

UNIVERSITY OF MEDIA ARTS AND COMMUNICATION (UniMAC-IJ)



**ASSESSMENT OF CSR PRACTICE IN GHANA: THE CASE OF EXTERNAL
RESPONSIBILITIES VS INTERNAL RESPONSIBILITIES.**

BY


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REQUIREMENTS FOR THE AWARD OF A MASTER OF ARTS IN PUBLIC
RELATIONS WITH MARKETING.**


DECLARATION

I hereby declare that this research is a result of my own original research and that no part of it has been presented for another degree in this university or any other higher education institute. I further declare that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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Supervision Certification

This Dissertation has been prepared and presented under my supervision according to the guidelines for supervision and formatting of dissertations laid down by the University of Media, Arts and Communication (UniMAC).

Certified by: DR ISAAC TONDH 
(Supervisor) Signature Date 4/12/2025

DEDICATION

This research is dedicated to those who believe in the power of change and the continuous improvement of systems for the greater good.

To my family, for your unconditional love, unwavering support, and endless encouragement. Your sacrifices and belief in my dreams have shaped the person I am today. This accomplishment is as much yours as it is mine.

To my mentors and educators, especially Dr. Isaac Tandoh who guided, challenged, and inspired me throughout my academic journey. Your wisdom and dedication to nurturing minds have not only imparted knowledge but also instilled a lifelong love for learning.

And finally, to future researchers and students in this field, may this study serve as a stepping stone for further exploration and contribute to meaningful reforms in public service delivery. Your pursuit of knowledge and improvement can have a significant impact on society.

This work is a tribute to all of you.

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To my friends and family, thank you for your unwavering support, patience, and understanding throughout this process. Your encouragement and belief in my abilities have been a constant source of strength and motivation.

ABSTRACT

This study critically assessed the practice of Corporate Social Responsibility (CSR) in Ghana, specifically examining the balance between External Responsibilities (community development and philanthropy) and Internal Responsibilities (employee welfare and professional development). The primary objective was to determine the relative influence of Internal CSR (ICSR) versus External CSR (ECSR) on overall corporate outcomes, including company reputation and performance, in the Ghanaian business environment. The study employed a quantitative research design, surveying various stakeholders to gather comprehensive data on the implementation and perception of CSR activities. Findings revealed that while both ICSR and ECSR positively contribute to corporate outcomes, Internal CSR emerged as the significantly stronger predictor (for ICSR vs. for ECSR). Furthermore, companies generally meet mandated internal obligations but demonstrate weaknesses in relational ICSR areas such as work-life balance and employee participation. The research concludes that Ghanaian businesses need to rebalance their CSR focus, prioritizing authentic engagement with internal stakeholders to achieve more sustainable and impactful organizational success.

TABLE OF CONTENTS

DECLARATION	i
DEDICATION	ii
ACKNOWLEDGEMENTS	iii
ABSTRACT	iv
TABLE OF CONTENTS	v
CHAPTER ONE: INTRODUCTION	
1.0 Background to the Study	1
1.1 Problem Statement	3
1.2 Research Questions	4
1.3 Research Objectives	4
1.4 Research Hypotheses	5
1.5 Significance of the Study	5
1.6 Scope of the Study	6
1.7 Organisation of the Study	6
CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK	
2.0 Introduction	8
2.1 Corporate Social Responsibility (CSR)	8
2.1.1 Defining CSR	9

2.1.2 The Evolution of CSR	10
2.2 Dimensions of CSR	12
2.2.1 Internal Corporate Social Responsibility (ICSR)	13
2.2.2 External Corporate Social Responsibility (ECSR)	14
2.3 CSR Practice in Ghana	16
2.4 Theoretical Framework	18
2.4.1 Stakeholder Theory	18
2.4.2 Social Exchange Theory	20
2.5 Conceptual Framework	22
2.6 Review of Empirical Studies	23
2.7 Chapter Summary	25
 CHAPTER THREE: RESEARCH METHODOLOGY	
3.0 Introduction	27
3.1 Research Design	27
3.2 Study Area	28
3.3 Target Population	29
3.4 Sample Size and Sampling Technique	30
3.5 Research Instrument	31
3.6 Data Collection Procedure	32
3.7 Data Analysis Plan	33

3.8 Validity and Reliability	34
3.9 Ethical Considerations	35
3.10 Chapter Summary	36
 CHAPTER FOUR: RESULTS AND DISCUSSION	
4.0 Introduction	38
4.1 Demographic Characteristics of Respondents	38
4.2 Assessment of ICSR and ECSR Practices	40
4.3 Stakeholder Perceptions of CSR	44
4.4 Impact of ICSR and ECSR on Corporate Outcomes	47
4.5 Hypothesis Testing and Discussion of Findings	50
4.6 Constraints in CSR Implementation	52
4.7 Chapter Summary	52
 CHAPTER FIVE: SUMMARY, CONCLUSION, AND RECOMMENDATIONS	
5.0 Introduction	53
5.1 Summary of Findings	54
5.2 Conclusions	54
5.3 Recommendations	55
5.3.1 Recommendations for Management	55
5.3.2 Recommendations for Policy	55
5.4 Suggestions for Future Research	56

REFERENCES.....57

APPENDIX.....61

LIST OF ABBREVIATIONS

CSRCorporate Social Responsibility

ECSRExternal Corporate Social Responsibility

ICSRInternal Corporate Social Responsibility

LIST OF TABLES

Table 4.1 Demographic Characteristics of Respondents	38
Table 4.2 Mean Scores of Internal CSR Practices (ICSR)	40
Table 4.3 Mean Scores of External CSR Practices (ECSR)	41
Table 4.4 Stakeholder Perceptions of ICSR vs. ECSR	44
Table 4.5 Correlation Analysis of CSR Dimensions and Outcomes	45
Table 4.6 Regression Model Summary (ICSR/ECSR on Outcomes)	47
Table 4.7 Hypothesis Testing Results Summary	50
Table 4.8 Identified Constraints in CSR Implementation	52

CHAPTER ONE

1.0 Introduction

Corporate Social Responsibility (CSR) has emerged as an important aspect of business ethics and sustainable development, particularly in developing economies like Ghana. CSR is broadly categorised into external responsibilities, which include community development, environmental sustainability, and corporate philanthropy, and internal responsibilities, which focus on employee welfare, workplace safety, fair wages, and professional development (Adu-Gyamfi et al., 2021). Businesses in Ghana are increasingly investing in external CSR to enhance their corporate reputation and fulfil stakeholder expectations (Blay Jnr et al., 2021). However, concerns persist regarding the imbalance between external and internal CSR, with many firms prioritising social visibility over employee well-being and organisational sustainability (Boadi et al., 2020).

The regulatory landscape in Ghana has made provisions for CSR, yet enforcement mechanisms are often weak, allowing companies to engage in CSR selectively (Tandoh & Duffour, 2023). This selective approach raises questions about whether CSR initiatives genuinely reflect corporate responsibility or serve as marketing tools to improve public perception (Kalimah, 2023). In this context, it is essential to understand how businesses allocate resources between internal and external CSR initiatives and how these choices affect corporate sustainability.

