

INVESTIGATING CORPORATE GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY NEXUS IN EMERGING ECONOMY: A STRUCTURAL EQUATION APPROACH

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Abstract

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The nexus between corporate social responsibility (CSR) and corporate governance (CG) has received negligible attention in emerging economies (Zaman, Jain, Samara, & Jamali, 2022; Jahid, Rashid, Hossain, Haryono, & Jatmiko, 2020). This study examines the relationship between CG and CSR in emerging economies. This study used a survey method to collect data from 220 top executives of selected firms in Ghana using questionnaires. The collected data were analyzed using Amos software. Structural equation modelling (SEM) was used to test the hypothesis. The study employed upper echelons theory to build the theoretical foundation and demonstrated that CG is a predominant predictor of CSR. As a result, the findings of the study show that CG has an important influence in catalyzing or curtailing CSR initiatives. Firms that pursue quality CG systems and practices are more likely to pursue better CSR initiatives. The implication for firms is that they need to carefully constitute CG systems and structures as they significantly enhance CSR implementation. Firms that want a better outcome from CSR programs must prioritize the implementation of CG systems and procedures that promote reciprocal exchanges with stakeholders. This study is among the first to examine the interdependency of CG and CSR in Ghana using the upper echelons theory.

Keywords: Corporate Governance, Corporate Social Responsibility, Firm Performance, Upper Echelons Theory

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1. INTRODUCTION

Over the years, corporate governance (CG) has become the focus of several academic and professional studies (Ahmed, Zulfiqar Ali Shah, & Ali Bhatti, 2020; Basterretxea, Cornforth, & Heras-

Saizarbitoria, 2022; Olayinka, 2022; Grada, 2022). CG is crucial for industrial advancement, particularly in developing economies, and has become apparent as an issue in emerging economies, leading to a greater need for improved CG practices (Sarpong-Danquah, Oko-Bensa-Agyekum, & Opoku, 2019;

Mardnly, Mouselli, & Abdulraouf, 2018; Ahmed et al., 2020; Olayinka, 2022; Basterretxea et al., 2022). This is because CG has become a concern in emerging countries in the aftermath of previous financial crises, which spurred calls for tighter CG policies (Mertzanis, Basuony, & Mohamed, 2019; Sarpong-Danquah et al., 2019; Ahmed et al., 2020; Muntahanah, Kusuma, Harjito, & Arifin, 2021; Basterretxea et al., 2022). CG primarily serves to mitigate agency conflict between managers and stakeholders by acting as a check and balance system that aligns managers' interests with those of larger stakeholder groups (Buerthey & Pae, 2021; Muntahanah et al., 2021). This indicates that CG strives to establish a balance between its many stakeholders (Ullah, Muttakin, & Khan, 2019; Ahmed et al., 2020). CG helps organizations to meet stated goals or perform effectively in the industry in addition to satisfying other stakeholders' expectations. Consequently, CG is purported to have a major impact on firm performance (Mertzanis et al., 2019; Mardnly et al., 2018; Ahmed et al., 2020; Muntahanah et al., 2021). Similarly, there has been a significant rise in the importance of corporate social responsibility (CSR) in contemporary corporate practice and research (Kim, 2022; Dartey-Baah & Amoako, 2021a; Kong, Shi, & Yang, 2019; Mazboudi, Sidani, & Al Ariss, 2020; Bux, Zhang, & Ahmad, 2020) and has gained considerable momentum within emerging economies (Hu, Zhu, Tucker, & Hu, 2018; Sui, Yang, & Zhang, 2019; Mazboudi et al., 2020; Li, Hang, Shah, Akram, & Ozturk, 2020; Magrizos, Apospori, Carrigan, & Jones, 2021; Bux et al., 2020).

