them processed for data analysis had been 92.

Source: Author’s analysis on survey findings

Table 3. Familiarity of Company Executives with Four-Way Test and Publicity Test

Company Executives	Yes	%	No	%
Familiar with Four-Way Test	32	35%	60	65%
Familiar with Publicity Test	21	23%	71	77%

Source: Author's analysis on survey findings

Table 4. Recognition of the Role of Stakeholders in Creating Ethics in Business

Stakeholder	% of Respondents Confirming that their Companies Recognise the Role of Stakeholders in Creating Ethics			
	Marginal	Moderate	Significant	No Response
Employees	6.5	23.9	31.5	38.1
Shareholders	10.9	22.8	38.0	28.3
Suppliers	20.7	26.1	17.4	35.8
Customers	5.4	27.2	33.7	33.7
Competitors	16.3	20.7	22.8	33.2
Government	15.2	25.0	27.2	32.6
Civil Society	20.7	19.6	19.6	40.1
Community	16.3	21.7	19.6	42.4
News Media	21.7	23.9	15.2	39.2

Source: Author's analysis on survey findings

Table 5. Assessment of the Role of Determinants in Developing Companies' Business Ethics

Determinants	% of Respondents by Assessment of the Role of Various Determinants in Developing Companies' Business Ethics (firm managers) holding the view			
	Marginal	Moderate	Significant	No Response
Corporate Culture	6.5	29.3	60.9	3.3
Written Code of Ethics	18.5	28.3	50.0	3.2
Policies/Rules of Standard Behaviour of Employees	10.9	25.0	60.9	3.2
System of Recognizing Employees' Accomplishments	10.9	44.6	43.5	1.0
Defined Criteria for Hiring/Selection of Employees	6.5	33.7	58.7	1.1
Defined Criteria for Employees' Promotion	15.2	37.0	43.5	4.3
Opportunity for Employees Participation in Decision making	21.7	43.5	30.4	4.4
Employees' Attitude to Companies	6.5	39.1	46.7	7.7
Companies' Attitude to Employees	7.8	41.0	43.2	8.0

Source: Author's analysis on survey findings

Table 6. System/Authority to Set CSR Norms and Values and to Guide Implementation

System/Authority	%
There is no such system	12.9
As and when advised by the company directors	25.8
It is done by the company’s CSR Committee	33.1
Decisions on CSR are taken through regular meetings of the company management	28.2
Addressing issues relating to implementation of CSR as and when necessary: Yes	76
No	24

Source: Author’s analysis on survey findings

Table 7. Appreciation of Employees’ Performance by Companies in Bangladesh

Activity	Percent of Companies	
	Yes	No
Highlight employees’ performance in news media	19.5	80.5
Highlight employees’ performance in companies’ notice boards	56.5	43.5
Communicate with members of the employees’ families about good employee performance	21.3	78.8
Highlight employees’ performance in companies’ annual reports	65.0	35.0

Source: Author’s analysis on survey findings

Table 8. Availability of Employee Support Facilities at Workplace with Ranking

Facility	Available in % of Companies		Ranking of facilities available	
	No	Yes	Moderate	Good
Job Security with Letter of Appointment	6.7	93.3	34.4	58.9
Transport for commuting from home to workplace	31.8	68.2	33.0	35.2
Accommodation (housing in dormitories/rented flats)	55.3	44.7	24.7	20.0
Fire safety	3.3	96.7	21.1	75.6
Building safety	1.1	98.9	24.5	74.4
Prevention from accidents/cumulative trauma	14.6	85.5	32.6	52.8
Emergency medical support	11.2	88.8	34.9	53.9
Employee provident fund/gratuity	13.5	86.7	25.8	60.7
Training for employees’ skill development	5.6	94.4	33.3	61.1
Canteen for breakfast/evening tea	39.1	60.9	12.6	48.3
Cafeteria for lunch/dinner	23.6	76.4	21.3	55.5
Place/equipment for physical exercise	49.4	50.6	21.9	28.7
Day care center for employees’ children	65.9	34.1	15.3	18.8
Prayer place and provision for prayer time	8.1	91.9	22.1	69.8

Source: Author’s analysis on survey findings

Table 9. Incidences of Ethical Issues Evidenced by Companies of Bangladesh

Issue	Evidenced in % of Companies	
	No	Yes
Employee Harassment	89.7	10.3
Employee Discrimination	72.4	27.6
Not Following Working Hours	73.6	26.4
Misrepresentation of Accounts	93.0	7.0
Frauds (in Accounting Practice)	79.3	20.7
Theft (cash/material from stock)	79.1	20.9
Conflict with Customers	74.4	25.6
Customer Complaints	65.5	34.5

Source: Author's analysis on survey findings

Table 10. Whistle Blowing Practices in Companies of Bangladesh

Whether companies in Bangladesh allow whistle blowing		
No. of companies allowing whistle blowing	21	22.8%
No. of Companies not allowing whistle blowing	51	55.4%
No. of respondents not sure about the position	20	21.7%
Total number of Respondents	92	100.0%

Source: Author's analysis on survey findings

Table 11. Philanthropic Giving by 34 Banks and FIs during January 2016 - December 2018

	Jan-June 2016	Jul-Dec 2016	Jan-June 2017	Jul-Dec 2017	Jan-June 2018	Jul-Dec 2018
Education	2.0 (32)	3.4 (33)	3.8 (33)	5.8 (33)	2.5 (34)	8.0 (34)
0%	24	26	25	23	26	22
0 ≤ 10%	1	1		1	1	3
10.1 ≤ 30%	-	2	2	3	1	3
> 30%	7	4	6	6	6	6
Health	2.3 (32)	1.8 (33)	1.0 (33)	4.9 (33)	1.1 (34)	8.8 (34)
0%	22	26	28	25	30	26
0 ≤ 10%	2	2	2			
10.1 ≤ 20%	1	3	2			
>20%	7	2	1	8	4	8
Climate Risk	1.2 (32)	5.2 (33)	5.0 (33)	7.4 (33)	4.6 (34)	3.5 (34)
0 ≤ 10%	28	23	22	20	23	27
>10%	4	10	11	13	11	7

Note: Figures in columns against rows for Education, Health and Climate Risk are in Million BDT. Figures in parentheses represent number of banks and FIs. Other figures in columns except the first one represent the number of banks and FIs reported to have expenditures in philanthropic giving in varied ranges.

Source: Sustainable Finance Department, Bangladesh Bank