

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORTAGE ON WEBSITES AND IN ANNUAL REPORTS: THE CASE OF CAL BANK IN GHANA

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Abstract

Purpose – The management literature in recent years have been paying attention to the concept of corporate social responsibility. This could be attributed to stakeholder concerns of ethical practices of companies globally. This study focuses on how an indigenous Ghanaian bank reports its CSR activities online and in the annual reports. **Design/methodology/approach** – A conceptual framework was adopted from the extant literature and used as the basis of comparative content analysis of social responsibility data on CAL Bank's website, www.calbank.net and the annual reports. We compared the social responsibility reportage on the website with the social responsibility reportage from the annual reports of the Bank from 2003-2009. We also conducted in-depth interviews with senior management of the bank to develop a deeper understanding of CAL Bank's online CSR reportage. **Findings:** There seems to be a consistency between the annual reports and the corporate website CSR reportage of the bank. There however seems to be under-reportage of CAL Bank's CSR activity online as their CSR online reportage focuses mainly on external disclosures. It also came to light that the bank's CSR reportage is fragmented and is not integrated into a marketing communication plan. These findings demonstrate the challenges the bank faces in coordinating and integrating its marketing communication activities. **Originality/value** – Studies on online CSR communications within developing countries context is limited. This study does not only help bridge the gap but contributes to improving bank marketing practices in Ghana as well.

Keywords: Corporate social responsibility, Internet, Online reportage, CAL Bank, Communications, Ghana

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Introduction

According to Galbreath (2009), CSR appears to be the new battleground for competitive success (Porter and Kramer, 2006), but there appear to remain much confusion with respect to how to build or integrate CSR into the overall strategy of the firm. By way of example, while CEOs acknowledge that addressing societal expectations is an important consideration for competitive success, they appear to be struggling with just how to build CSR into corporate strategy (Cramer and Hirschland 2010; McKinsey and Company, 2006). Indeed, some reports reveal that almost six out of ten organizations have no strategy for CSR while many companies are unclear as to how to adequately anticipate which social issues will affect their overall strategy (McKinsey and Company, 2006). These reports relate to firms that are operating in the developed North, and one

wonders how firms operating in the global south are conceptualizing CSR as corporate strategy and developing superior mechanisms for communicating same. Ketola (2006) listed some organizational CSR practices that are of much interest with regard to developing countries, and for that matter Ghana. Many public as well as private firms in Ghana are developing extensive corporate programmes designed to generate stakeholder goodwill and boost market value. The stakeholder theory of CSR points that firms have responsibility or obligations to their stakeholders including customers, competitors, government as well as employees. As Pearce and Doh (2005) put it, CSR has irreversibly become part of the corporate fabric. Clarke and Gibson (1999) however suggested that CSR can be better understood as a means of reinforcing both reputation and legitimacy, as it provides an opportunity to

communicate to stakeholders the congruence of the organization with societal concerns.

Traditionally, two broad principles have underpinned the development of CSR; the charity principle and the stewardship principle (Rolland and Bazzone 2009). According to Frederick et al. (1992), the latter implies that the corporation is in effect a public trustee who has an obligation to interact with all groups who have a stake in what the corporation does. Thus, business leaders who follow the stewardship principle believe they have an obligation to see that everyone- particularly those in need - benefit from the company's action. This means business has a responsibility to exercise care and social concern in developing policy and conducting business operations. The charity principle implies that there is an obligation for those who are wealthy to help those who are not so wealthy, perhaps in ways such as voluntary participation in community activities for needy persons or groups or by financial donations (Frederick et al, 1992).

Whereas, CSR has traditionally been about the economic, social, legal and philanthropic issues that stakeholders view as affecting a corporation's operation (Carroll, 1979), strategic CSR more specifically focuses on the aim or ends of economic viability (i.e. strategy) and the means (i.e. CSR) of being socially responsible. It would appear that the economic arguments for current CSR activities dominate corporate motivation and this is increasingly encapsulated in business by the establishment of CSR departments to advise on corporate strategy (Galbreath, 2009). Nike Corporation is one such corporate entity where CSR is considered to be such an important corporate function in establishing corporate reputation, that it has established a separate CSR department headed by a vice-president (www.nikebiz.com/company_overview/executives/). Therefore, corporate reputation management or the licence to operate, appear to be end goals sought by corporations but these are actually conferred on corporations by their stakeholders. This indicates an "outside in" rather than "inside out" form of influence on the corporate - stakeholder relationship, in that the stakeholders' (i.e. the outside) perceptions of corporate activities actually influence or determine the corporate (i.e. the inside) activities. As well, a company needs to understand its constituencies (things of concern and importance to them), so it can position relevant kinds of programmes and channels through which to communicate to them (e.g. the web) (Galbreath, 2009).

