

FROM CORPORATE SOCIAL RESPONSIBILITY (CSR) TO SUSTAINABILITY - TREND OF SOCIAL REPORTING IN BANKING ORGANIZATION

Shirley Mo-Ching Yeung

Abstract

Riding on the key findings of Yeung (2011) for the four main factors for a framework of CSR for banks: (1) internal management –implementing meaningful strategy, (2) external management – accountability for creditability, (3) internal management - process and people management; and (4) external management – consideration of stakeholders, this paper has reviewed the sustainability-related activities of a major bank in Hong Kong for the past eight years to build a framework for sustainability via qualitative and quantitative analysis of N’ vivo in this research. Five main dimensions are identified for fulfilling the principles of sustainability and the seven dimensions of CSR: 1) community – caring and disclosure, 2) consumers – products and services, 3) environmental issues – certification and schemes, 4) staff issues – talent development and 5) supply chain – performance. There is a growing emphasis on community issues of caring which embed talent development of staff issues (e.g. impacts on skill strengthening) and supply chain issues of performance which embed the environmental concerns and services issues (e.g. impacts on safety and risk-reducing policy). By understanding the reporting elements of sustainability-related reports, it is expected that transparency of community, staff and supply chain issues is needed to gain trust from the public for sustainability. This research is managerially and strategically relevant and topical. However, more sustainability-related reports from banks of other countries are required to generate a holistic picture for managing and reporting sustainability and CSR related activities.

Keywords: Sustainability; CSR; Banking Organizations

1. Introduction

The phrases of sustainability and corporate social responsibility (CSR) have been used interchangeably in the past few years. Organizations of different nature are seeking to report not only their financial performance but also social performance for brand building and for trust gaining. Demand for social reporting with accountability and transparency has been on the rise. Research in the past decade has uncovered that management of organizations needs to care the expectations of stakeholders in a community for increasing their market competitiveness in the 21st century. In 2009, Wirtenberg uncovered seven qualities for building a sustainable enterprise, they were: top management support, centrality to business strategy, values, metrics, stakeholder engagement, systems alignment and organizational integration. From the findings of Wirtenberg, it was found that system alignment and organizational integration were the weakest dimensions of most enterprises. Hence, it is worthwhile to explore how to integrate the various aspects of sustainability to communicate to the public that the organization is a responsible one.

Elements affecting the system alignment and organizational integration include structures, processes, culture and issues of environment, health, safety in the supply chain are the concerns of the public. In fact, a responsible and sustainable organization needs to have a system to integrate all concerned issues of products or services that it is going to launch for the public in order to reduce unnecessary risks.

Wirtenberg (2009) mentioned that wisdom came from knowledge of converting data into information. He also mentioned that metrics for measuring performance is important for a sustainable organization. In order to manage people’s behavior successfully internally and externally, management needs to have a system and a metric of measuring performance. Shani and Docherty (2003) highlighted that designing a

sustainable learning organization needed to have a well-rounded planning, making learning more conscious with a better focused effort and measurement for accountability. Under globalization, it is time to learn how to build a framework for a sustainable organization – a plan with a sustainable strategy, with meaningful contextual measurements and issues related to its stakeholders, products and services. As Shani and Docherty (2003) mentioned that people’s knowledge and skills and the way they organized were probably an organizations’ most viable means of competition. That is to say learning how to plan, how to integrate, how to align, how to act responsible to the stakeholders are the key lessons of sustainability. In this paper, the author is interested in identifying the elements of the sustainability framework of banking organizations in Hong Kong.

2.0. Sustainability and Corporate Social Responsibility

According to the definition of Brundtland Commission (1992) of the United Nations, “sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” The basic element of sustainability is the economic aspect to support the business in short term. For business survival and expansion, issues relating to the customers, suppliers, organizations, and the community must be considered in strategic planning, strategy implementation, performance measurement and process review. Environmental considerations in the core and supporting processes may also definitely contribute to sustainable business.

Besides, the Corporate Social Responsibility (CSR) guidelines of ISO 26000 highlight that a socially responsible organization needs to be aware of seven dimensions in their operations of business: labor practices, consumer issues, fair operating practices, human rights, organizational governance, community involvement and development and the environment. The priority of the seven dimensions is subject to the strategic planning of the management and the expectations of their stakeholders. For example, the management of a banking organization may need to understand the expectations of their customers when designing and launching different kinds of financial products and services, may need to identify not only their responsibility but also that of their business partners in the supply chain, may need to think about the environmental issues affecting their operations, their customers and their suppliers, and may need to consider ethical issues in their decision-making process so as to balance the economic, social and environmental impacts of sustainability; and the seven dimensions of CSR. The ISO Working Group on Social Responsibility (WG SR) has a high level of consensus in considering the needs of stakeholders in the guidelines of ISO 26000 for the benefit of the community.

According to Cajazeira (2008), the major principles for ISO 26000 are: accountability, transparency, ethical behavior, consideration for the stakeholders, legality, international standards, and human rights. It is the responsibility of organizations to consider the needs of the stakeholders in these seven aspects when designing work processes or executing business-related activities. In fact, ISO standard 26000 conveys a message that non-economic inputs and soft side of outcomes are the trend of quality management system (QMS).