1.1 Purpose of the Study

The primary purpose of this study is to critically examine the practice of Corporate Social Responsibility (CSR) in Ghana, with a particular emphasis on the balance between external and internal responsibilities within corporate entities. In recent years, there has been a notable increase in the adoption of external CSR activities, such as community development initiatives,

environmental sustainability programs, and philanthropic efforts, by Ghanaian businesses. These efforts are often strategically implemented to enhance corporate reputation and align with stakeholder expectations.

On the other hand, internal CSR responsibilities, which encompass employee welfare, fair remuneration, occupational safety, and professional development, appear to receive comparatively less attention. This observed disparity raises concerns about the authenticity of CSR initiatives and their alignment with the broader goals of organizational sustainability and ethical business practice.

This study aims to investigate the extent to which Ghanaian businesses engage in internal and external CSR activities, evaluate the motivations behind the prioritization of one over the other, and assess the impact of this prioritization on employee satisfaction, organizational performance, and long-term corporate sustainability. In addition, the study seeks to explore stakeholder perceptions and determine the effectiveness of existing regulatory and policy frameworks in promoting a balanced CSR approach.

By providing empirical insights and practical recommendations, the study endeavours to contribute to the improvement of CSR practices in Ghana and support the development of policies that foster responsible and equitable corporate behaviour. Ultimately, the findings will enrich the academic discourse on CSR in developing economies and offer guidance for businesses, policymakers, and researchers committed to advancing sustainable development through ethical corporate conduct.

1.2 Problem Statement

Despite the growing emphasis on CSR, an observable imbalance persists in its implementation across Ghanaian businesses. Companies often prioritise external CSR, such as philanthropy and environmental sustainability, due to its immediate impact on public perception and stakeholder approval (Blay Jnr et al., 2021). However, internal CSR aspects are frequently overlooked, including employee welfare, fair remuneration, and workplace safety (Boadi et al., 2020).

This imbalance raises concerns about how genuinely businesses approach CSR and whether neglecting internal CSR could undermine employee morale, job satisfaction, and overall organizational effectiveness (Adu-Gyamfi et al., 2021). Research indicates that inadequate internal CSR can lead to higher turnover rates and reputational risks, ultimately affecting long-term business sustainability (Kalimah, 2023). Additionally, Ghana's regulatory framework tends to emphasize external CSR visibility while lacking stringent measures to ensure internal CSR compliance.

Despite the significance of both internal and external CSR, there is limited research on how Ghanaian businesses allocate their CSR resources and the broader implications of this allocation. This study aims to critically evaluate CSR activities in Ghana, assessing whether businesses integrate CSR into their corporate culture or use it as a strategic branding tool. The study will also examine how an imbalance in CSR affects corporate reputation, sustainability, and employee satisfaction.

1.3 Research Objectives

This study seeks to assess CSR practices in Ghana, focusing on the balance between external and internal responsibilities. The specific objectives are to:

1. To assess the extent to which companies in Ghana engage in internal and external CSR practices.
2. To analyse the perceptions of key stakeholders (employees, consumers, and managers) regarding CSR responsibilities.
3. To assess the impact of internal and external CSR on company reputation, employee motivation, and overall corporate performance.
4. To identify constraints businesses face in CSR implementation.

1.4 Research Questions

To achieve the above objectives, the study will address the following research questions:

1. To what extent do businesses in Ghana engage in internal and external CSR activities?
2. How committed are companies to internal CSR responsibilities such as employee welfare, fair wages, and workplace safety?
3. What factors influence businesses to prioritize external CSR over internal CSR in Ghana?
4. How does the imbalance between internal and external CSR affect employee satisfaction and productivity?
5. What role do regulatory and policy frameworks play in shaping CSR practices in Ghana?
6. What strategies can businesses adopt to create a more balanced and sustainable CSR approach?

1.5 Research Hypothesis

This study will test the following hypotheses:

- **H₀ (Null Hypothesis):** There is no significant difference between the level of commitment to external and internal CSR responsibilities in Ghanaian businesses.
- **H₁ (Alternative Hypothesis):** Ghanaian businesses prioritize external CSR responsibilities over internal CSR commitments.

1.6 Significance of the Study

This study is significant for businesses, employees, policymakers, and researchers. Understanding the balance between internal and external CSR helps businesses improve their strategies for long-term sustainability. Companies can benefit from insights on how prioritizing internal CSR, such as fair wages and workplace safety, can enhance productivity and reduce employee turnover. Businesses can foster a more ethical and sustainable approach by ensuring that CSR is embedded in corporate culture rather than being used as a branding tool.

Employees stand to gain from this research as it highlights the importance of internal CSR in creating a positive work environment. Improved workplace conditions, professional development opportunities, and equitable compensation structures contribute to higher job satisfaction and motivation. When companies invest in their employees, it not only enhances individual performance but also strengthens organizational success.

From a policy perspective, this study assesses the effectiveness of Ghana's regulatory framework in promoting a balanced CSR approach. It provides recommendations to strengthen enforcement mechanisms and ensure that businesses are held accountable for both internal and

external CSR commitments. Policymakers can use these insights to refine existing regulations and encourage more responsible corporate behavior.

For researchers and academics, this study contributes to the existing body of knowledge on CSR, particularly in the context of developing economies. It bridges gaps in literature by providing empirical evidence on CSR prioritization in Ghana. The findings will serve as a foundation for future research on the relationship between CSR, employee well-being, and corporate sustainability.

1.7 Chapter Summary

This chapter has outlined the research background, problem statement, objectives, research questions, hypotheses, and the significance of the study. It has also established the scope, emphasizing the need to evaluate the balance between internal and external CSR in Ghanaian businesses. The next chapters will build upon this foundation by exploring relevant literature, theoretical perspectives, and empirical evidence to support the study's objectives.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

the theoretical literature review will focus on the views of other theorists related to the subject of the study, while the empirical literature review will focus on the related works that have been done on assessment of CSR practice in Ghana with a focus on the external responsibilities and internal responsibilities. The conceptual framework will also focus on understanding the origin assessment of CSR practice in Ghana.

2.1 CONCEPTUAL FRAMEWORK

2.1.1 Definition of concepts

Various experts and academics have conceptualized Corporate Social Responsibility (CSR) in diverse ways. Kashyap et al. (2011:53) define CSR as "the obligations of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society." Similarly, Davis (1960:70), as referenced in Carroll & Shabana (2010), described social responsibility as "businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest." Research indicates that the concept of CSR existed before the 1950s. However, it was the 1950s that spurred extensive discussions on the topic, although these early deliberations were not exhaustive (ibid). William C. Frederick, a key contributor to the concept's development, highlighted three core ideas prevalent in the 1950s. As cited in Carroll and Shabana (2010), Frederick (2006) identified these fundamental ideas as: the manager's role as a public trustee, the balance between competition and corporate resources, and the concept of the corporation itself.

Business corporations thus, have duty towards society, and more specifically towards identified constituents (stakeholders), especially when society's expectations have dramatically changed or increased (Carroll, 1999; Lantos, 2001). Organisations by their very nature have responsibilities (i.e., economic, ethical, legal and social) assigned to them by law, shareholders and other stakeholders and the society at large (Carroll, 1979; Brummer, 1991; Peattie, 1992). These responsibilities they will have to diligently execute in order to ensure their continuous existence. In the academic and business literatures, often some of these responsibilities are discussed under the term Corporate Social Responsibility (CSR). CSR is a highly topical and debated subject. It has increasingly provided the focus for exploration of broad philosophical questions about the roles and responsibilities of companies and their relationships with the roles and responsibilities of governments and other stakeholders. Although everybody recognises that CSR is of growing concern in the current globalised economy, there is no sign of consensus on its definition, rules, structures or procedures. Some see it as not more than sound business practice (Guerra, 2002; IOD, 2003). Some suggest it is just a forum for the "business – society" interface (Lunheim, 2003; Waddock & Boyle, 1995). Others see it as a broader stakeholder consideration in business operations (Wheeler, Fabig & Boele, 2002; WBCSD, 2002).