Banks especially multinational ones are spending millions of dollars into different kinds of CSR strategies in the hope to strengthen their reputation and improve relationships with stakeholders. CSR activities by banks operating in

Ghana are mostly carried out in a form of donations, community development like drilling of boreholes, construction of classroom blocks, among others. Ghana Commercial Bank, the oldest indigenous Ghanaian Bank for instance sets aside a percentage of profit before tax annually for corporate social responsibility in the area of health, sports, education, as well as the development of the youth. The increasing recognition of CSR benefits by firms and demands for CSR by their stakeholders, has led to greater CSR reporting by firms in annual reports and, more recently, on corporate websites (Pollach *et al*, 2009, Spence, 2009). This has served as a catalyst for emergence of research into the CSR reporting and the online communication practices of firms (Wanderley *et al*, 2008).

CSR research has previously focused on the primary CSR concept (Bowmann-Larsen and Wiggen, 2004; Murray and Vogel, 2007), social responsibility communication (Moreno and Capriotti, 2009; Gray et al, 1996; Porter and Kramer, 2002 and 2006), and social responsibility disclosures by financial institutions (Ofori and Hinson, 2007; Thompson and Cowton, 2004; Hamid, 2004; Douglas et al, 2004). Branco and Rodrigues (2006) posited that companies within industries that may have greater environmental and social impacts are expected to disclose environmental information in order to secure their legitimacy. Ferrel *et al*. (2002) however stated that the objectives of these actions are to maximize the positive impact on stakeholders and minimize the negative impact. This perspective on stakeholders, according to Hinson et al (2010), has a primary focus on stakeholders. They argued therefore that the legitimacy theory is interrelated with the stakeholder perspective. This paper adopts this view and posits that there is no sharp dichotomy between the two perspectives. Businesses under the legitimacy theory therefore disclose their CSR activities to show a socially responsible image so as to legitimize their behaviors to their stakeholders (Hinson *et al*, 2010). Studies focusing on social responsibility disclosure practices by financial institutions are scarce (Branco and Rodrigues, 2006, citing Hamid, 2004; Douglas et al., 2004). Hamid (2004) studied social responsibility disclosure in annual reports by banks and finance companies in Malaysia and the assertions made by Hinson et al. (2010) confirm their findings. He found out that product/service related disclosure seems to be more frequent than environmental and energy, human resources or community related disclosures. They found that the size as well as the listing status and age of business are related positively with CSR disclosure. This study adopts Hinson et al's (2010) online CSR communication model as its conceptual lens and given the relative paucity of African discourse on bank online CSR reportage, this study aims at achieving the following:

1. Ascertaining which aspects of CAL Bank's CSR activities are reported online?
2. Ascertaining which aspects of CAL Bank's CSR activities are reported in their CAL Bank's annual reports?
3. Ascertaining any gaps that may exist in CAL Bank's actual CSR practice and CSR reportage?

The study is divided into six sections. The first section introduces the work, whilst the second deals with the context of the study. The remaining four sections feature: a discussion on online CSR communication, the research framework, the methodology and the presentation and discussion of findings respectively. The final part of the paper highlights the discussions and conclusions of the paper.

Context of the Study

CAL Bank is one of the most successful indigenous banks in Ghana. CAL Bank commenced operations in July 1990, and is considered one of most innovative banks in Ghana. CAL Bank was voted "Bank of the Year" by the Chartered Institute of Marketing Ghana in recognition of excellence on strategic marketing for the year 2008. At the 2007, Ghana Banking Awards, CAL Bank also won first place in both the I.T. and Electronic Banking and product Innovation Categories. "The Ghana Banking Awards" rewards corporate excellence in Ghana's banking sector and is perceived to be one of the most objective indicators on bank performance in Ghana along parameters like Best Bank, Customer Care; Best Bank, Advisory Services; Best Bank, Short Term Loan Financing; Best Bank, Corporate Banking; Best Bank, Retail Banking; Best Bank, I. T. and Electronic Banking; Best Bank, Product Innovation etc. CAL Bank also won first place in Product Innovation and was first runner up in I.T. and Electronic Banking at the 2008 Ghana Banking Awards. According to www.calbank.net, the product innovation top award goes to the bank that introduced the most innovative products for the year under review. The assessment included relevance of the new products to the customers; product availability irrespective of location in the country first and the world as a whole; whether the products were extremely new to the market or were already on the market but had been significantly modified.

To the extent that online CSR reportage could be conceptualized as information technology and product innovation management, CAL Bank is clearly a leader in Ghana's banking sector. We therefore are choosing to investigate online CSR reportage from an information technology leader in Ghana's banking sector. CAL Bank has a network of over 40 ATM'S and 14 branches. It is also growing its ATM networks, which are hooked to the Visa

platform allowing its customers a worldwide payment solution and access to money at ATM's with the Visa logo globally. CALNET, their internet banking service has been enhanced and offers clients real-time information on their accounts as well as transact business on their accounts wherever in the world they are.