Despite the paucity of studies on CSR, most of them are geared toward firm performance with mixed outcomes (Kim, 2022; Bhatia & Makkar, 2020; Maqbool & Bakr, 2019; Magrizos et al., 2021; Li et al., 2020; Nyeadi, Ibrahim, & Sare, 2018). The inconclusiveness of CG and CSR creates the impetus to further examine these concepts, as well as the fact that there are multiple calls for these concepts to be further examined in the context of developing economies (Adomako & Nguyen, 2020; Magrizos et al., 2021; Dartey-Baah & Amoako, 2021b; Yáñez-Araque, Sánchez-Infante Hernández, Gutiérrez-Broncano, & Jiménez Estévez, 2021; Li et al., 2020; Jamali, Jain, Samara, & Zoghbi, 2020; Mazboudi et al., 2020). More intriguing is the fact that the nexus between CSR and CG has surreptitiously gained negligible attention in emerging economies. CG and CSR are two sides of the same coin; however, most previous research has investigated CG and CSR separately, on the supposed assumption that the two concepts are largely unconnected. In effect, the relationship between CSR and CG has garnered insufficient attention in past studies (Zaman et al., 2022; Zeb, Shah, Rashid, & Raza, 2021; Jahid et al., 2020; Zaman, Nadeem, & Carvajal, 2020; Deev & Khazalia, 2017; Jain & Jamali, 2016; Hossain & Alam, 2016). Consequently, whether CSR is a function of CG or CG is a function of CSR has rarely received attention in developing countries, especially in the Ghanaian literature. Additionally, as CSR and CG grow more entwined in the form of policies, institutions, and activities, a complete analysis is needed to understand how these two concepts are

interlaced and how they interact (Zaman et al., 2022; Zaman et al., 2020), especially in the context of developing markets. This study's ultimate purpose is to widen the scope of CG-CSR research beyond the framework of liberal market economies to include understudied and underexplored emerging economies as suggested by Zaman et al. (2022).

Moreover, the connection between CSR and CG must be explored from a native viewpoint, taking into account the historical, cultural, and ethnic components that influence the practice of CSR and CG (Zaman et al., 2022). This is because, in terms of the practice and theoretical foundations of CSR, there may be considerable disparities between emerging and developed economies. This is since CSR activities in developing economies are significantly influenced by general culture and collective orientation, which ultimately shape a firm's societal expectations (Dartey-Baah & Amoako, 2021b). Consequently, CSR in emerging economies needs further critical and thorough investigation (Dartey-Baah & Amoako, 2021a). Lastly, while extensive research has been conducted on the external determinants of CSR, including pressures from stakeholders and institutional pressures, research on the internal causes of CSR has been mostly limited (Al-Shammari, Rasheed, & Al-Shammari, 2019). The internal factors of CSR, such as board characteristics or political ideology, management commitment to CSR, etc., have received scant attention, especially in developing countries like Ghana. According to the upper echelons theory, important decision makers' personal values, experiences, and psychological qualities heavily influence strategic decisions made at the business level (Chatterjee & Hambrick, 2011; Briscoe, Chin, & Hambrick, 2014; Al-Shammari et al., 2019). The idea of the upper echelons may assist in better comprehending how the CG-CSR connection may be affected by managerial principles, discretion, power, and ideology in various institutional settings. This study is therefore a pacesetter in using upper echelons theory to examine the interdependency of CG and CSR in Ghana.

To address the research question "*What is the outcome of the interplay between CG and CSR in the context of an emerging economy?*", the survey method was utilized to collect data from 220 senior executives of selected companies in Ghana. From an upper echelon theory perspective, the study found that CG is a key driver of CSR as carefully constituted CG systems and structures significantly enhance CSR implementation. The study demonstrates that the intensity and level of CSR exhibition could be attributed to the characteristics of the board steering the affairs of the organization. As a result, the findings of the research show that CG plays an important role in catalyzing or curtailing CSR initiatives.

The remainder of this paper is structured as follows. Section 2 reviews relevant literature related to the study. Section 3 presents the methodology employed to conduct this study. Section 4 presents the results of the study. Section 5 discusses the results. Section 6 concludes the study.