Historically, CSR has been perceived as a means through which companies or organizations fulfilled their side of a supposed social contract between themselves and the communities within which they operate. While some theorists perceived CSR as actions taken by organizations to better the communities or environments they operate in, some defined CSR "as integrating social, environmental, ethical and human rights concerns into business operations and core strategy in close collaboration with stakeholders on a voluntary basis; commitment to behaving ethically and contributing to improving quality of life in the society in general; and organisation's obligation to maximise its impact on stakeholders and minimise

its negative impact” (E.U Commission, 2002; Ferrell et al., 2004). In other words, organizations owe a moral obligation to society.

2.1.2 Internal CSR

Internal CSR encompasses a company's voluntary activities and policies aimed at enhancing the well-being and fair treatment of its immediate stakeholders, primarily employees (Verdeyen et al., 2004; Turker, 2009b,) This domain reflects an organization's commitment to its human capital, recognizing that a responsible approach to internal stakeholders can foster a positive and productive work environment.

The extent of internal CSR engagement can be observed in a range of practices including, but not limited to:

Employee Well-being and Development: This involves initiatives such as robust health and safety programs, work-life balance policies, continuous training and professional development opportunities, and fair compensation and benefits (Ehnert, 2014). Studies indicate a positive correlation between internal CSR practices and employee motivation, organizational identification, and job satisfaction (Kim et al., 2020; D'Netto & Sohal, 1999; Golob & Podnar, 2021).

For example, in Ghana, telecommunications giant MTN Ghana has implemented comprehensive employee wellness programs, including regular health screenings, stress management workshops, and access to counseling services, demonstrating a commitment to the well-being of its workforce (MTN Ghana, 2023). Additionally, companies like Tullow Oil Ghana invest significantly in skills development and capacity building for their Ghanaian employees, offering scholarships and training programs to enhance their professional growth (Tullow Oil Ghana, 2022)

Diversity, Equity, and Inclusion (DEI): Promoting equality, fostering a diverse workforce, and ensuring inclusive practices are critical components of internal CSR. For instance, Ghana Commercial Bank (GCB) has a stated commitment to fostering a diverse workforce, ensuring equal opportunities for all employees regardless of gender, ethnicity, or background (GCB Bank, 2021). Their initiatives include promoting women in leadership and ensuring equitable recruitment practices across the country.

Employee Engagement and Participation: Encouraging employee volunteerism, matching employee donations, and providing platforms for employee input on CSR initiatives demonstrate a deeper level of internal engagement.

Ethical Conduct and Governance: Upholding ethical standards within the organization, including transparent internal controls, fair labor practices, and addressing hierarchical power dynamics (Dowell & Jackson, 2020).

The motivation for extensive internal CSR often stems from the recognition that satisfied and engaged employees are crucial for organizational success, leading to increased productivity and reduced turnover. Furthermore, authentic internal CSR can bolster a company's reputation and legitimacy, both externally and internally.

2.1.3 External Corporate Social Responsibility (External CSR)

External CSR refers to a company's initiatives and actions directed towards its external stakeholders, including local communities, customers, suppliers, the environment, and society at large (Carroll, 1979; Brammer et al., 2007). This dimension of CSR reflects an organization's broader societal impact and its commitment to sustainable development beyond its immediate operational boundaries.

The extent of external CSR engagement is manifested through activities such as:

Environmental Stewardship: Practices aimed at minimizing negative environmental impact, such as waste management, emissions reduction, sustainable resource consumption, and supporting biodiversity. For example, Gold Fields Ghana Limited has implemented robust environmental management systems at its Tarkwa and Damang mines, focusing on responsible waste management, water conservation, and land reclamation efforts to mitigate their operational impact on the environment (Gold Fields Ghana, 2022). Another example is Voltic (GH) Limited, a leading bottled water company, which actively promotes plastic waste collection and recycling initiatives across Ghana to reduce environmental pollution (Voltic Ghana, 2023).

Community Engagement and Philanthropy: This includes donating money, resources, or time to charitable causes, sponsoring local events, supporting educational programs, and contributing to disaster relief efforts. A prominent example in Ghana is Fidelity Bank Ghana's "Fidelity for Education" initiative, which provides scholarships to underprivileged students and supports infrastructure development in schools across the country (Fidelity Bank Ghana, 2023). Similarly, Guinness Ghana Breweries Plc frequently sponsors local festivals and cultural events, contributing to community development and cultural preservation (Guinness Ghana, 2022).

Customer and Consumer Well-being: Actions that prioritize customer safety, data privacy, ethical marketing, and providing socially responsible products and services.

Supply Chain Responsibility: Ensuring that suppliers adhere to high ethical and environmental standards throughout the supply chain.

Advocacy and Public Policy: Engaging in discussions and advocating for policies that promote social and environmental well-being.

The motivation for external CSR often includes building corporate reputation, gaining legitimacy, meeting consumer and investor expectations for social responsibility, and contributing to solving broader societal problems (Bansal & Roth, 2000; Siegel & Vitaliano, 2007). However, the impact of external CSR can be complex, with some research suggesting that it does not always result in favorable reactions from customers and employees if not carefully implemented or if perceived as inauthentic (Sipilä et al., 2021).

2.1.4 Interplay and Measurement of Extent

While internal and external CSR are distinct, they are often intertwined. Some studies suggest a negative association, where resource constraints might lead to trade-offs between investments in internal and external CSR activities. Conversely, other arguments propose that they go hand-in-hand, with increased external CSR potentially leading to demands for similar internal responsibility from employees (Zappala, 2004).

Measuring the extent of both internal and external CSR engagement is a complex endeavor, often employing a mix of qualitative and quantitative methods.

Common approaches include:

Sustainability and ESG Reporting: Companies publish annual reports detailing their environmental, social, and governance (ESG) practices, often following global standards like the Global Reporting Initiative (GRI).

Certifications and Ratings: Achieving certifications (e.g., ISO 26000, B Corp) and obtaining ESG ratings from agencies like MSCI or Sustainalytics can indicate a company's commitment.

Stakeholder Feedback: Surveys, interviews, and forums with employees, customers, communities, and investors provide valuable data on perceived CSR performance

Social Impact Assessment (SIA) and Social Return on Investment (SROI): These methods evaluate the tangible and intangible benefits of CSR initiatives on society and the environment relative to resources invested.

Content Analysis: Analyzing annual reports, public statements, and social media communications for mentions and details of CSR activities can help quantify disclosure extent and quality

The extent of CSR engagement, both internal and external, reflects an organization's holistic commitment to its stakeholders and broader societal well-being. Understanding the distinct scope and potential synergies or trade-offs between these two dimensions is crucial for developing comprehensive and impactful CSR strategies.