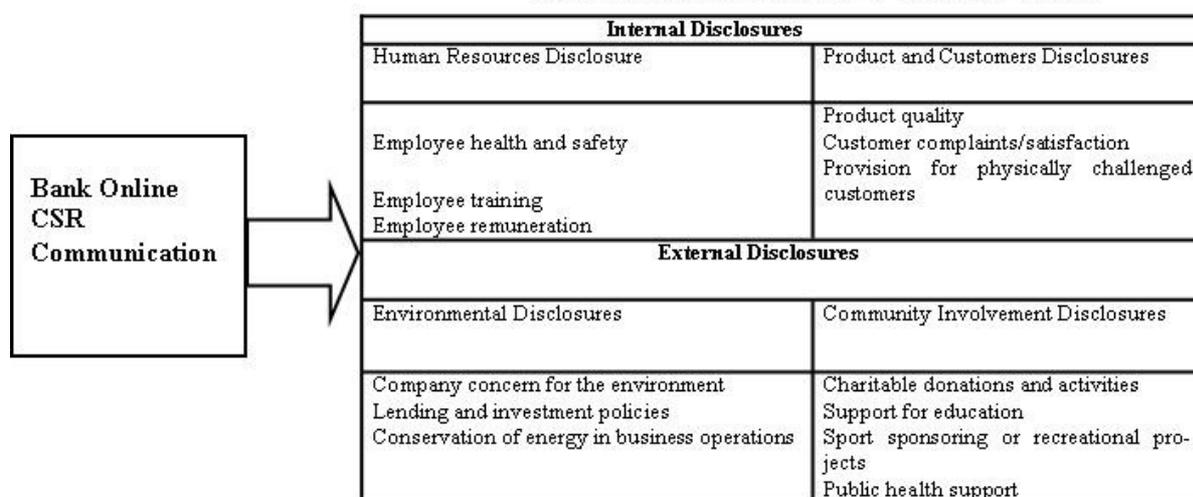
Online CSR communication

With the advent of the internet, many marketing communication researchers realized that this new medium would bring new opportunities for the marketing communication process (Heinen, 1996). In order that marketing communications efforts reach their full potential they need to be integrated into a coordinated framework (Burnett and Moriarty, 1998). Thus, internet communication activities need to be integrated in the overall marketing communications mix. They need also to be coordinated with the operations of the company (Lovelock, 2000). In e-business, the very distinctions between marketing communications and business operations also become more diffuse especially at a strategic level (Rowley, 2001). Due to the relational nature of services, relations are particularly important for service companies (Gronroos, 2000). In the building and management of relations, the interactivity of the internet makes it a particularly useful tool. The corporate website is a tool that is increasingly used by businesses for communicating CSR issues. They usually have a specific section in their website where they set out their policies for economic, social and cultural issues. It can include reports, publications and CSR-related conferences, events, websites but also updated information (Ásványi, 2009). CSR communication is an important element of the strategic approach to communication, based on the idea that companies can create a strong identity by implementing a systematic and proactive strategic communication practice within their organizations, paving the way for "the building and maintaining of favorable reputations and relationships with key stakeholders" (Cornelissen, 2004).

Research framework

We analyzed the e-business literature with respect to the design and content/features, aspects of corporate websites (Hinson et al, 2010; Burgess and Bingley, 2007; Fisher *et al* 2007; Branco and Rodrigues, 2006) to identify a suitable categorization of the ways in which corporate bodies e.g. (CAL Bank) might use their websites for online CSR communication reportage. We found that the Hinson *et al* (2010) online CSR communication reportage model best suited our purposes.

Figure 1 Framework for bank online CSR communication



The framework in figure 1 is a model designed to highlight areas covered in bank's online and annual reports CSR communications. This model was adopted from Hinson et al (2010) who studied CSR online communications in Ghanaian banks. They categorized areas covered under CSR disclosures by Ghanaian banks into four segments. These are:

1. Environmental disclosure
2. Human resource disclosure
3. Products and customer disclosure; and
4. Community involvement disclosure.

Figure 2 categorizes the areas covered by banks in their CSR communication under internal and external disclosures. Internal disclosures look at human resource disclosure and product and customer disclosure. External disclosure covers issues under environmental and community involvement disclosure. Human resource disclosure considers issues bordering on employee health and safety, employee training and employee remuneration. Product and customer disclosure, on the other hand, considers issues like product quality, customer complaints and/or satisfaction and provision for the physically challenged customers. Environmental disclosures include the company's concern for the environment, lending and investment policies and conservation of energy in businesses. Finally, issues regarding community involvement disclosure cover such areas as charitable donations and activities, support for the education, sports sponsoring or recreational projects. The model demonstrates an attempt to meet the expectations of different groups of stakeholders, including employees, customers, the community and society. We adopt this framework for this study.