2.1. Trend of Integrating CSR into Quality Management

Building quality into products and services for continuous improvement has been mentioned for scholars in total quality management in the past. Today, people started to explore integrating CSR and sustainability related elements into organizational strategy for sustainable business.

Deep (2007) mentioned that there was a growing number proponents of the ‘stakeholder’ or ‘social responsibility’ model of corporate governance holding that business was accountable to a broader populace who have a direct or indirect stake in the enterprise’s activities. Although there is a lack of comprehensive evidence that CSR and sustainability lead to improving financial performance, awareness to environmental and social concerns from different stakeholders is needed for the progress of organizations.

Idowu and Towler (2004 quoted in Yeung 2011) brought up the importance of “care” of organizations to the people and environment that they operate in. They mentioned that corporate social responsibility (CSR) reports were required in addition to traditional financial reports. They claimed organizations should make positive contribution to the society. This is the way to demonstrate that they do care people and environment in their operating environment. Hence, different kinds of social reporting systems

emerge under this idea. Examples are Global Reporting Initiative (GRI), Environment Social Governance (ESG) and AA1000 (AccountAbility Principles Standard).

In the past ten years, a series of CSR-related awards occur in Hong Kong. “Caring Company” and “Total Caring Award” of Hong Kong Council of Social Service (HKCSS) are successful ones. The scheme started in 2002 and in 2008, it added one more criteria - “Caring to Environmental” on top of “Caring to Community” and “Caring to Employees” to reflect the expectation of the society. More than that, there is another one started gaining public concern – HKQAA CSR Index held by Hong Kong Quality Assurance Agency (HKQAA). This is the first structured and quantified CSR Index that is backed up by ISO 26000 Guidelines of CSR to measure organizations’ maturity level of social responsibility practices in Hong Kong. From understanding the seven dimensions of ISO 26000, the following characteristics of quality management have been observed in a variety of industries across the West and the East:

- Consideration of all stakeholders, especially employees, consumers and community in business practices;
- Recognition of organizations’ visions and practices;
- Establishment of quality culture and transparency; and
- Acceptance of benchmarking for continual improvement.

Though quality management standards are commonly used in manufacturing and servicing industries, they are not being practicing strongly in the banking industry. This paper is going to focus mainly on exploring the reporting elements in sustainability reports of a bank to identify the key elements and the trend of sustainability in relation to the understanding of Corporate Social Responsibility (CSR).

3.0. Role of Banks in Corporate Social Responsibility (CSR)

Traditionally, the scope of banking services includes taking deposits, granting loans and providing complementary services. Under globalization and automation, most banking organizations are trying to innovate with proactive services, for example, on-line banking services, offering retirement planning services, investment risk analysis, and Islamic financial products. No matter what kinds of countries, what kinds of culture, and what kinds of banking products and services, management of banking organizations need to realize the growing importance of sustainability and social responsibility; and the ways to react to the changing business environment.

Yeung (2011) mentioned that global regulations imposed for banks were holding reserve against loans and achieving AAA grade ratings. In the past years, some banks tried to bundle up loans to private customers and companies, and selling these to one another on the inter-bank market. According to McIlroy (2008), these securitised loans were often referred as asset-backed securities (ABSs) and are then sold on as more complex financial instruments as collateralised debt obligations (CDOs). As the loans were removed from the banks’ balance sheet, the banks were able to make further advances. The issue has been raised since then is on the security of loans, transparency of risk to investors, and regulations involved in further advances. As a socially responsible bank, lawful banking practice and prudential transactions are needed to foster confidence from the public. This is well supported by Achua (2008) as he mentioned that banks needed to be socially responsible to be able to build their reputational capital – attracting high quality employees, enabling them to charge higher fees, negotiating better deals, expanding customer base, attracting more investors and winning public trust. He furthered brought forwarded the following ways to implement CSR in the banking sector:

- Identify various interest groups - stakeholders;
- Analyze various expectations of the stakeholders;
- Design appropriate products and strategies of meeting the identified stakeholders’ expectations;
- Integrate identified strategies into the overall objectives of the bank; and
- Continuous review of the social system, in line with the changing social demands.

In order to fulfill the key dimension of CSR - fairness in operations and the economic, social and environmental impacts of sustainability, Murphy (1999) highlighted that product / service management needed to have ethical evaluation, for example, assessing the ethical behavior of marketers, establishing proper channels to implement a particular marketing program with formal ethical analysis of products/ services, and managing unethical practices with staff commitment.

As corporate governance is one of the seven dimensions of ISO 26000 – CSR guidelines, the importance of internal audit has to be emphasized in the banking industry. Coetzee and Fourie (2010 quoted in Yeung 2011) mentioned that internal audit has been perceived positively. They indicated that internal audit shall focus on strategic, operational and business risks in addition to financial and compliance risks as 80% of loss in external shareholders' value in Fortune 500 companies could be linked to the first set of risks. Senior management and those of the chairpersons of the audit committees expect to have an increase of involvement in risk-related issues.

All in all, CSR and sustainability are needed to be integrated into the strategic plan in the banking industry – from understanding the elements in CSR and sustainability, analyzing the risks in products and services offered, to establishing an ethical organizational culture with auditing practices for transparency. So, what is the main focus when reporting CSR and sustainability related activities for the public from eyes of the banking practitioners? Hence, this paper targets to answer the following questions:

- 1) What are the key elements reported in the sustainability reports for the case bank from 2005 to 2012?
- 2) What are the trends of reported elements in the sustainability reports for the case bank from 2005 to 2012?
- 3) Compared with the CSR framework of Yeung (2011), what are the insights gained in relation to sustainability from the case bank?