Measurement Tool / Indicator	Description	Key Focus Areas	Output/Outcome	Example Metric (Ghanaian Context)
Sustainability & ESG Reporting	Companies publish comprehensive reports detailing their environmental, social, and governance practices, often adhering to international standards like GRI.	Environmental impact (carbon emissions, waste, water), social performance (labor practices, community engagement), governance (ethics, transparency).	Public reports, data tables, narratives on performance against goals.	Absa Bank Ghana: GHS 2.5 million invested in education & skills development (2022). MTN Ghana: 15% reduction in carbon emissions intensity per subscriber (2023).
Certifications & Ratings	Independent third-party assessments and certifications (e.g., ISO 26000, B Corp, MSCI, Sustainalytics) that validate a company's commitment to social and environmental responsibility.	Adherence to recognized standards, overall ESG performance, risk management.	Scores, rankings, official certifications, and benchmarks against peers.	Tullow Oil: Recognized for robust environmental management and community engagement. Unilever Ghana: Noted for strong corporate governance.
Stakeholder Feedback	Gathering insights and perceptions from various stakeholder groups (employees, customers, local communities, investors)	Perceived impact of CSR initiatives, satisfaction levels, areas for improvement, trust and reputation.	Qualitative data (testimonials, opinions), quantitative data (satisfaction scores, engagement rates).	IPR Ghana Survey (2021): 65% positive perception of mining companies' CSR in communities.

	through surveys, interviews, focus groups, and public forums.			
Social Impact Assessment (SIA)	A systematic process to analyze and manage the social consequences, positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions.	Equity, human rights, quality of life, cultural heritage, social cohesion, well-being of affected communities.	Identification of social risks and opportunities, recommendations for mitigation/enhancement, qualitative descriptions of social change.	Gold Fields Ghana: Assessment of community well-being shifts in areas impacted by mining operations.
Social Return on Investment (SROI)	A methodology for measuring and accounting for a broader concept of value by incorporating social, environmental, and economic outcomes that are not typically reflected in financial statements. It expresses this value as a ratio.	Quantifiable social, environmental, and economic benefits generated relative to the resources invested.	Financial proxy values for non-financial outcomes, SROI ratio (e.g., GHS 3:1).	iDE Ghana: SROI of 1.90 for agricultural and WASH initiatives.
Content Analysis	Systematic review and analysis of publicly available documents (annual reports, sustainability reports, press releases, social	Transparency of reporting, alignment with stated CSR policies, communication	Quantitative data (frequency of keywords, types of initiatives	Ghana Commercial Bank (GCB): Analysis of annual reports for

	<p>media, company websites) to identify and quantify mentions and details of CSR activities and disclosures.</p>	<p>effectiveness, identification of key CSR themes.</p>	<p>mentioned), qualitative insights into narrative framing and emphasis.</p>	<p>emphasis on diversity & inclusion initiatives.</p>
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2.1.5 Motivation for CSR

A well-known CSR concept peddled in literature is that motivation for CSR activities should not be the expectation of improved financial status of the company, but rather the simple ethical reason of giving back to the community (Redman, cited in Diallo & Ewusie, 2011). A review on literature has identified several motivations behind CSR practices among companies. Culture has been one of the most influential drivers and motivation for CSR activities to be carried out by companies (Jasen, 2016). They claimed that CSR has different background in different countries and a great majority of the research on CSR has been done in Europe or the United States, and little is known about the drivers and motivation of CSR from sociocultural perspective in an emerging country.

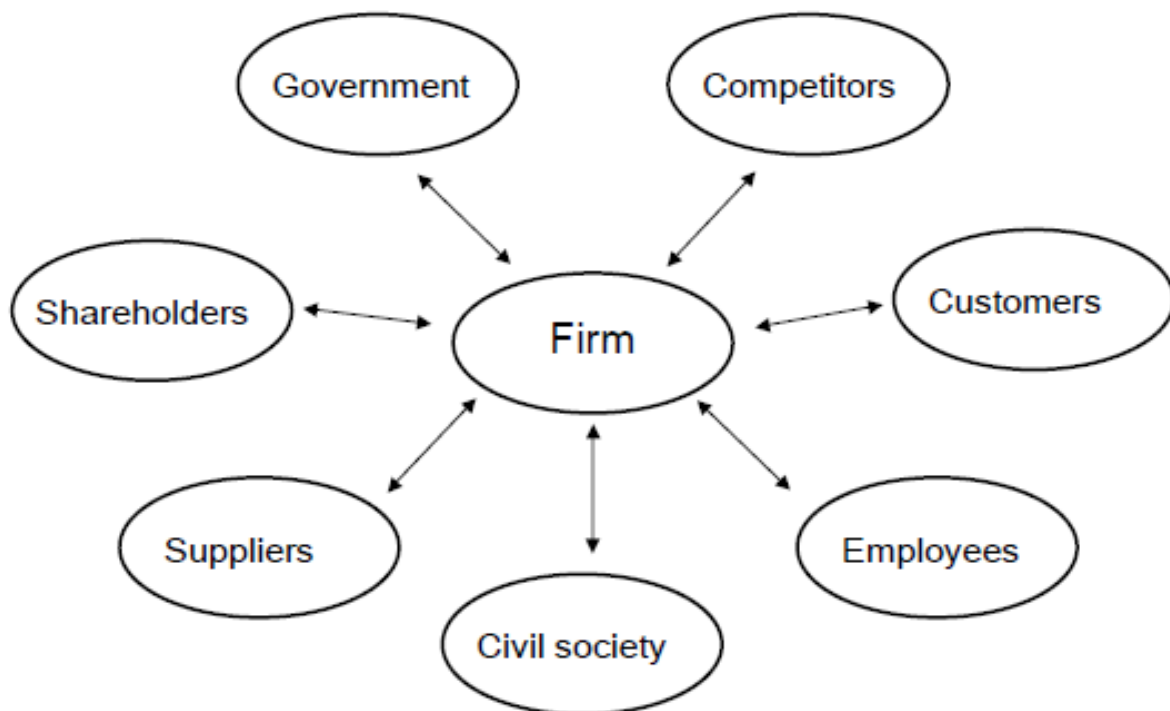
This affirms Davis (1973) claims that businesses are operating under a set of cultural constraints in the same way that any other person in society does and as such, any changes in society's culture and norms will change business behaviour. Also in a study, Maignan and Ralston (cited in Branco & Rodriguez, 2007) distinguish three main types of motivation to engage in CSR activities. First, following the economic perspective, CSR can be viewed as an additional instrument used by companies to achieve traditional corporate objectives. Second, companies engage in social responsibility activities to conform to stakeholder norms and expectations about how their operations should be conducted, thus constituting mainly legitimacy instrument used by a company to demonstrate its adherence to such norms and expectations. And finally, companies may be self-motivated to engage in social responsibility initiatives and actively promote social interests, even when they are not expected or demanded by society.

2.2 THEORETICAL FRAMEWORK

2.2.1 Stakeholder Theory

Stakeholder theory, primarily introduced by Freeman (1984), stands as a highly influential concept within the field of corporate social responsibility (CSR). Many scholars, including Donaldson and Preston (cited in Baffoe, 2018), recognize it as the leading theoretical framework in CSR literature. In his seminal work, *Strategic Management: A Stakeholder Approach*, Freeman (cited in Baffoe, 2018) challenged the prevailing view that corporations existed solely to serve the interests of their owners. His contribution led to a re-conceptualization of the firm, broadening the scope to include consideration of new external stakeholders in addition to traditional groups like owners, customers, employees, and external suppliers (Jonker & Forster, cited in Baffoe, 2018).