Methodology

We adopt a case study approach as part of a qualitative research design for reaching our research destination. We adopt a single case study approach because as Yin (2003) posited, a single case is often used where it represents a critical case or an extreme or unique case. CAL bank is a technological innovator in Ghana's banking industry and therefore we are of the opinion that it is a unique case we could study to great benefit. We adopt the case study approach to examine the online and annual reports CSR posture of one organization, CAL Bank Ghana Limited. The data collection method typically draws on multiple sources of information. Yin (2003) recommends different types of information to collect, namely:

- Documents;
- Archival records;
- Interviews;
- Data observations, and
- Physical artifacts

We adopt a two-step approach in the collection and analysis of data. First, the study employed archival records as the main data collection instrument. Archival records make use of administrative records and documents as the primary source of data (Saunders *et al*, 2007). As pointed out by Hinson *et al* (2010), even though the term "archival" has historical connotations, it can be used to refer to recent as well as historical documents. This study collected and analyzed CAL Bank's archival annual reports from 2003 to 2009 financial years and online records in September 2010 to ascertain their level of communication of CSR information. Much of the information posted on the Bank's website were found to be in 2010, however, analysis of the bank's documents indicates that these CSR activities were

actually executed within the period under review (2003-2009). We acknowledge the great help provided by several empirical studies in determining what to consider as a socially responsible disclosure (Hinson *et al.*, 2010; Parker *et al.*, 2009; Branco and Rodrigues, 2006; Campbell *et al.*, 2003; Gray *et al.*, 1995b). In this study, we adopt Hinson *et al.*'s (2010) framework in categorizing CSR disclosures into two main groups:

1. Internal; and
2. External

Internal disclosures are made up of human resource and customer and product disclosures. Human resource disclosure includes issues such as employee health and safety, employee training and employee remuneration. Product and customer disclosures cover such issues as product quality, customer complaints/satisfaction and provision for the physically challenged customers. External disclosures include environmental and community involvement disclosures. Environmental disclosure relates to the company's concern for the environment, lending and investment policies and conservation of energy in business. Community involvement disclosure consists of disclosures related to charitable donations, support for education, sports sponsorship/recreational projects and public health

support. Yin (2003) stated that one analytical strategy for a case study approach is to identify issues within each case and then look for a common theme that is peculiar for the case. Issues raised on the online posture and annual reports of CAL Bank with regards to the four dimensions were analyzed and represented diagrammatically.

Second, in depth interviews were conducted with marketing, human resource and information technology executives using open-ended questionnaires to elicit detailed information about CAL Bank's online CSR posture. The interviews were developed around the conceptual framework adopted for the study and three visits were paid to CAL Bank in September, 2010. The initial plan was to conduct interviews with six prominent experts in the bank but was turned down for various reasons. The primary reason being that decisions on online CSR reportage are vested solely in the marketing manager. However, three senior practitioners agreed to share their experience on CAL Bank's online CSR reportage.

For the purpose of this study, profiles of senior managers who took part in the interview have been provided in order to establish their appropriateness as interview targets.

Interviewee and date	Position at the time of interview
Kofi Siabi 10 September 2010	Head of Marketing
Kwame Gyan 13 September 2010	Spintex Branch Manager
Douglas Essuah 17 September 2010	Head of Cash and Electronic Bank Unit

We transcribed and analysed the interviews. The analysis draws on the transcribed interviews and verbatim comments are used to throw more light on the points made.

Presentation and Discussion of Findings

CAL Bank communicates certain aspects of their CSR activities both online and in their annual reports. This section focuses on comparative analysis of aspects of CSR activities reported in CAL Bank's annual reports and on the Bank's website for the period of 2003 and 2009. The comparison was made under the conceptual lenses of the study's framework adopted from Hinson *et al.* (2010) for Banks online CSR communication.

CAL Bank Online CSR Reportage

Internal Disclosures

Human resource, product and customer disclosures are the two broad issues considered under internal disclosures. On the Bank's website, employees'

health and safety issues, training and remuneration for employees were conspicuously missing, an indication that CAL Bank does not consider these issues as part of corporate social responsibility. However, in the annual reports, employee-training programmes were given prominence, including gender parity issues in recruitment programmes, which do not fall under the umbrella of the study's framework. It was observed that this was the first time gender parity aspect of employees recruitment was reported as a corporate social responsibility activity. Based on this assessment, it is obvious that nothing was reported online on CAL Bank's CSR activities under human resource disclosure.

On product and customer disclosure, the focus of the online report was on product quality. Efforts CAL Bank has made to bring banking services to the door steps of its customers with the opening of branches at strategic locations were succinctly reported online. However, the report fell short of indicating any mechanism the Bank has in place for addressing customer complains and attending to the needs of physically challenged customers. Compared

to the annual reports, nothing at all was reported under product and customer disclosure.

An attempt to find out why such omissions occurred revealed a lack of coordination in the implementation of CAL Bank's integrated marketing communication programmes. This is deduced from responses by the Heads of Marketing and IT as well as the Branch Manager below. For his part, the Marketing Manager had this to say

"When you go to our branches, all our branches take care of the physically challenged"

He however failed to indicate how they take care of the physically challenged customers that make it different from the mundane services CAL offers to other clients without any physical challenges.

The Spintex Branch Manager, equally responded to the issue in similar manner as the Marketing Manager did, he had this to say;

"We try to take care of the needs of all customers, the physically challenged included"

Again, owing to the unique challenges facing the physically challenged customers, it was expected that specially designed services such as ATM's that can talk to the blind to facilitate ease of use would have been installed and reported as a bank that cares about the vulnerable members of society. However, these responses above clearly demonstrate that CAL Bank does not consider customer complains and provisions for physically challenged customers as part of CSR activities.