4.0. Analysis Method

Sharda et al. (2013) mentioned that analyzing data could be used to understand customers/ clients and business operations to sustain growth and profitability for enterprises. In fact, data can be found in various forms and fashions. Using timely data can help interpret current phenomenon for decision making. They further pointed out the following ways for data mining for the benefits in business sustainability (Sharda et al. 2013, p. 155-156):

- 1) Association – finding commonly co-occurring grouping of things for market analysis;
- 2) Predictions – identifying the future occurrence of certain events based on what has happened in the past;
- 3) Cluster Information – seeking the nature of groups of things based on their known characteristics; and
- 4) Sequential Relationship - discovering time-ordered events.

Data can be verbal and non-verbal messages. It represents the ideas of people. If data can be co-ordinate, integrate, control in a meaningful way, the behavior of people or an organization can be understood, predicted and controlled. With the use of content analysis and related qualitative software, for example, N'vivo, data can be analyzed and interpreted meaningfully and comprehensively. Content analysis can be regarded as a tool for understanding people's thinking and beliefs, to uncover the methods of persuading people to accept ideas, to differentiate practices among certain groups of people and to see the trend of certain practices. Textual messages are the data that content analysis works with and from which concepts for further analysis are derived.

Content analysis is a systematic and objective analysis of selected text characteristics. It involves counting the number of words and the frequency of different types of words; finding out the characteristics of themes, building relationships among items, paragraphs, and finally establishing meaningful concepts. It is not simply a quantitative research method but also a qualitative one since the purpose of the writing is also understood through doing the analysis. The advantages of content analysis are:

- No people are involved;
- No experiments are required; and
- Texts from the recent past can reflect social phenomena.

However, content analysis also has limitations. There may be issues relating to the availability of texts and the interpretations may be subjective. In order to guard against undue subjectivity, researchers should follow the advice of Babbie (2001):

- Trace the person or authority composing the documents;
- Think about the reasons behind the existence of the documents;
- Find out the ways of acquiring the information contained in the documents;
- Investigate the magnitude of biases in the documents;
- Identify the main concepts used by the writer; and
- Internalize the concepts that the documents have demonstrated.

In the present research, the key elements found in the sustainability reports of the case bank will be identified. When undertaking content analysis, the author has been aware of the sampling pattern and the levels of units, that is, the key dimensions and elements in reporting sustainability-related activities in the sustainability reports (2005 to 2012) of a Hong Kong-based banking organization. The reports were taken from the website of the case bank for systematic overall analysis, for comparison to identify the trend, and for finding out the relationship of the key elements in the framework of sustainability.

When undertaking content analysis for the present research, there were three research objectives:

- 1) Identifying the key elements reported in the sustainability reports for the case bank from 2005 to 2012;
- 2) Realising the trends of reported elements in the sustainability reports for the case bank from 2005 to 2012; and
- 2) Seeking insights through comparing the previous findings of Yeung (2011) in relation to sustainability.

4.1. Step I – Research Objectives:

- 1) Identifying the key elements reported in the sustainability reports for the case bank from 2005 to 2012; and
- 2) Realising the trends of reported elements in the sustainability reports for the case bank from 2005 to 2012

Based on the framework of CSR identified from the quantitative analysis of Yeung (2011), the elements of the four main factors of the CSR framework for banks (Yeung, 2011) were (Table 1):

- Internal management – implementing meaningful strategy and process and people management; and
- External management – accountability for creditability and consideration of stakeholders.

Table 1. Means of Four Factors (Yeung, 2011)

Scale	N	Mean	SD
Factor 1 (Internal management –implementing meaningful strategy)	65	5.97	.93
Factor 2 (External management – accountability for creditability)	65	5.41	1.09
Factor 3 (Internal management - process and people management)	65	5.49	.95
Factor 4 (External management – consideration of stakeholders)	65	5.33	1.04

Based on the factors of the above, the following key words have been identified from the operating of activities in the corporate sustainability reports (2005-2012) of the case bank. And, Text search using N^ovivo has been carried out on the corporate sustainability reports of a case bank in Kong Kong (2005-2012) for the frequency of references and the relationship of the references for building a holistic framework of sustainability. (Table 2)

Dimension of Community Issues

- Caring
- Disclosure

Dimension of Consumer Issues

- Products

- Services
- Dimension of Environmental Issues
- Certification
- Scheme
- Dimension of Staff Issues
- Talent development
- Dimension of Supply Chain Issues
- Performance