Figure 1: Freeman's Original Stakeholder Model (1984)



Freeman (1984) defined stakeholders as any individual, group, or entity that can either influence or be influenced by an organization's activities. The central argument for stakeholder theory is rooted in the assertion that solely maximizing shareholder wealth does not equate to maximizing overall societal wealth (Crowther & Aras, 2008). The theory advocates that all stakeholders should be considered in organizational decision-making processes, arguing that this approach is not only morally and ethically sound but also ultimately benefits shareholders and accurately reflects how organizations function in practice (Crowther & Aras, 2008). A fundamental aspect of this theory is its effort to identify the various societal groups to whom an organization holds responsibilities (Crowther & Aras, 2008). However, it has faced criticism for not clearly defining these groups, despite some attempts to do so (Argenti, cited in Crowther & Aras, 2008).

Furthermore, stakeholder theory introduced a new way to structure thinking about organizational responsibilities. It posited that the interests of shareholders cannot be fully realized without, to some extent, addressing the concerns of other stakeholders, thereby shifting the focus away from sole profit maximization (Baffoe, 2018). This implies that even if organizations prioritize shareholder interests, their success in doing so is more likely to be achieved by positively impacting other crucial stakeholders (Foster & Jonker, cited in Baffoe, 2018). Other proponents have argued that a comprehensive stakeholder approach is good business practice, as it enables the firm to optimize shareholder wealth while simultaneously increasing overall value creation (Jimali & Itawkins, cited in Baffoe, 2008).

2.2.1.1 Criticism of the Stakeholder Theory

Stakeholder theory has attracted various criticisms from numerous scholars. For instance, Key (Nkrumah, 2013) argued that the theory lacks the operationalization necessary for scientific examination. Others, including Freeman (2004), have pointed to the challenge of identifying

stakeholders as a key shortcoming, contending that the theory fails to clearly distinguish who is and who is not a stakeholder.

Another ongoing area of critique concerns the absence of a specific objective for businesses. Critics assert that the theory does not offer a precise objective function for businesses and managers. Jenson (cited in Barnieh, 2015) observed that by attempting to balance diverse stakeholder interests, the theory abandons an objective basis for evaluating business actions, thus failing to provide corporations with a clear objective function. Similarly, Sternberg (cited in Barnieh, 2015) claimed that stakeholder theory erodes business accountability and creates opportunities for managerial opportunism. However, Freeman (1998) countered this by arguing that while managerial opportunism is problematic, it is no more an issue for stakeholder theory than for alternative approaches.

Moreover, the idea that optimizing corporate performance requires granting managers operational discretion to sometimes sacrifice profits in the interest of stakeholders, even without shareholder approval (Elhauge, 2005), has been strongly criticized. Donaldson (cited in Barnieh, 2015) argued that there is no inherent priority for the interests and benefits of one stakeholder group over another.

Despite these various criticisms and perceived weaknesses, the stakeholder theory is seen to maximize shareholder value by considering stakeholder rights and their legitimate interests (Mele', cited in Barnieh, 2015). Fassin (2009) and Clarkson (1995) describe the theory as simultaneously descriptive, prescriptive, and instrumental, suggesting that it moved beyond the conceptual ambiguity of CSR by addressing concrete interests and practices and by visualizing specific responsibilities to particular groups of people affected by business activities (cited in Barnieh, 2015). Ultimately, despite diverse criticisms and opinions, stakeholder theory

provides a theoretically and practically useful framework for studying CSR and stakeholder engagement, aligning well with the needs of empirical research.

2.2.1.2 Relevance of the theory to the study

The assessment of Corporate Social Responsibility (CSR) practices in Ghana, particularly concerning the balance between external and internal responsibilities, finds significant relevance in the stakeholder theory. This theory, prominently advanced by R. Edward Freeman (1984), posits that a corporation's success and longevity depend not solely on its obligations to shareholders, but on its ability to create value for and manage relationships with all stakeholders who can affect or are affected by its operations. These stakeholders include, but are not limited to, employees, customers, suppliers, local communities, government, and the environment.

In the Ghanaian context, the stakeholder theory provides a crucial lens through which to analyze how companies engage in CSR. Historically, CSR in Ghana has often been perceived as a focus on external philanthropic activities, such as community development projects, donations, and environmental initiatives, particularly within sectors like mining (Amponsah-Tawiah & Dartey-Baah, 2011). This emphasis on external responsibilities is often driven by direct community pressures and the visible impact of business operations on the surrounding environment.

However, a holistic application of stakeholder theory suggests that internal stakeholders, primarily employees, are equally vital to a company's social responsibility. Internal CSR (ICSR) focuses on practices that enhance employee well-being, fair labor practices, diversity and inclusion, health and safety, and opportunities for development within the organization (Prassanna Tulasi & Dehury, 2024). Neglecting these internal responsibilities, even while engaging in extensive external CSR, can lead to inconsistencies in a company's ethical standing

and potentially undermine its overall reputation and long-term sustainability. For instance, a company might build schools in a community (external CSR) but have poor working conditions or unfair wages for its own employees (lack of internal CSR).

Therefore, when assessing CSR practices in Ghana, stakeholder theory urges an examination of how companies balance their obligations to both external and internal groups. It highlights that a true commitment to CSR involves integrating social and environmental concerns into the core business activities and stakeholder relationships on a voluntary basis (Ofori & Hinson, 2007, as cited in Tandoh & Duffour, 2024). The theory suggests that a company's enlightened self-interest aligns with meeting stakeholder demands, as positive relationships with all stakeholders can lead to improved financial performance, enhanced brand loyalty, and a stronger competitive advantage (Ofori & Wilson, 2007, as cited in Tandoh & Duffour, 2024).

In conclusion, the stakeholder theory is fundamental to understanding the complexities of CSR in Ghana. It moves beyond a narrow focus on profit maximization to encompass a broader set of social responsibilities, advocating for a balanced consideration of both external community needs and internal employee welfare. An assessment of CSR in Ghana, through the lens of stakeholder theory, would thus critically evaluate the extent to which Ghanaian companies prioritize and effectively manage their responsibilities to this diverse array of stakeholders, thereby contributing to genuinely sustainable and ethical business practices.

2.2.2 Social Exchange Theory

Social Exchange Theory (SET) emerged in the late 1950s and has since become a prominent theoretical perspective in social psychology and sociology, particularly through the early writings of Homans (1961), Blau (1964), and Emerson (1962, 1972) (Cook & Rice, 2006). This framework explains social behavior in dyadic and collective relations by applying a cost-benefit analysis (Davlembayeva & Alamanos, 2023). Rooted in utilitarianism and behaviorism,

SET examines the micro-level processes of exchange and the macro-structures they create in society (Cook & Rice, 2006).