2. LITERATURE REVIEW

2.1. Theoretical background

Hambrick and Mason (1984) argued that the values and cognitive foundations of an organization's chief executive officers' (CEOs) characteristics mirror its outcomes. When it comes to strategy, decisions made by top executives can have a substantial impact on the success of their firms, according to the upper echelons theory (Tian, 2022; Ting, Azizan, & Kweh, 2015). In many companies, managers and executives wield considerable power and influence over the day-to-day operations of the business. For that matter, personal beliefs, dispositions, and prior experiences are said to have an impact on executive decision-making, and executives adopt organizational methods that match these preferences as postulated by the upper echelons theory (Reina, Zhang, & Peterson, 2014; Danso, Adomako, Amankwah-Amoah, & Lartey, 2022). According to various research, a wide spectrum of strategic decisions, including CSR actions, can be explained by assailable measures (Chin, Hambrick, & Treviño, 2013; Tian, 2022; Danso et al., 2022; Darwin, Alias, Omar, & Anuar, 2022). Literature reveals that prominent organizational players play an important role in explaining CSR activities as far as upper echelons and CSR is concerned (Chin et al., 2013; Lee, Sun, & Moon, 2018). For example, the age of the CEO is a crucial factor in determining CSR actions (Oh et al., 2016; Li et al., 2020). In large firms, older CEOs are more likely to do fewer CSR activities, while longer-tenured CEOs are more likely to boost their reputations by implementing more CSR activities. Interestingly, CEOs with a higher level of education tend to do fewer CSR activities in larger firms. In their strategic risk-taking decisions, highly educated top managers are more proactive, but they also desire more innovation in their decision-making, rather than pursuing stability through CSR activities (Hambrick & Mason, 1984; Lee et al., 2018). CSR activities are greatly influenced by the level, nature, and intensity of CSR activities at the top level of management. This demonstrates that the calibre of top management managing the affairs of the organization strongly affects the level, type, and intensity of CSR activities of the firm.

2.2. Relationship between corporate governance and corporate social responsibility

CG refers to the management and direction of corporations by their shareholders, and other stakeholders, including the general public. Thus, the system directs and controls management actions with business sense, impartiality, responsibility, and honesty. Thus, CG is an institutional, legal, and cultural framework that determines the patterns of shareholder (or stakeholder) impact on managerial decision-making (Buertey & Pae, 2021; Mertzanis et al., 2019). On the other hand, CSR is a business model or strategy that prioritizes social and ethical ideals. CSR is a way for businesses to contribute to the achievement of societal goals (Sui et al., 2019; Bikefe et al., 2020). CSR initiatives can help companies achieve long-term growth (Mazboudi et al., 2020;

Bhatia & Makkar, 2020; Jamali et al., 2020). It is critical for businesses to embrace CSR practices to mitigate the negative environmental repercussions of their activities (Jamali, Karam, Yin, & Soundararajan, 2017; Hu et al., 2018; Bikefe et al., 2020). CSR improves performance by strengthening ties or relationships with key stakeholders (Ullah et al., 2019; Lee, Herold, & Yu, 2016; Zhang, Zhang, & Yang, 2022).

It is getting increasingly difficult to separate CG from CSR (Deev & Khazalia, 2017; Kanji & Agrawal, 2016; Jahid et al., 2020; Zaid, Wang, & Abuhijleh, 2019; Zaman et al., 2022) as the two concepts are burgeoningly interlinked. CSR as a catalyst for good governance or CG as an anchor for CSR has been the focus of studies on the link between CSR and CG (Zaman et al., 2022; Kanji & Agrawal, 2016; Hossain & Alam, 2016).

On CG as an anchor for CSR, the focus is laid on how a firm's CSR policies and practices are largely affected by the different configurations of a firm's CG structure and process (Jain & Jamali, 2016; Zaman et al., 2022). Therefore, a sound CG process is a foundation for successful CSR implementation. Consequently, CG is considered an important factor in a company's decision to engage in CSR. As a result, CSR participation would be linked to more effective CG systems. Consequently, businesses strive to achieve alignment between their internal operations and the important values of stakeholders through CSR initiatives. Specifically, the board of directors is widely acknowledged as playing a critical part in spurring various forms of CSR activity (Zaman et al., 2022). For instance, CSR is proven to be positively impacted by boards of directors who are concerned about the well-being of all stakeholders (Hung, 2011). Research shows that board expertise (Kent & Monem, 2008), board independence (Lone, Ali, & Khan, 2016), board size (Barka & Dardour, 2015; Lone et al., 2016), board gender diversity (Tanaka, 2015; Lone et al., 2016), audit committee (Jizi, Salama, Dixon, & Stratling 2014), board CSR committee (Velte, 2016; Kent & Monem, 2008), executive compensation (Zou, Zeng, Xie, & Zeng, 2015; Hong, Li, & Minor, 2016), family and government ownerships (Habbash, 2016), institutional owners (Tanaka, 2015; Oh, Chang, & Martynov, 2011), independent audit committee, are positively associated with CSR. CEO duality, tenure, and age were reported to impact CSR positively (Oh, Chang, & Kim, 2016; Lone et al., 2016) and politically connected CEOs are more likely to direct their companies' CSR investments (Li et al., 2020). In effect, CG significantly influences CSR (Jahid et al., 2020; Zaid et al., 2019; Ali, Frynas, & Mahmood, 2017; Deev & Khazalia, 2017; Habbash, 2016; Tanaka, 2015).