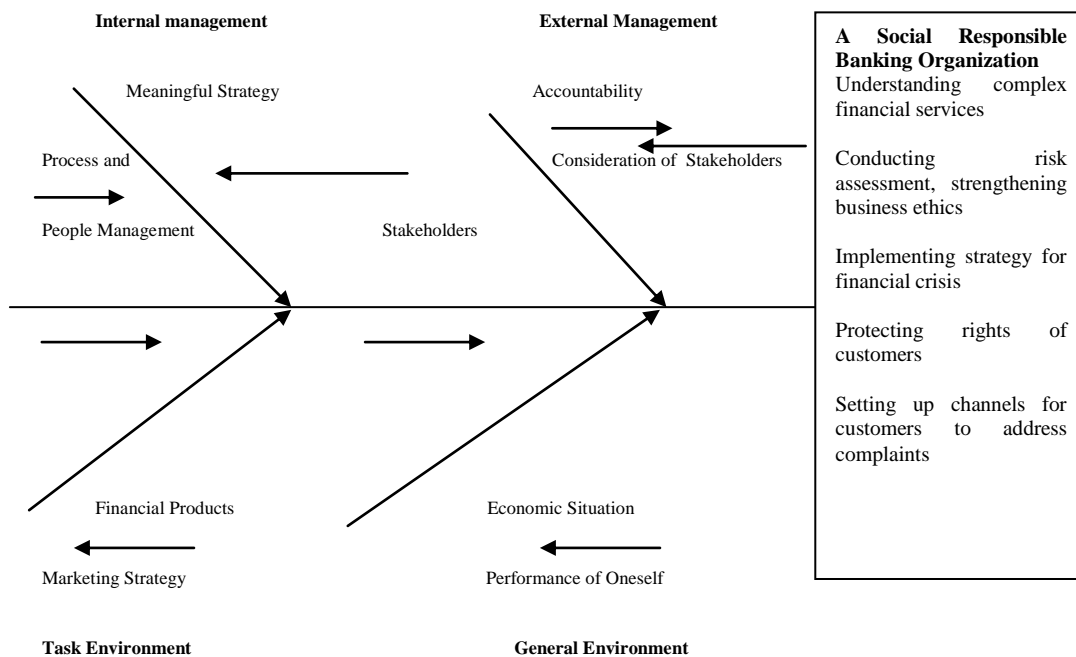
4.2. Step II – Research Objective

Seeking insights through comparing the previous findings of Yeung (2011) in relation to sustainability

After conducting the text search of the key words in the five dimensions – “Community Issues”, “Consumer Issues”, “Environmental Issues”, “Staff issues” and “Supply Chain Issues”, the author has read through all the details with the references located in the corporate sustainability reports (2005-2012) to identify the relationship of the key elements from research objectives 1) and 2).

Based on the previous Ishikawa Diagram / “Fish-Bone Diagram” (Figure 1) which is a quality tool in six-sigma for finding out all the possible causes affecting results with breaking them into smaller areas for analysis and for improvement, the four areas of a socially responsible banking organization – internal management and task environment, external management and general environment task environment will be re-visited to build a framework of sustainability for the banking organization (Figure 2) to differentiate the framework of CSR and to find out answers for research objective 3). Consequently, a model of identifying the relationship of the key elements for sustainability was then built (Figure 3)

Figure 1. Ishikawa Diagram for a Social Responsible Banking Organization (Yeung, 2011)



5.0. Findings of Step I

Research Objectives:

- 1) Identifying the key elements reported in the sustainability reports for the case bank from 2005 to 2012

- 2) Realising the trends of reported elements in the sustainability reports for the case bank from 2005 to 2012

From the following Table 2 of text search on individual key word, it has been realized that “Consumer Issues of Services” (references of 694), “Supply Chain Performance” (682 references) and Community Issues of Caring (660 references) have a high percentage in activities reported. And, there is big increase in activities reported of consumer issues of services, supply chain performance and community issues of caring from 2005 to 2012.

Table 2. Trend Analysis for Reported Sustainability-related Activities (2005- 2012)

Name	Dimensions of Sustainability-related Activities	Sources of Documents / Total References	Trend Analysis							
Operations of Activities	2005 to 2012 Sustainability Report of 8 yrs	8	2005 (20 pages)	2006 (27 pages)	2007 (18 pages)	2008 (17 pages)	2009 (21 pages)	2010 (31 pages)	2011 (24 pages)	2012 (32 pages)
	Community Issues - Caring / - Disclosure	660 (total) / 12 (total)	54/ 1	62/ 1	48/ 1	80/ 2	83/ 1	86/ 3	112/ 2	135/ 1
	Consumer Issues - Products / - Services	167 (total) / 694 (total)	19/ 57	14/ 70	11/ 57	14/ 83	20/ 90	19/ 97	35/ 117	35/ 123
	Environmental Issues - Certification / - Scheme	80 (total) / 305 (total)	10/ 34	8/ 32	9/ 32	9/ 37	6/ 36	10/ 41	10/ 37	18/ 56
	Staff Issues - Talent Development	7 (total)	0	1	2	2	1	1	0	0
	Supply Chain Issues - Performance	682 (total)	46	54	50	63	101	82	132	154
		2,607 (total)	221	242	210	290	338	339	445	522

Based on text search of individual key word in Table 2, five dimensions of related ideas have been identified for further screening on the location of the texts in the paragraphs. Compared to the reporting activities of the sustainability reports of 2005/ 2006 with those of 2011/12 (Table 2), it has been found that supply chain issues have a growing number of activities reported (a 70% increase), from 46 to 154 (references). For community, consumer and environmental issues, there are also a big increase in the coverage, from 54 to 135 (references), from 57 to 123 (references), and from 34 to 56 (references) respectively.