The foundational premise of SET revolves around the idea that individuals engage in voluntary actions motivated by the returns they expect to bring from others (Blau, 1964, as cited in Cook & Rice, 2006). A key distinction among early proponents lies in their perspective on the actor. Homans (1961) primarily emphasized individual behavior and reinforcement principles, viewing behavior as a function of payoffs derived from past rewards. His "success proposition" states that behavior generating positive consequences is likely to be repeated, while the "value proposition" suggests that the more valuable the result of an action, the more likely it is to be performed (Cook & Rice, 2006). Homans' approach was often criticized for its reductionism, explaining sociological phenomena solely through psychological principles (Cook & Rice, 2006).

In contrast, Blau (1964) adopted a more economic and utilitarian view, framing his micro-exchange theory in terms of anticipated rewards and costs. Blau's perspective views actors as forward-looking, choosing actions that maximize benefit and minimize cost (Cook & Rice, 2006). He highlighted that in social exchange, unlike economic exchange, the nature of obligations often remains unspecified, with a general expectation of future return rather than a stipulated one (Blau, 1986, as cited in Cook & Rice, 2006). Despite these differences, a shared idea among these scholars was that behavior in social groups constitutes a form of exchange (Davlembayeva & Alamanos, 2023).

2.2.2.1 Key Constituents of Social Exchange

Davlembayeva and Alamanos (2023) outline four main constituents of social behavior explained by SET:

1. **Reinforcement Tools (Rewards/Benefits and Resources):** These underpin individuals' motivation to engage in social interaction. A "reward" is a positive outcome, while a "resource" is an attribute enabling that reward (Emerson, 1976, as cited in Davlembayeva & Alamanos, 2023). Resources, such as love, status, money, and information, are evaluated based on their "particularism" (worth depending on the source) and "concreteness" (degree of tangibility) (Foa & Foa, 1980, as cited in Davlembayeva & Alamanos, 2023). These generate socioemotional and economic benefits.
2. **Mechanisms of Exchange (Cost-Reward Analysis):** Resources are exchanged based on a subjective cost-reward analysis (Blau, 2017; Cropanzano & Mitchell, 2005, as cited in Davlembayeva & Alamanos, 2023). This analysis is contingent on whether similar performance was rewarded in the past and the value of the exchange's outcome to the individual (Blau, 2017; Homans, 1961, as cited in Davlembayeva & Alamanos, 2023). The subjective nature of fairness in social exchange, due to unspecified conditions and obligations, necessitates interpretation from the user's perspective (Homans, 1961; Blau, 2017, as cited in Davlembayeva & Alamanos, 2023).
3. **Social Structures and Social Capital:** Social exchange relations are influenced by social structures and social capital factors (Blau, 2017; Cropanzano & Mitchell, 2005; Samuel, 1994, as cited in Davlembayeva & Alamanos, 2023). Social capital, encompassing norms, rules, and information channels embedded in social organizations, can both facilitate and restrict social relations and their outcomes,

including power and equity distribution (Nahapiet & Ghoshal, 1998; Wasko & Faraj, 2005; Samuel, 1994, as cited in Davlembayeva & Alamanos, 2023).

4. **Reciprocity:** Reciprocity is a defining feature of social exchange, creating obligations between parties (Molm, 1997; Cropanzano & Mitchell, 2005; Emerson, 1976, as cited in Davlembayeva & Alamanos, 2023). It represents a norm defining beliefs about exchange outcomes and motivating behavior, with the expectation that favors will be returned over time. This rule acts as a regulating mechanism, fostering mutually rewarding relationships and leading to long-term trust, loyalty, and commitment (Cropanzano & Mitchell, 2005; Molm, Peterson & Takahashi, 1999, as cited in Davlembayeva & Alamanos, 2023).

2.2.2.2 Criticism of the Theory

SET has significantly advanced research on human behavior by integrating sociological, economic, and psychological perspectives (Davlembayeva & Alamanos, 2023). It has been widely applied across disciplines to explain various social phenomena, including power, networks, justice, and psychological contracts (Cropanzano et al., 2017; Rousseau, 1995, as cited in Davlembayeva & Alamanos, 2023). Research has explored cost-benefit evaluations, the outcomes of reciprocal and non-reciprocal exchange, and the role of social capital in forming relations across contexts like organizations, information systems, and even medicine (Davlembayeva & Alamanos, 2023, pp. 6-7).

Despite its widespread application, SET faces criticisms. Some argue that its core ideas are not adequately articulated, leading to a non-exhaustive and overlapping list of constructs that limit its explanatory and predictive power (Cropanzano & Mitchell, 2005, as cited in Davlembayeva & Alamanos, 2023). There is also a lack of consistency in terminology, with terms like "transactions" and "relationships" often used interchangeably (Blau, 2017, as cited in

Davlembayeva & Alamanos, 2023). Furthermore, the theory suffers from a lack of consistency in defining the "rules of exchange" beyond reciprocity, incorporating various principles like negotiated rules, altruism, and competition, which can lead to inconsistent findings (Cropanzano & Mitchell, 2005, as cited in Davlembayeva & Alamanos, 2023). Lastly, the operationalization and taxonomy of concepts are sometimes overly simplistic, particularly in differentiating positive and negative actions, which may not fully capture the nuances of behavior (Cropanzano et al., 2017, as cited in Davlembayeva & Alamanos, 2023).

2.2.2.3 Relevance of the theory to the study

Social Exchange Theory (SET) offers a valuable framework for understanding the dynamics of Corporate Social Responsibility (CSR) practices in Ghana, particularly when examining the interplay between external and internal responsibilities. At its core, SET posits that individuals and entities engage in voluntary actions driven by the expectation of returns from others, essentially a cost-benefit analysis of relations (Davlembayeva & Alamanos, 2023; Cook & Rice, 2006).

Here's how SET is relevant to the study of CSR in Ghana:

1. CSR as an Exchange Relationship:

From an SET perspective, CSR initiatives undertaken by companies in Ghana can be viewed as a form of social exchange. Companies invest resources (costs) into various social and environmental activities (rewards/benefits) with an implicit or explicit expectation of receiving certain returns (benefits) from their stakeholders.

2. External Responsibilities through an SET Lens:

When Ghanaian companies engage in external CSR, such as community development projects, environmental conservation efforts, or philanthropic donations, they are providing "rewards"

or "favors" to external stakeholders (e.g., local communities, government, broader society). According to Blau (1964, as cited in Cook & Rice, 2006), social exchange involves a general expectation of some future return, even if its exact nature isn't stipulated. Companies might expect returns such as an enhanced social license to operate, improved brand reputation, increased customer loyalty, reduced community conflict, or favorable regulatory treatment. The decision to invest in external CSR would involve a subjective cost-benefit analysis, weighing the financial and resource outlay against these anticipated non-financial and potential financial returns.

3. Internal Responsibilities through an SET Lens:

Similarly, internal CSR practices, focusing on employees (e.g., fair wages, safe working conditions, employee well-being programs, training, and development), represent "rewards" or "resources" provided to internal stakeholders. In exchange, employees are expected to reciprocate through increased productivity, higher job satisfaction, greater loyalty, reduced turnover, and a more positive organizational culture. The principles of fairness in social exchange, as explored by Homans (1961, as cited in Cook & Rice, 2006) and Blau (1964, as cited in Cook & Rice, 2006), would be highly relevant here, as employees' perceptions of equity—their inputs versus outcomes—directly influence their willingness to engage in reciprocal behaviors. The evaluation of the fairness of costs invested and rewards received is subjective, dependent on individual norms of fairness (Homans, 1961; Blau, 2017, as cited in Davlembayeva & Alamanos, 2023).