In research that involves CG as a function of CSR, CG is utilized as a tool for effective and accountable governance (Zaman et al., 2022; Zaman et al., 2020). CSR has evolved into an issue related to CG (Jahid et al., 2020; Zeb et al., 2021). It is thought that CSR efforts have a good correlation with a company's overall governance (Jahid et al., 2020; Zaid et al., 2019; Hossain & Alam, 2016). It was discovered that companies with a high level of CSR participation had superior values and CG practices

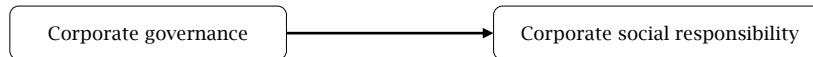
(Harjoto & Jo, 2011). CSR policies and practices can increase stakeholder participation, enhance organizational governance, and generate business benefits (Zaman et al., 2020). Consequently, CSR exerts a substantial impact on the governance practices of the organization, which ultimately improves the performance of such organizations (Hossain et al., 2016). In addition, using CSR as a self-regulatory voluntary practice and a governance tool, firms can also accomplish social and environmental governance through CSR (Rahim & Alam, 2014; Hossain & Alam, 2016). Consequently,

organizations with higher levels of CSR activity display less management opportunism, and have internal stakeholder commitment, resulting in enhanced CG (Zaman et al., 2022). CSR essentially ensures responsible governance (Frynas, 2010; Kong, 2013; Jian & Lee, 2015; Hossain & Alam, 2016; Harjoto & Jo, 2011).

The study, therefore, hypothesizes that:

H1: Corporate governance has a positive and significant relationship with corporate social responsibility.

Figure 1. The conceptual framework



3. RESEARCH METHODOLOGY

The goal of this study was to look into the relationship between CG and CSR. The survey method was utilized to collect data from the senior executives of chosen selected firms within the financial sector of Ghana. Per the upper echelon theory, top executives have designated the target audience since they were more likely to objectively evaluate organizational processes and frequently make strategic decisions within the company. A pre-tested survey was administered to 220 selected executives. Amos software was used to empirically examine the link between CG and CSR using the structural equation modelling (SEM) technique. SEM was employed because a unidirectional approach has the potential to distort results because of endogenous linkages. Traditional approaches are frequently restricted when dealing with dynamic indigeneity, specifically implying a static connection between CSR and CG. However, because of the dynamic nature of the relationship between CG and CSR, using these methodologies results in an indigeneity bias. SEM is thus a powerful tool for dealing with dynamic indigeneity but it is employed less frequently in CG-CSR research (Zaman et al., 2022). SEM was used to analyze the data because it permits exhaustive and concurrent testing of all interactions relevant to the complex and multifaceted phenomenon (Tabachnick & Fidell, 2007). The latent variable could be shown in relation to other variables using SEM while accounting for the estimated measurement error (Schumacker & Lomax, 2010). Alternatively, Tobit, ordinary least squares (OLS) and Logit regression analysis could be used to conduct CG-CSR research.