Table 3. - Comparison for the Contents of Sustainability Reports of 2005/ 2006 to 2011/2012

Name	Dimensions of Sustainability-related Activities	Dimensions of Sustainability-related Activities
Operations of Activities	2005 and 2006 - Sustainability Report	2011 and 2012 - Sustainability Report
Community Issues - Caring and Disclosure	e.g. Report of 2005 Reference 1 - 0.02% Coverage 2005, we were named a Caring Company by the Hong Kong Reference 2 - 0.01% Coverage further information or you would like to make suggestions Reference 13 - 0.02% Coverage to truthful and fair business dealings and to ensuring that all Reference 21 - 0.02% Coverage an increasingly important complement to managing financial and investment risk. Reference 22 - 0.02% Coverage financing weapons manufacture and sales, dealing with countries that are subject	e.g. Report of 2011 Reference 94 - 0.01% Coverage develop their skills. We provide practical internship opportunities through the Summer Reference 95 - 0.01% Coverage the programme, students can acquire practical banking knowledge and customer service Reference 96 - 0.01% Coverage strengthen their communication skills to perform community services for elderly and Reference 97 - 0.01% Coverage <u>community initiatives</u> by providing one working day annually for community initiatives

Trend of Focus	Focus on <u>business-related exposure</u> , for example, risk prevention	Focus on a variety of <u>community involvement programmes</u>
Consumer Issues and Services - Products	e.g. Report of 2005 Reference 8 - 0.02% Coverage our policy only to sell products and services according to customers' Reference 9 - 0.02% Coverage sustainability impacts of providing our products and services is becoming Reference 10 - 0.02% Coverage manufacture Forest Land and Forestry Products Sector Guideline Reference 11 - 0.02% Coverage that are charities or non-profit-making organisations. Purchase/service tenders Reference 12 - 0.02% Coverage offer environmentally friendlier and recycled products whenever possible.	e.g. Report of 2012 Reference 1 - 0.01% Coverage Community 8.1 Accessible banking services 8.2 Promoting sports, art Reference 3 - 0.01% Coverage our employees, offer accessible banking services for our customers, support community Reference 6 - 0.01% Coverage to provide cross-border banking services to customers in Hong Kong Reference 13 - 0.01% Coverage the "One Day Approval Mortgage Services" to allow homebuyers to obtain Reference 14 - 0.01% Coverage We also provide Total Solution services to corporate and institutional customers Reference 15 - 0.01% Coverage are offered. In addition, <u>supporting services</u> such as mentorship and entrepreneurial
Trend of Focus	Focus on <u>customer-oriented products/ services</u> with little awareness on environment and sustainability-related products and services	Focus on offering <u>a broader range of supporting services</u> , for example, accessibility
Environmental Issues - Certification and Scheme	e.g. Report of 2005 Reference 3 - 0.02% Coverage responsibilities in ensuring an effective system of internal control and compliance Reference 4 - 0.02% Coverage We have stringent internal structures designed to prevent the misuse Reference 5 - 0.02% Coverage Our risk management policy is designed to identify and analyse risks Reference 6 - 0.02% Coverage to the chemical industry and outlines how we will work with Reference 7 - 0.02% Coverage and Forestry Products Sector Guideline - Outlines how we will work Reference 26 - 0.01% Coverage and staff, we provide ergonomically designed furniture and related equipment.	e.g. Report of 2011 Reference 103 - 0.01% Coverage environmental considerations into our business operations, services and products. Reference 113 - 0.02% Coverage achieving continual improvement of energy performance, including energy efficiency, energy use e.g. 2012 Report Reference 17 - 0.01% Coverage loan amount borrowed under the Scheme to a Green Fund administrated Reference 18 - 0.01% Coverage Land and Forestry Products Sector Outlines how we will work with Reference 19 - 0.01% Coverage to the chemical industry and outlines how we will work with Reference 24 - 0.01% Coverage air quality (IAQ) and ventilation systems is an important element Reference 25 - 0.01% Coverage <u>monitoring and continuously improving the system performance.</u>
Trend of Focus	<u>Limited coverage on environmental aspects</u>	<u>Wider coverage on environmental aspects</u> , including air quality, energy performance and integrate environmental issues into business

Staff Issues Development - Talent	e.g. Report of 2006 Reference 1 - 0.04% Coverage Comprised of senior executives, our Talent Management Committee identifies strong performers who	e.g. Report of 2012 Reference 1 - 0.03% Coverage succession planning. To strengthen our talent development, a Talent Management Division was Reference 2 - 0.03% Coverage have in place a <u>systematic talent development mechanism</u>
Trend of Focus	<u>Limited coverage</u>	Coverage on <u>succession planning and talent development</u>
Supply Chain Issues - Performance	e.g. Report of 2005 Reference 20 - 0.02% Coverage Conduct To ensure the Bank operates according to the highest standards Reference 21 - 0.03% Coverage Customer', 'Fair Dealing', 'Adherence to Operational Procedures' and 'Data Privacy'. Reference 22 - 0.03% Coverage market risk, liquidity risk and operational risk. Our risk management policy Reference 23 - 0.03% Coverage and regularly reviewed by the Executive and Audit committees. Reference 24 - 0.02% Coverage time to work out and execute a longer term recovery strategy Reference 25 - 0.03% Coverage if necessary, take improvement measures. Operation and maintenance of our mechanical Reference 26 - 0.03% Coverage to ensure that they are operating efficiently and safely.	e.g. Report of 2011 Reference 101 - 0.01% Coverage better environmental, social and governance practices amongst our customers and suppliers Reference 109 - 0.01% Coverage our credit risk policy and procedures. In our credit assessment, we e.g. Report of 2012 Reference 115 - 0.01% Coverage we appointed a food waste processing company to process the food Reference 117 - 0.01% Coverage food and oil generated were processed, recycled and turned into animal Reference 118 - 0.01% Coverage our branches, we are <u>increasingly processing our banking services</u> through electronic
Trend of Focus	Focus on <u>different areas in supply chain</u> , including committee structure, policy, procedures, risks, improvement	More coverage on environmental issues in the <u>supply chain</u> besides regular issues