4. Analyzing the "External vs. Internal" Balance:

SET provides a theoretical basis for analyzing why Ghanaian companies might prioritize external over internal CSR, or vice-versa. If companies perceive greater or more immediate social or economic "returns" from investing in external communities (e.g., due to media

attention, regulatory pressures, or direct community demands), their cost-benefit analysis might lead them to allocate more resources to external responsibilities. Conversely, if the long-term benefits of a highly motivated and loyal internal workforce are recognized as critical for operational efficiency and sustainability, internal CSR might receive more attention. Discrepancies in perceived rewards versus costs between external and internal stakeholders, or an imbalance in the company's focus, could lead to tensions or reduced overall "social exchange quality," impacting the company's relationships and long-term success. The "Affective Theory of Social Exchange" extension (Lawler, 2001, as cited in Davlembayeva & Alamanos, 2023) could further explain how emotional outcomes (e.g., community sentiment or employee morale) from these exchanges influence the solidity and longevity of these relationships.

In summary, SET helps to frame CSR practices in Ghana as dynamic exchange processes, where companies and their diverse stakeholders continuously assess the costs and benefits of their interactions. This perspective allows for a deeper understanding of the motivations behind CSR decisions and the reciprocal expectations that shape the balance between external and internal corporate responsibilities.

2.3 Empirical Literature Review

This literature review assesses empirical studies from 2015 to date concerning Corporate Social Responsibility (CSR) practices in Ghana, focusing on the balance between external and internal responsibilities. It aims to identify the current state of research for each objective and highlight existing gaps for future inquiry.

2.3.1 Objective 1: Extent of Internal and External CSR Practices

Existing literature indicates a historical emphasis on external philanthropic activities in Ghana's CSR landscape, particularly within sectors like mining (Amponsah-Tawiah & Dartey-Baah, 2011). However, more recent trends suggest a shift towards a "social-centric" approach, where

companies actively engage in solving societal problems rather than merely engaging in ad-hoc philanthropy (GhPRguy, 2015). Studies reveal that Ghanaian firms practice various forms of CSR, encompassing economic, ethical, philanthropic, and environmental responsibilities (Tandoh & Duffour, 2024). There is also an increasing recognition of CSR as an integral part of business strategy, driven by corporate reforms, globalization, and growing awareness for sustainable practices, with firm-specific factors influencing these engagements (Amo-Mensah, 2021). Some research highlights the integration of CSR into mainstream business strategies and stakeholder management, along with increased commitment from top management.

While the literature acknowledges a shift from purely external philanthropic CSR towards more integrated approaches, there is a notable lack of recent empirical studies that quantitatively assess and compare the extent or proportion of internal versus external CSR engagement across diverse sectors in Ghana. Most discussions remain qualitative or generalize about overall trends without providing granular data on resource allocation or specific activity profiles for internal versus external responsibilities. Detailed quantitative data on the types and intensity of internal CSR activities (e.g., employee welfare spending, specific training initiatives, or measurable diversity programs) remains less explored compared to the more visible external community engagement.

2.3.2 Objective 2: Perceptions of Key Stakeholders (Employees, Consumers, and Managers) Regarding CSR Responsibilities

Research on stakeholder perceptions of CSR is more extensively documented in developed nations, with a recognized scarcity in developing countries like Ghana (Tandoh & Duffour, 2024). However, some Ghanaian studies have begun to address this. For instance, Tandoh & Duffour (2024) found that customers, employees, and managers in Ghana are generally aware of CSR, with employees showing a preference for CSR-driven organizations. Managers, too,

demonstrate awareness of CSR benefits and their influence on performance (Tandoh & Duffour, 2024). Consumers are identified as directly affected by a company's offerings, valuing quality products, fair pricing, and community engagement as aspects of corporate responsibility (Tandoh & Duffour, 2024). The Ghanaian understanding of CSR is often linked to building sustainable livelihoods, respecting cultural differences, and developing employee, community, and government skills (Tandoh & Duffour, 2024).

While general awareness among key stakeholders is established, there is a limited empirical analysis of the nuanced perceptions of each stakeholder group concerning the balance between internal and external CSR responsibilities. For example, existing studies do not deeply explore whether Ghanaian employees prioritize internal welfare initiatives over external community projects, or how consumers' perceptions of a company's internal CSR practices (e.g., fair labor) might influence their purchasing decisions compared to external philanthropic efforts. More qualitative and mixed-methods research is needed to capture the underlying reasons for these perceptions and to identify which specific types of internal and external CSR resonate most strongly with each stakeholder group across various Ghanaian industries.

2.3.3 Objective 3: Impact of Internal and External CSR on Company Reputation, Employee Motivation, and Overall Corporate Performance

Empirical studies in Ghana highlight various positive impacts of CSR. On company reputation, CSR, coupled with business ethics, is shown to improve public image, enhance customer loyalty, and foster healthier community relations (ACR Journal, 2024). Improved CSR practices can lead to enhanced reputation, which subsequently translates into improved financial performance for Small and Medium-sized Enterprises (SMEs) CSR initiatives are also found to enhance brand perceptions.

Regarding employee motivation, empirical evidence from Ghanaian rural and community banks suggests a strong positive relationship between engagement in CSR and employee commitment. Furthermore, specific CSR dimensions, including philanthropic, economic, ethical, and legal, have a positive and significant effect on employee job satisfaction and engagement within the mining sector (Quarshie, 2021). Studies also hypothesize and find that social responsibility can improve employee engagement, leading to a positive work environment, increased productivity, and enhanced.

Concerning overall corporate performance, CSR is increasingly recognized as a driver for business growth and a source of competitive advantage (Ayamga et al 2024). However, the relationship with financial performance is mixed; one study found a significant positive impact of CSR on Return on Assets (ROA) but an insignificant negative effect on Return on Equity (ROE) for firms listed on the Ghana Stock Exchange, suggesting that the impact varies depending on the financial performance metric used (Owusu-Ansah et al 2022) Another study noted that CSR initiatives significantly predict ROA and Gross Profit Margin (GPM) but not ROE, indicating the need for tailored CSR strategies (Ayamga et al 2024). Engaging with stakeholders through improved CSR can translate social and philanthropic commitments into strong financial returns.

A significant gap exists in empirically differentiating the specific impacts of internal CSR versus external CSR on company reputation, employee motivation, and overall corporate performance in Ghana. While general CSR benefits are discussed, studies rarely isolate the effects of internally focused initiatives (e.g., employee training programs) versus externally focused initiatives (e.g., community health projects) on these outcomes. Moreover, there is a need for more longitudinal studies to establish stronger causal relationships rather than just correlations. Comprehensive cross-sector analyses that disaggregate these impacts would also provide more nuanced insights beyond current sector-specific findings.

2.3.4 Objective 4: Constraints Businesses Face in CSR Implementation

Existing research highlights several constraints. Financial limitations and a lack of clear vision from management are identified as key impediments to CSR performance in Ghana (Tandoh & Duffour, 2024). In specific sectors, such as the built environment, the absence of explicit CSR regulations is noted as a challenge, potentially allowing some enterprises to operate without strict adherence to social and environmental considerations (Aigbavboa et al 2024). The literature also points to the lack of a comprehensive, all-inclusive document or framework for CSR in Ghana (Emerald Insight, 2024). Furthermore, the nature of CSR practices in the extractive industry is linked to prevailing resource governance arrangements and institutional contexts in Ghana (OUCI, 2023).