CG and CSR were operationalized using established scales. CSR often does not have a universally accepted measurement. There are four dimensions of CSR towards society, environment, employees, and customers. CSR for this study was measured using a 16-item scale adapted from Turker (2009) and Bahta, Yun, Islam, and Ashfaq (2021). The study adopted a 7-point Likert scale, which allows respondents to select a response option from 1 = strongly disagree to 7 = strongly agree. CG equally

has inconsistency and variances with regard to its measurement. The establishment of measures of “excellent corporate governance” has been one of the central concerns of CG research (Schnyder, 2012). Individual factors (such as board independence, diversity, size, audit committee, etc.) or composite metrics of CG procedures are the subjects of discussion. In practice, there are no theoretical justifications for the composition of these indicators (what to include and what not to include), and there is no convincing method or theory for calculating the weighting of the various variables included in the index (Schnyder, 2012). In light of this, the study employed CG measurement items from Jamali, Safieddine, and Rabbath (2008). Jamali et al.’s (2008) items, for instance, were deemed fit for this study as they have been empirically tested (Hossain & Alam, 2016) and the eight items cover almost all aspects of CG. Again, the study adopted a 7-point Likert scale, which allows respondents to select a response option from 1 = strongly disagree to 7 = strongly agree.

4. RESULTS

4.1. Reliability and validity

The study used confirmatory factor analysis (CFA) in Amos (v.23) to establish the model’s fitness. The factor loadings of each construct against its variables must be larger than or equal to 0.50 (Igbaria, Iivari, & Maragahh, 1995). According to this criterion, measurement items having a loading of less than 0.5 were excluded from the CFA. In addition, the study investigated the reliability of the measurement instruments. A minimum alpha score of 0.70 is required for internal consistency. In addition, convergence validity was determined by evaluating the average variance extracted (AVE). For convergence validity, an AVE score of at least 0.5 and a composite reliability (CR) score of at least 0.7 are required (Fornell & Larcker, 1981). Based on the presented data, the study established both internal and convergence validity. The outcome of the CFA is presented in Table 1.

Table 1. Reliability and validity

Variables	Items	Factor loading	CR	Cronbach's alpha	AVE
Employee (Em)	Em1	0.548	0.872	0.793	0.638
	Em2	0.718			
	Em3	0.774			
	Em4	0.753			
Customer (Cus)	Cus1	0.816	0.886	0.836	0.642
	Cus2	0.642			
	Cus3	0.759			
	Cus4	0.777			
Community (Co)	Co1	0.782	0.888	0.837	0.630
	Co2	0.684			
	Co3	0.851			
	Co4	0.706			
Environment (En)	En1	0.794	0.888	0.837	0.625
	En2	0.754			
	En3	0.799			
	En4	0.675			
Corporate governance (CG)	CG1	0.710	0.963	0.874	0.759
	CG2	0.770			
	CG3	0.751			
	CG4	0.687			
	CG5	0.743			
	CG6	0.736			
	CG7	0.517			
	CG8	0.569			

DF = 247; CMIN = 738.359; CMIN/DF = 2.989; TLI = 0.894; CFI = 0.915; RMSEA = 0.064; RMR = 0.055; Pclose = 0.051

4.2. Discriminant validity and descriptive statistics

In addition, the discriminant validity of the AVEs was determined by comparing their square root to their intercorrelation scores. When the square root of the AVE is bigger than the correlation coefficient

of any other construct, it is regarded as having discriminant validity (Fornell & Larcker, 1981). Because the minimum AVE value of 0.794 was greater than the highest correlation score of 0.767, discriminant validity was demonstrated. The outcome of the discriminant validity is presented in Table 2.

Table 2. Discriminant validity

Variables	Mean	Std. Dev.	Em	Cus	Co	En	CG
Em	5.27	1.490	0.799				
Cus	5.47	1.370	0.657**	0.801			
Co	5.33	1.371	0.741**	0.767**	0.794		
En	5.27	1.522	0.488**	0.534**	0.619**	0.791	
CG	5.20	1.400	0.503**	0.561**	0.608**	0.611**	0.812

*Note: Bold figures on the diagonal are the square root of the AVE. * p-value significant at 1% (0.01). Keys: Em – Employee, Cus – Customer, Co – Community, En – Environment, CG – Corporate governance.*

4.3. Hypothesis testing

The study found that CG positively influences CSR ($\beta = 0.728$; $t = 5.968$). This finding is thus supporting *H1*. The study found that CG explains approximately 53% of the variability in CSR. This outcome is provided in Table 3.