Research Objectives:

- 1) Identifying the key elements reported in the sustainability reports for the case bank from 2005 to 2012
- 2) Realising the trends of reported elements in the sustainability reports for the case bank from 2005 to 2012

The key elements of the corporate sustainability reports (2005-2012) of the case bank were: consumer issues of services (694 references), supply chain performance (682 references), and community – caring (660 references). In the past 8 years, there was a growing importance in three dimensions - supply chain performance (from 46 references to 154 references), community – caring (from 54 references to 135 references) and consumer issues of services (from 57 references to 123 references). When comparing the reporting elements of the beginning 2 years (2005/06) with those of the last 2 years (2011/12), a similar trend can be found in the dimension of supply chain issues of performance (with a total of 682 references and 70% increase) and the dimension of community issues of caring (with a total of 660 references and 60% increase). More effort is needed in reporting activities in relation to the dimension staff issues of talent development.

Figure 2. Ishikawa Diagram for a Sustainable Banking Organization

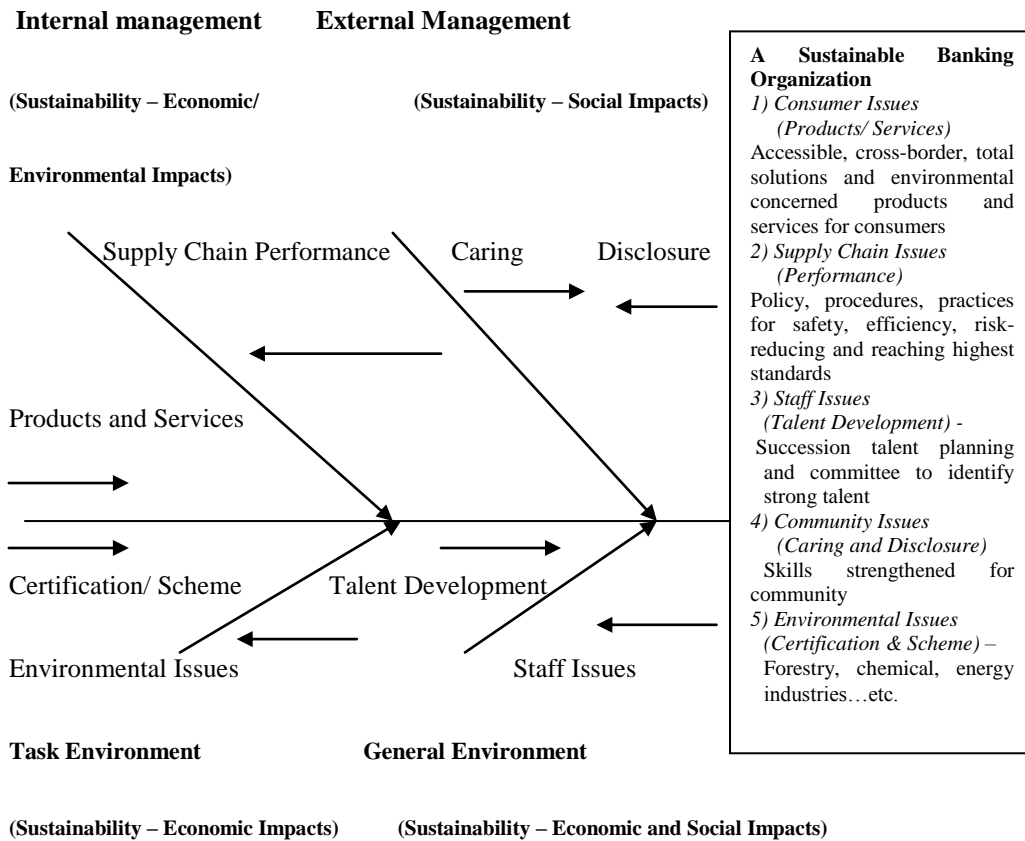


Figure 3. Linking Sustainability with Operations of Banking Activities