The reactions of the Branch Manager further highlight the fact that CSR activities are not properly integrated into the bank's overall integrated marketing communication strategy, he said;

"On our part, we report all our CSR activities to head office. The decision as to which ones to report rests with the Marketing Manager."

The IT Manager equally rationalises the failure to report CSR activities online as contained in his response below;

"My outfit works in close collaboration with Marketing Department. Marketing Department coordinates and hands them over for us to report."

Contrary to observations by Burnett and Moriarty (1998) that "in order that marketing communications efforts reach their full potential, they (internet as a medium of communication) need to be integrated into a coordinated framework". For this, the need to integrate internet into the overall marketing communication mix is no longer a luxury but a necessity. From the responses above, it is apparent that the communication of CAL Bank's CSR activities online is at the behest of the Marketing Manager and not a strategically integrated corporate programme. The Marketing Manager therefore decides to pick and choose which aspects to report and which ones to leave out, leading to under

reportage of certain CSR engagements (if practised at all) as was found in this study.

External Disclosures

The external disclosures are made up of environmental disclosure and community involvement.

Similar to the human resource disclosure, CAL Bank's website contained nothing with respect to the environmental aspect of CSR disclosure. However, some general statements were made in the annual reports regarding CAL Bank's concern for the environment and the bank's resolve to encourage responsible lending. The issue of conservation of energy in business, a major component of environmental disclosure, was reported neither online nor in the annual reports.

From this, it is apparent that the annual report attempted to disclose CSR activities in the area of company's concern for the environment and lending and investment policies than on the bank's website. However, the information contained in the annual report was too general and lacks direction.

Meanwhile, in practice, the bank recognises the need to show concern for the environment as contained in a statement by the Head of Marketing below:

"It (environmental issues) is a huge thing that is why I keep saying concern for the environment is a huge thing for us, we are even going to use recycled paper"

Community involvement disclosure attracted most of CAL Bank's CSR online reports, especially charitable donations and activities. Success stories of beneficiaries of CAL Bank's Orphanage Project, support to educational institutions, and other non-governmental organizations were adequately reported online as well as the annual reports.

However, several issues were reported online that were not captured in the annual report. These include donations to Osagyefo Amoatia Ofori Panin's (a Paramount Chief in Ghana) Fund for the Blind, Office of Speaker of Ghana's Parliament (the third most important office holder in the governance structure in Ghana). Other are Ministry of Information, Rotary Club of Sekondi-Takoradi, building of police station at East Legon (a suburb of Accra, the capital of Ghana), Indian Women's Association, Weija Leprosarium and Maternal Health Unit of Kwame Nkrumah University of Science and Technology Hospital. An emotional testimony from beneficiaries of CAL Bank's Orphanage project were equally missing from the annual reports.

The increased reportage on charitable aspect of CAL Bank's CSR activities may be explained by the bank's policy inclinations to charitable donations as the statement below from their annual report suggests;

“As a corporate policy, the Bank does not contribute to the needs of profit making organizations and therefore the bulk of the Bank’s social contributions went to charities, non- governmental organizations, medical and educational institutions.”

Even with the community involvement where most of the Bank’s CSR activities were reported online, in the aspect of sport sponsorship or recreational projects, these issues were not reported, however, the annual report touched briefly on it, but failed to indicate the type of sport the Bank supports. In an interview with the Head of Marketing, it came to light that golf has received support but this was not specifically mentioned either online or in the annual report.

CAL Bank CSR Reportage in Annual Report

CSR reportage in the annual reports of CAL Bank from 2003 to 2009 were analyzed to identify which aspects of CSR have been communicated based on Hinson et al (2010) CSR communication framework adopted for this study.

Internal Disclosure

Under human resource disclosure, employees’ training programmes were reported but the report failed to indicate CAL Bank’s CSR activities in the area of employee health and safety as well as remuneration of employees. Even though the annual reports fell short of reporting the entire aspects of CSR activities under the human resource disclosures, relative to the online report where nothing was reported, it could be argued that the annual reports contained more human resource disclosures than the Bank’s website.

However, in the aspect of product and customer disclosure, a component of the internal disclosure, CAL Bank annual reports captured nothing for the period under review. On the other hand, the CAL Bank’s website contained reports on product quality and the range of products the Bank offers to its customers. In effect, product quality, customer complains/satisfaction, and provision for physically challenged customers were entirely missing from the annual reports.

External Disclosure

For external disclosures, environmental issues which consider aspects of CSR such as company’s concern for the environment, lending and investment policies, and conservation of energy in business constituted the main issues under consideration. The following statement from the annual report which sought to indicate the Bank’s commitment to environmental issues was reported for the first time in the 2008 annual report;

“During the year under review, the Bank adopted an Environmental and Social Management System (ESMS) as part of its credit appraisal process, with the assistance of DEG and Proparco (developmental finance institutions) we collaborate with. This system is geared towards enhancing our credit appraisal system to take cognisance of environmental and social risks associated with our lending, and also to encourage responsible lending practices so as to preserve the environment for future generations.”