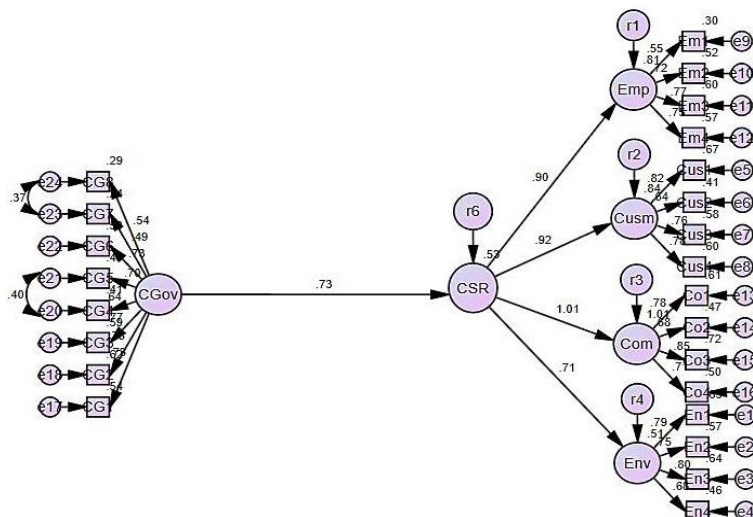
Table 3. Hypothesis paths

Path	Estimate	Std. Error	CR	Result
CG → CSR	0.728	0.099	5.968**	Supported

DF = 247; CMIN = 738.359; CMIN/DF = 2.989; TLI = 0.894; CFI = 0.915; RMSEA = 0.064; RMR = 0.055; Pclose = 0.051

*Note: ** p-value significant at 5% (0.05).*

Figure 2. Hypothesis path



5. DISCUSSION

There has been a significant rise in the importance of CSR, and CG in contemporary corporate practice and research (Kim, 2022; Dartey-Baah & Amoako, 2021a; Mazboudi et al., 2020; Bux et al., 2020; Ahmed et al., 2020; Wu, 2021; Muntahanah et al., 2021; Grada, 2022; Basterretxea et al., 2022). However, the nexus between CSR and CG has surreptitiously gained negligible attention in emerging economies. The study, therefore, examined the interrelation between CSR and CG in Ghana. The study found that CG positively influences CSR fulfilling the hypothesis that CG has a positive and significant relationship with CSR. This finding is consistent with other existing studies that found a connection between the two constructs (Jahid et al., 2020; Zaid et al., 2019; Ali et al., 2017; Deev & Khazalia, 2017; Habbash, 2016; Tanaka, 2015). In effect, effective CG systems and processes are the foundation for successful CSR implementation. Consequently, CG has been adjudged an important factor in a company's decision to engage in CSR. Therefore, businesses can strive to achieve alignment between their internal operations and the important values of stakeholders through CSR initiatives.

The upper echelons theory contends that strategic decisions at the corporate level are heavily impacted by the personal ideals, experiences, and psychological traits of the firm's senior decision-makers (Briscoe et al., 2014; Al-Shammari et al., 2019; Tian, 2022; Danso et al., 2022). Upper echelons theory focuses more on how observable characteristics of the powerful actors take up a significant role in the strategic decisions capability of the organization. Given that CSR is discretionary, top executives, therefore, enact a vital role in CSR engagement. Therefore, top executives will engage in strategic decisions including CSR in accordance with psychological characteristics, experiences, and personal values. The study demonstrated that the intensity, type, and level of CSR exhibition could be attributed to the type of board/management steering the affairs of the organization. As a result, the findings of the research show that CG exerts an important influence in catalyzing or curtailing CSR initiatives. Firms that want a better outcome from CSR programs need to prioritize the implementation of CG systems and procedures that promote reciprocal exchanges with stakeholders. This will help firms have a better chance of improving their relationship with stakeholders, promoting the firm's image, and, ultimately bolstering long-term organizational performance. CSR activities with a strong CG framework aid firms in improving their performance, as an effective CG structure, combined with improved CSR transparency, aids firms in augmenting firm performance (Zeb et al., 2021). Therefore, firms that want better CSR performance should be critical and strategic about the CG system within the firm.