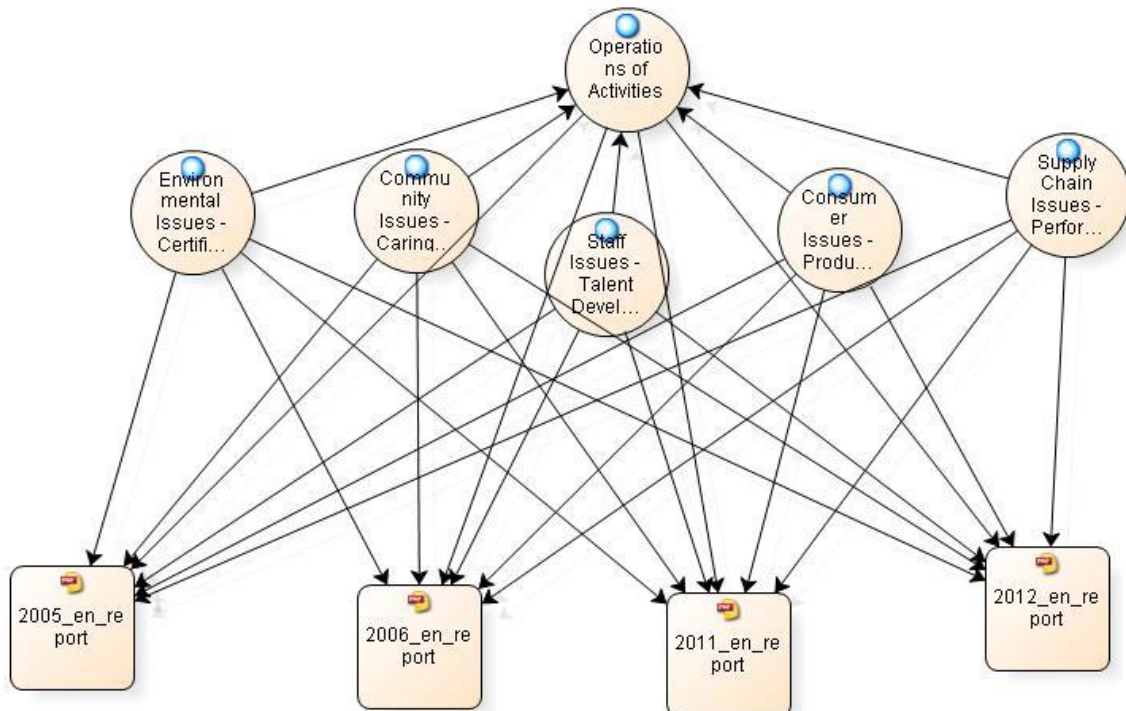
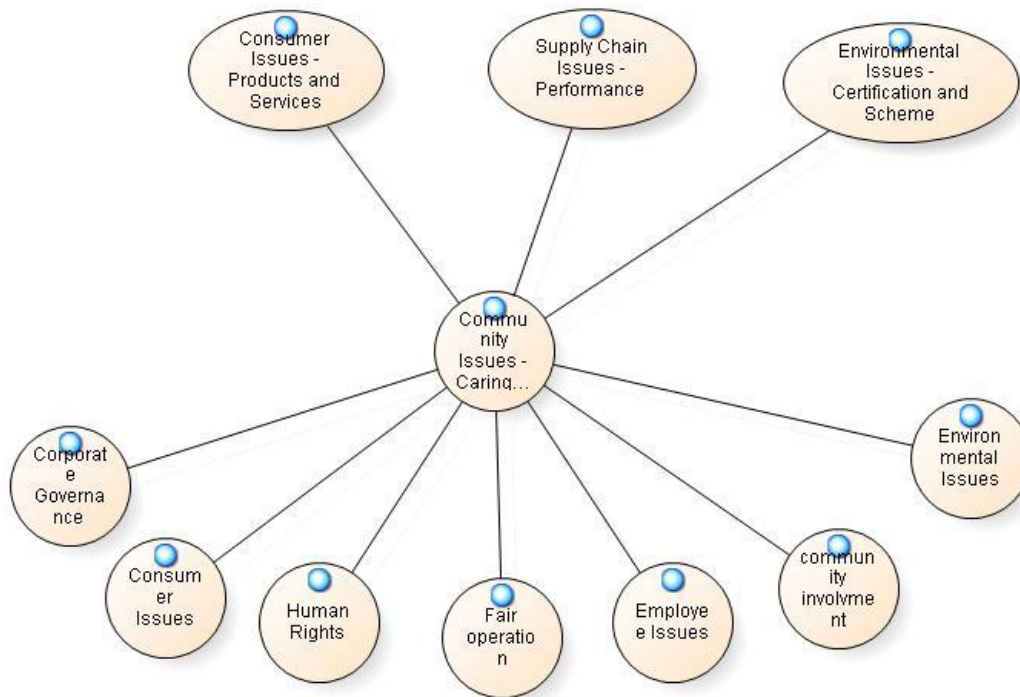


Figure 4. Framework of Sustainability with CSR for Banking Organizations



Research Objectives:

- 3) Seeking insights through comparing the previous findings of Yeung (2011) in relation to sustainability.

When comparing Fig 1 and Fig. 2 of the diagrams of social responsible and sustainable banking organization, it has been found that more details can be obtained from this qualitative analysis in regards to the dimensions of strategy (internal management) and accountability (external management). Through studying the eight years of sustainability reports of the case bank, the insights gained about sustainability are:

- Strategies and disclosures have to be related to consumer issues, making products and services more environmental concerned with certification and schemes ; and accessible with total solutions;
- Strategies and disclosures have to be supported by policies, procedures with practices focused on safety, efficiency, risk-reducing reaching the highest standard;
- Strategies and disclosures have to be covered with talent development with succession plan and strong talent identification; and
- Strategies and disclosures have to be involved with the community for demonstrating that they have been cared for.