This appears to indicate a reportage of CSR activities but the issues reported are too broad to provide any clues about what exactly the Bank mean by “*takinng cognisance of environment and social risks associated with their lending*” or “*to encourage responsible lending practices so as to preserve the environment for future generations.*”

On community involvement, charitable donations and activities, support for education and sport sponsoring or recreational projects are the main aspects. Each of these aspects of the CSR received reportge in the annual reports. However, the individual items reported under the charitable donations and activities in the annual reports were far fewer than the items reported on the Bank’s website. While the annual reports contain report on CSR aspects such as Christmas party for children in foster homes, educational support for orphans, donations to social and community works by NGOs, and donations to health institutions, the website contains all these and several others (see external disclosures of CAL Bank online reportage above) that were not reported in the annual report. However, the annual reports contained information on the Bank’s support to competitive sporting event which was not reported on the Bank’s website.

CAL Bank Strategic Posture on CSR Practices

Several studies indicate strategic benefits associated with CSR activities for organizations that practise it. For Galbreath (2009), CSR appears to be the new battle ground for competitive success. Clarke and Gibson (1999) observed that “CSR can be better understood as a means of reinforcing both reputation and legitimacy, as it provides an opportunity to communicate to stakeholders the congruence of the organization with societal concerns. In the light of these, it is imperative for organizations to integrate CSR activities into their corporate strategy and communicate same to the major stakeholders for the desired impact to be achieved.

However, reconciling CAL Bank’s CSR activities as reported online and in their annual reports with responses of key management members, who were interviewed, throws readers into a state of

confusion. Analysts would not be far from right by concluding that CAL Bank appears to be ambivalent towards strategic advantage CSR engagements presents to the Bank.

Reacting to the issue of which organizations receive support from CAL Bank's CSR activities, the Head of Marketing Department had this to say;

"We had various discussions with various organizations, but we will rather focus on the orphanages, we believe we will get more blessings from that"

Again, in the 2003 annual report, the focus of the Bank's CSR activities on the vulnerable group of society was further highlighted as contained in the statement below;

"As a corporate policy, the Bank does not contribute to the needs of profit making organizations and therefore the bulk of the social contributions went to charities, Non Governmental Organizations (NGOs), Medical and Educational Institutions."

From the above statements, it can be concluded that CAL Bank appears not to expect any reciprocal financial benefits from its CSR engagements.

Meanwhile, a careful analysis of the trajectory of CAL Bank's CSR engagements reveals expectation of future financial rewards and not mere "blessings" as is being projected by management of the Bank. For example on the Bank's website, it shows;

"CAL Bank on Friday September 26, 2003 donated a total of ₵40million to various organizations for community and other social developments. The beneficiaries are as follows:

- *Osagyefo Amoatia Ofori Panin (A Paramount Chief in Ghana) Fund for the Blind*
- *Office of the Junior Common Room- Legon Hall Water Project*
- *Rotaract Club of Secondi- Takoradi*
- *Office of the Speaker of Parliament House (The third highest office in Ghana's Political structure)*
- *Ministry of Information*
- *East Legon Extension Residents Association- Building of Police Station*
- *Ghana Education Service- Catholic Education Unit*
- *Sponsorship for two SSS students of Village of Hope, Foster Home*

Besides these, donations to organizations such as Indian Women's Association in Ghana, Maternal Health Unit of Kwame Nkrumah University of Science and Technology Hospital and National Service Charity Walk have been reported online.

Even though these donations were expected to advance social causes, such as improving the conditions of the Blind, Patients and Orphans, the personalities and institutions that are used as a conduit for soliciting such financial assistance are of high social standing and command economic

resources. For example, the Membership of Indian Women Association includes women in control of businesses and commercial activities. The Okyehene, Osagyefo Amoatia Ofori Panin, whose foundation received part of the donations, is a powerful chief who controls substantial economic resources and commands respect in the Ghanaian society. The Office of the Speaker of Parliament and Ministry of Information are governmental institutions with regulatory power. The Police, Secondi -Takoradi Rotaract Club, Legon Hall Junior Common Room are all economic units with purchasing power.

Therefore, it would be misleading for any business organization to support such institutions and claim to expect "blessing" and not financial benefit, albeit, indirect financial benefit, in future.

In contrast, another statement on the Bank's website that indicates CAL Bank's expectation of financial benefits for its CSR activities in the form of increased awareness of its products reads;

"The National Service Personnel at CAL Bank organized a sponsored walk dubbed the "CAL Bank Charity Walk 2007". The walk which was spearheaded by the National Service Persons was an avenue to create the needed awareness of the bank's products and service whiles raising funds for orphans of the Village of Hope Orphanage"

In one breath, management claims their CSR engagements are purely for the advancement of the welfare of the poor in society. This creates the impression that the bank expects non-financial benefits by engaging CSR activities, and in another breath, they expect CSR to serve as a platform to create awareness for its products- this is clear case of inconsistency in strategic role CSR is expected to play in CAL Bank's quest to gain competitive advantage through CSR engagements.

There is nothing wrong with an organization seeking to benefit from its engagement in CSR activities. The source of worry here is the contradictory posture adopted by CAL Bank as to how they expect to benefit from CSR activities.