6. CONCLUSION

CSR and CG have gained much attention in contemporary research areas, typically in isolation. The goal of this study was to examine the relationship between CG and CSR through

the application of the upper-echelon theory. From an upper echelon theory perspective, the study found that CG is a key driver of CSR. The implication for firms is that they need to carefully constitute CG systems and structures as it significantly enhances CSR implementation. As a result, CSR participation would be linked to more effective CG systems. CG systems such as board monitoring, firm ownership structures, etc., for instance, promote the implementation of CSR initiatives. Thus, CG's potential goes beyond shareholder value maximization and ensuring accountability, to creating responsibility and establishing a relationship with stakeholders. As such, CSR efforts are believed to have a positive relationship with a company's overall governance (Zaid et al., 2019; Jahid et al., 2020). Effective CG systems and practices are needed to improve CSR performance. Firms that pursue quality CG systems and practices are more likely to pursue better CSR initiatives that will ultimately lead to a positive association with the performance of the firm. Organizations need to be aware that pursuing a quality CG system affects their ability to engage in social investment and which could possibly improve the image of the firm, gain competitive advantage and ultimately augment organizational performance. Again, firms need to understand the potential positive impact that CG systems can have on different dimensions of CSR and consequently, be more proactive in their effort of constituting CG systems. CSR, though popular in concept in Ghana, it is still infantile in its practicality and as such not well grounded in Ghana. Consequently, Ghana lacks a comprehensive legal framework for CSR making it a completely voluntary activity. Given the benevolent nature of CSR, it is inadequate to shape and configure the governance of firms. In effect, executives rather adopt CSR as a strategy to meet the expectation of stakeholders to possibly insure the long-term success of the business. It can therefore be suggested that if the CSR-CG nexus is properly understood and prioritized in Ghana, firms may place more emphasis on CSR programs (as opposed to commonly CG systems and practices driven by legislation and regulation) and thereby improve performance in the long run. Policy-wise, there is a need for recognition of the impact of legislation and regulation on CSR and by comprehensively and systematically focusing on effective CSR, the overall governance of firms is enhanced.

CSR and CG are both multi-faceted concepts. However, this study is limited to internal CG and internal/external CSR, therefore future studies should consider exploring external and internal CSR and CG collectively. Furthermore, this study did not consider contextual factors such as institutional or stakeholder pressures that could enhance or inhibit the interdependency of CG and CSR. With the advent of sustainability performance and reporting and its promotion by stock exchange commissions across the globe, further studies should look at the contribution of CG and/or CSR on environmental, social, and governance (ESG) performance or reporting. Also, the role of CG in green initiatives is worth investigating in emerging economies. Lastly, CG and CSR communication is seemingly low in Ghana thus further studies should look at the role of media coverage and possibly social media on CG and CSR communication.

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APPENDIX. SURVEY QUESTIONNAIRE

Corporate governance:

- My firm has a board of directors committee.
- My firm's board has clear policies.
- My firm reviews strategic goals.
- My firm's chairman and CEO are independent.
- My firm has a composition of independent directors.
- My firm has a befitting board size.
- My firm has a diversified board.
- My firm has a diversified ownership structure.
- My firm has a governance-related code of conducts.

Corporate social responsibility

Employees:

- Our company takes into account employees' interests in decision-making.
- Our company helps employees balance their private and professional lives.
- Our company's policies encourage the employees to develop their skills and careers.
- Our company provides procedures that help to ensure the health and safety of our employees.

Customers:

- Our company incorporates the interests of our customers in our business decisions.
- Our company provides full and accurate information about its products/services to its customers.
- Customer satisfaction is highly important for our company.
- Our company responds to customer complaints or inquiries prudently.

Community:

- Our company contributes to the campaigns and projects that promote the well-being of society.
- Our company has transparent relations with the local authorities.
- Our company is considered part of the local community and is concerned with its development and the improvement of its infrastructure.
- Financially support activities in the communities where we operate stimulate economic development in the communities where we operate.

Environment:

- Our company incorporates environmental concerns in business decisions.
- Our company participates in activities that aim to protect and improve the quality of the natural environment.
- Takes government regulations about the environment beyond what the law requires.
- Our company invests/is involved in saving energy.