6.0. Conclusion

Based on the above quantitative analysis on key words search and qualitative analysis on contents in the sustainability reports (2005-2012) of a major bank in Hong Kong, a sustainable banking organization is recommended to follow Figure 2 to Figure 4 to have customer retained, talent developed, suppliers managed, and business sustained, that is:

- 1) Establishing a mindset of sustainability and corporate social responsibility;
- 2) Identifying strong talents for delivering accessible and cross-border products and services to

- customers with an ethical mindset for decision making and a mindset of caring the community;
- 3) Disclosing sustainability and CSR related activities to the public for accountability and transparency;
 - 4) Managing the suppliers and environment with policies and good practices to reduce risks, to enhance safety and to sustain business.

All in all, management of a sustainable banking organization shall integrate the concepts of sustainability and CSR into short term and long term operational strategy for financial and non-financial results. On top of reporting the financial performance, management shall also commit to report organizational social performance for community caring. It is recommended for banking related organizations to fully implement the ideas of Wirtenberg (2009) in making their organizations sustainable via top management support, centrality to business strategy with values, stakeholder engagement, systems alignment and organizational integration.

References

1. Achua, J. K. 2008, 'Corporate social responsibility in Nigerian banking system', *Society and Business Review*, Vol. 3, No.1, pp. 57-71.
2. Babbie, E. 2001, *The Practice of Social Research*, Wadsworth, US.
3. Brewerton, P. & Millward, L. 2001, *Organizational Research Methods*, SAGE Publications Ltd., London.
4. Cajazeira, J.E.R. 2008, Executive Briefing of ISO 26000 Guidance on Social Responsibility and HKQAA-HSBC CSR Index, Hong Kong Quality Assurance Agency (HKQAA) Symposium, Hong Kong.
5. Coetzee, P. & Fourie, H.2009, 'Perceptions on the role of the internal audit function in respect of risk', *African Journal of Business Management*, Vol. 3 (13)pp.959-968, December.
6. Colley, et al.2005, *What is Corporate Governance?* McGraw Hill, New York.
7. Deep, D.2007, *CSR in Practice*, Palgrave Macmillan, New York.
8. Drucker, P. F. 2006, *Classic Drucker*, Harvard Business School Publishing Corporation, US.
9. Drucker, F. P. 1999, *Management Challenges for the 21st Century*, HarperCollins Publishers, Inc., New York.
10. Galbraith, J.K.1996, *The Good Society*, Houghton Mifflin Company, New York.
11. Ho, Sam K.M. 1998, *ISO 9000 & Total Quality Management*. HKBU Business School & Authors, Hong Kong.
12. Ho, S.K. 1997, 'Are ISO 9000 and TQM Routes for Business Excellence?' Proceedings of the Second International Conference on ISO 9000 and Total Quality Management, University of Luton.
13. McDonaldd, L. M. & Rundle-Thiele, S. 2008, 'Corporate social responsibility and bank customer satisfaction', *International Journal of Bank Marketing*. Vol. 26, No.3, pp. 170-182.
14. McEwen, W.J. 2008, 'When the Going Gets Tough', *The Gallup Management Journal*, New York. Retrieved from <http://gmj.gallup.com> released on 7/10/2008.
15. Mcllroy, D. H. 2008, 'Regulating risks: A measured response to the banking crisis', *Journal of Banking Regulation*. Vol. 9, 4 pp284-292.
16. Morrison, R. 2008, 'The financial crisis shows us the way', *New Hampshire Business Review*. Vol. 7-20.
17. Palazzo, G. and Richter, U. 2005, 'CSR Business as Usual? The Case of the Tobacco Industry', *Journal of Business Ethics*, 61: 387-401.
18. Richardson, B., Montanheiro, L. & O'cinneide, B. 1995, *How to Research, Write, Teach and Publish Management Case Studies*, Pavic Publications, Sheffield Hallam University, UK.
19. Shani A.B. R. & Docherty, P. 2003, *Learning by Design – Building Sustainable Organziations*, Blackwell Publishing, US.
20. Sharda, R., Delen, D. & Turban, E. 2013, *Business Intelligence, A Managerial Perspective on Analytics*, Pearson. New Jersey.
21. Wirtenberg, J. 2009, *The Sustainable Enterprise Fieldbook*, AMACOM Books, New York.
22. Wheeler, D. & Sillanpaa, M. 1997, *The Stakeholder Corporation*. Pitman Publishing, London.
23. Yeung, S.M. C. 2006, 'School culture and ISO 9001: 2000 requirement – a house of quality School', *Asia International Open University*, Macau., Journal Vol. 4, No. 1, June.
24. Yeung, S.M. C. 2011, 'The Role of Banks in Corporate Social Responsibility', *Journal of Applied Economics and Business Research*, Vol. 1, Issue 2, pp.103-115. Retrieved from: <http://www.aebrjournal.org/current-issue.html>.

26. http://www.unece.org/oes/nutshell/2004-2005/focus_sustainable_development.html.
27. <http://www.iso.org/iso/pressrelease.htm?refid=Ref1158>. Jorge E.R. Cajazeira, Chair of ISO Working Group, 2008.
28. <http://www.business-ethics.com/FourIdeasReform.htm>. Kelly, Marjorie, 2004.
29. <http://bank.hangseng.com/1/2/about-us/corporate-responsibility>.
30. <http://www.un.org/en/globalissues/environment/>.