The effect of this is the poorly coordinated manner in which their CSR activities are integrated into their marketing communication process. Responding to the issue of under reportage of CSR activities both online and in their annual report, the Head of Marketing had this to say;

"On health and safety needs of employees, CAL Bank takes that as its priority. It has safety documentation on which it relies to cater for the safety needs of its employees. CAL Bank however, would prefer keeping it out of online and report this aspect on its intranet (CAL Bank's internal network), this is because, an internal audience is totally separate from an external audience"

The above assertion suggests that the human resource aspects of CSR practices that CAL Bank

engages in must not be brought to the notice of other stakeholders of the organization. This is in sharp contrast with Ferrel et al's (2002) observation that "CSR communication maximizes the positive impact on stakeholders and minimizes the negative impact. It is therefore imperative that CSR activities are communicated to all stakeholders, both internal and external stakeholders, for the positive impact to be felt.

In spite of this, the Marketing Manager contends; "CSR forms part of the corporate strategy and it is fused into the marketing strategy". He further went on to indicate;

"the controlling point starts from the board and implementation by Marketing Department"

Contrary to the view of Clow and Baack (2007) that "a totally integrated communications program account for all types of messages that an organization delivers to both internal and external stakeholders" comments by the Marketing Manager below suggests that some aspects of CAL Bank's CSR engagements are not brought to the notice of some major stakeholders;

"it's (CSR communication) a case by case, if we look at the case and we decide that, this one, we would want to keep to ourselves, so we keep it to the books and this one we would want to make noise about, we would usually make noise about. It is a matter of judgment and discussion."

Based on such responses, it is difficult to understand on what basis the management would justify to the Board expenses made on such CSR engagements if they were to be "kept to the books" and "noise" would not be made about them for the desired benefits to accrue to CAL Bank.

Looking at the medium of communicating those aspects of CSR activities they choose to report, he went on to say;

".....so there are things we do, some we report and some we do not report. Some we choose other forms of media like the newspapers or television"

Here, annual reports, which have been part of the bank's medium of reporting CSR engagements was not mentioned as part of marketing communication mix.

Implications of findings

Advocates of CSR reports have put forward some perceived benefits which an organization may derive from its provision (Idowu and Towler, 2004). They give examples as: increased customer loyalty, more supportive communities, the recruitment and retention of more talented employees, improved quality and productivity and the avoidance of potential reputational risks which may arise from environmental incidents.

Findings in a similar study by Idowu and Towler (2004) which examined CSR reports of different industries in the UK indicate that all companies in the survey recognise the enormous benefits that can emanate from making known their CSR policies and activities. It is clear from the discussions above that CAL Bank actually engages in CSR activities. For Gray et al (1996), "corporate stakeholders have the right to know what contributions corporate entities are making to society." Findings of the study, however, indicate that major stakeholders of CAL Bank are not adequately informed of some aspects of the bank's CSR engagements.

In Idowu and Towler (2004) study of some selected UK companies, it was further observed that some companies issue separate reports for their CSR activities whilst others devote a section in their annual reports for providing information on these activities. They however, predicted that over the next few years, many of the companies that are still embedding the CSR reports in their annual reports are going to appreciate that every socially responsible company should produce a stand-alone CSR report at its year end. Similarly, in this study, it was found that CAL Bank reports its CSR in the annual report as well as the bank's website. However, the bank appeared to report more CSR activities online than in their annual report.

Gender parity issues in the recruitment programs and shareholder value maximization which do not form part of the study's framework were reported as CSR activities by CAL Bank. Future CSR communication framework needs to capture such issues to appease gender advocates.

In contrast with the UK firms involved in a similar study by Idowu and Towler (2004) where environmental concerns and human resource disclosure were adequately reported, the findings indicate that CAL Bank CSR reports failed to capture issues such as employees' health and safety, employees' remuneration, and environmental disclosures.

Drawing lessons from the findings and discussions above, CAL Bank needs to adopt a more strategic approach in the communication of its CSR activities to the major stakeholders of the bank. First, management needs to change their attitude that CSR is for blessings and ensure that their CSR activities are communicated to the organization's stakeholders to create the needed impact. This requires the identification of the major stakeholders of the bank, both internal and external. Subsequently, the various marketing communication tool should be deployed to deliver different but consistent messages about the CSR engagements to the various stakeholders.

Conclusion and Recommendations

From the study, it can be concluded that it is necessary for organizations to engage in CSR activities. However, engagement in CSR activities alone is not sufficient for organizations to derive the benefits that come with it. For organizations to derive the expected benefits from CSR engagements, it was found that communicating such practices to the major stakeholders is essential. The aspects of CSR activities CAL Bank reports both online and in their annual reports are indicated in the post-study framework in figure 2.0 below. From figure 2.0, it can be observed that CAL Bank appears to report the same number of items in both the annual reports and on the bank's website. However, analyses of the two show that there is under reportage on the bank's website as most of the items focus mainly on community involvement disclosures.

Again, the study found the aspect of reporting on shareholder value and gender parity in the recruitment programmes of CAL Bank as corporate social responsibility. These stakeholder interests are however, not contained in the study's framework. Due to the significant role shareholders play in the management of business organizations, it is recommended that their interests receives equal attention in the internal disclosures of the CSR framework as indicated in figure 2.0 below.

Overall, per the study's framework and CAL Bank's CSR reportage both online and in the annual reports as shown in the framework below, it is obvious that aspects of CSR such as employees health and safety, employees remuneration, customer complains/ satisfaction under the internal disclosures were neither reported online nor in the annual reports by CAL Bank. Under the external disclosures, conservation of energy in business was the only item that received no reportage at all. Therefore, management is encouraged to report on such issues in future reports to improve on the CSR communication efforts.

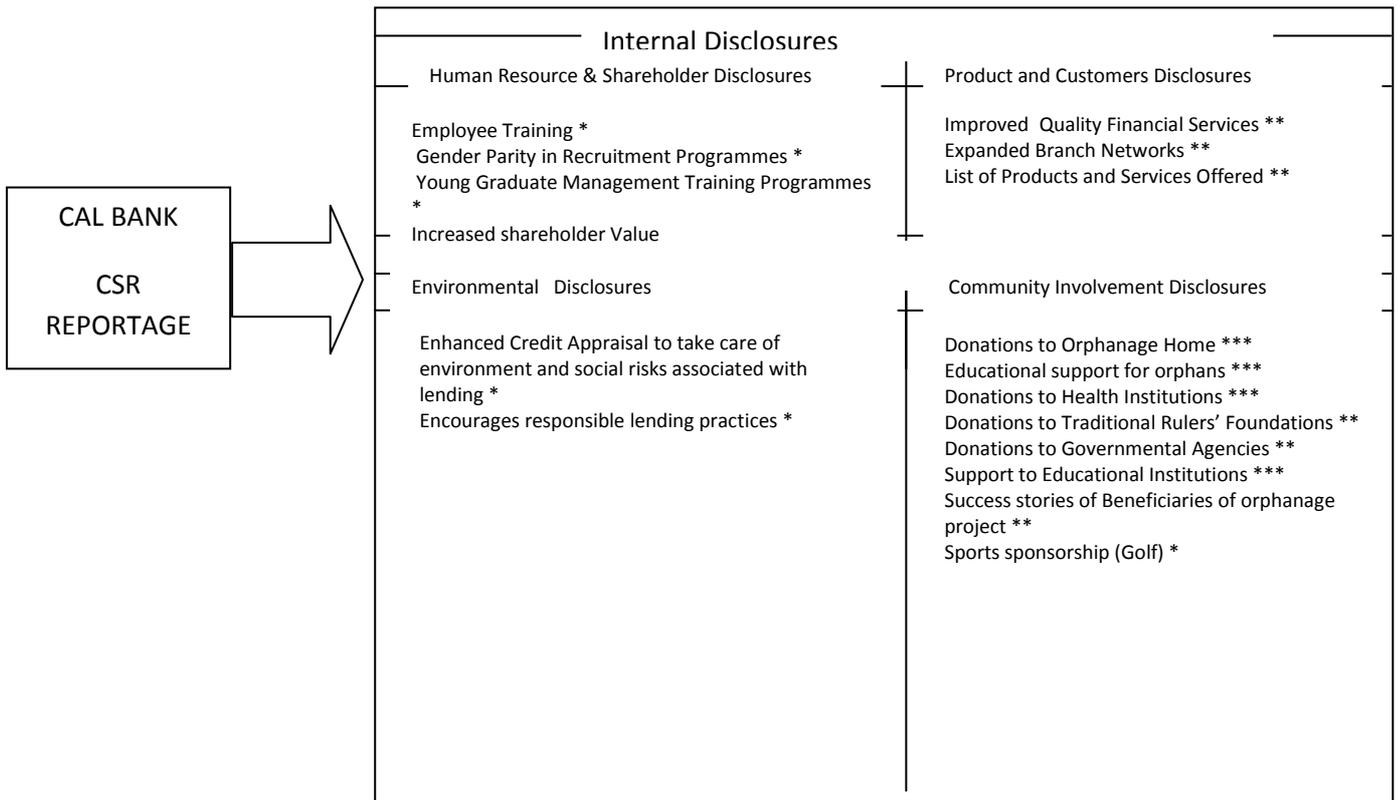


Figure 2. Comparative Content Analysis of CAL Bank’s Annual Reports and Online CSR Reportage

Key: *CSR Issues Communicated in CAL Bank’s Annual Report only

** CSR Issues Communicated on CAL Bank’s Website only

*** CSR Issues Communicated both in CAL Bank’s Annual Report and the Website.

This sort of anomaly in under reporting of CSR activities could occur for three main reasons. Firstly, the bank might not possess an integrated marketing communications posture and may therefore not be integrating their online and offline communications. The second reason might also be that there seems to be a rather fuzzy conceptualization of what CSR encompasses from a management standpoint. This is because in one breath, they describe CSR as improving the lives of the poor and in another breath, they expect some sort of financial rewards. Thirdly, it might also be that banks operating in developing countries might still not have fully adopted the internet as an important medium of communicating with their stakeholders.

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