While financial constraints and managerial vision are noted, there is a need for a more detailed and systematically categorized analysis of the diverse constraints faced by Ghanaian businesses in CSR implementation across various industries. This could include regulatory ambiguities, cultural barriers, operational challenges, capacity limitations, and awareness deficits among different organizational levels. Research is also sparse on how Ghanaian businesses are currently overcoming these identified constraints or the specific strategies they employ to mitigate them. More in-depth qualitative studies could uncover the root causes of these challenges and explore innovative solutions adopted by local firms.

Author	Year	Sector	Findings	Gap (for the objective)
Amponsah-Tawiah & Dartey-Baah	2011	Mining	Historically, CSR in Ghana emphasized external philanthropic activities, especially in the mining sector.	Quantitative studies comparing the extent of internal versus external CSR engagement across various Ghanaian sectors are lacking. Existing research is primarily qualitative, generalizing without granular data on resource allocation or detailed profiles of specific internal CSR activities like employee welfare or training.
GhPRguy	2015	General (Ghana)	Recent trends suggest a shift towards a "social-centric" approach in Ghana, where companies actively engage in solving societal problems rather than merely performing ad-hoc philanthropy.	(Covered by the general gap for Objective 1)
Tandoh & Duffour	2024	Unspecified (Ghana)	Ghanaian firms practice various forms of CSR, including economic, ethical, philanthropic, and environmental responsibilities.	(Covered by the general gap for Objective 1)
Amo-Mensah	2021	Contemporary Ghana	CSR is increasingly integrated into business strategy due to corporate reforms, globalization, and growing sustainability awareness, with firm-specific factors influencing these commitments. Top management shows increased dedication, integrating CSR into core business strategies and stakeholder management.	(Covered by the general gap for Objective 1)
Tandoh & Duffour	2024	(Ghana)	In Ghana, customers, employees, and managers are generally aware of CSR, with employees favoring CSR-driven organizations and managers recognizing its performance benefits. Ghanaian consumers prioritize quality products, fair pricing, and community engagement, often associating CSR with sustainable livelihoods, cultural respect, and skill development for employees, communities, and government.	There's limited empirical analysis on Ghanaian stakeholders' nuanced perceptions of internal versus external CSR. More qualitative and mixed-methods research is needed to understand how different stakeholder groups prioritize and are influenced by specific internal (e.g., employee welfare) versus external (e.g., community projects) CSR efforts.
ACR Journal	2024	Unspecified (Ghana)	CSR, coupled with business ethics, improves public image, enhances customer loyalty, and fosters healthier community relations. Improved CSR practices can lead to enhanced reputation, which subsequently translates into improved	There's a significant empirical gap in differentiating the specific impacts of internal versus external CSR on company reputation, employee motivation, and corporate performance in Ghana. Current studies rarely isolate the effects of internally focused initiatives (like employee training)

			financial performance for SMEs. CSR initiatives also enhance brand perceptions.	from external ones (like community projects), highlighting a need for more longitudinal and cross-sector analyses.
Quarshie	2021	Mining Sector (Ghana)	Specific CSR dimensions, including philanthropic, economic, ethical, and legal, have a positive and significant effect on employee job satisfaction and engagement within the mining sector.	(Covered by the general gap for Objective 3)
Uncited	N/A	Ghanaian rural and community banks	There is a strong positive relationship between engagement in CSR and employee commitment. Social responsibility can improve employee engagement, leading to a positive work environment, increased productivity, and enhanced employee outcomes.	(Covered by the general gap for Objective 3)
Ayamga et al.	2024	Unspecified (Ghana)	CSR is increasingly recognized as a driver for business growth and a source of competitive advantage. CSR initiatives significantly predict Return on Assets (ROA) and Gross Profit Margin (GPM) but not Return on Equity (ROE), indicating the need for tailored CSR strategies.	(Covered by the general gap for Objective 3)
Owusu-Ansah et al.	2022	Firms on Ghana Stock Exchange	CSR had a significant positive impact on Return on Assets (ROA) but an insignificant negative effect on Return on Equity (ROE) for firms listed on the Ghana Stock Exchange, suggesting the impact varies depending on the financial performance metric used.	(Covered by the general gap for Objective 3)
Tandoh & Duffour	2024	(Ghana)	Financial limitations and a lack of clear vision from management are identified as key impediments to CSR performance in Ghana.	There is a need for a more detailed and systematically categorized analysis of the diverse constraints faced by Ghanaian businesses in CSR implementation across various industries, which could include regulatory ambiguities, cultural barriers, operational challenges, capacity limitations, and awareness deficits among different organizational levels. Research is also sparse on how Ghanaian businesses are currently overcoming these identified constraints or the specific strategies they employ to mitigate them. More in-depth qualitative studies could uncover the root causes of these challenges and explore innovative solutions adopted by local firms.

Aigbavboa et al.	2024	Built environment (Ghana)	The absence of explicit CSR regulations is a challenge in the built environment sector, potentially allowing some enterprises to operate without strict adherence to social and environmental considerations.	(Covered by the general gap for Objective 4)
Emerald Insight	2024	Unspecified (Ghana)	There is a lack of a comprehensive, all-inclusive document or framework for CSR in Ghana.	(Covered by the general gap for Objective 4)
OUCI	2023	Extractive Industry (Ghana)	The nature of CSR practices in the extractive industry is linked to prevailing resource governance arrangements and institutional contexts in Ghana.	(Covered by the general gap for Objective 4)

2.4 Chapter Summary

This chapter delves into the conceptual and theoretical foundations of Corporate Social Responsibility (CSR), specifically examining its practice in Ghana with a focus on the balance between external and internal responsibilities. It begins by defining CSR through various academic perspectives, highlighting its evolution from early discussions in the 1950s to its current recognition as a broad obligation encompassing economic, ethical, legal, and social dimensions. The chapter further elaborates on two primary theoretical frameworks relevant to CSR: Stakeholder Theory and Social Exchange Theory. It also reviews existing literature by outlining the gaps in the work.

CHAPTER THREE

3.0 Research Methodology

This chapter details the research methodology employed to assess Corporate Social Responsibility (CSR) practices in Ghana, specifically focusing on the balance between external and internal responsibilities. It outlines the research approach, design, target population, sampling techniques, data collection methods, and data analysis procedures. The aim is to provide a systematic and rigorous framework for investigating the defined research objectives and questions.

3.1 Research Approach

This study adopts a quantitative research approach to systematically examine the relationships between CSR practices (external vs. internal) and their implications for companies in Ghana. Utilizing structured data collection methods, such as surveys, allows for the measurement of variables and the identification of patterns or correlations among them. This approach facilitates the testing of hypotheses, particularly concerning the prioritization of external versus internal CSR, and the generalization of findings to a broader population, thereby enhancing the study's external validity. By focusing on numerical data and statistical analysis, the research aims to provide objective insights into how companies allocate resources to CSR initiatives and the impact of these choices on employee satisfaction, organizational performance, and long-term corporate sustainability. The choice of a quantitative methodology is justified by the need to obtain measurable and comparable data that can inform evidence-based conclusions and recommendations for balanced CSR practices in Ghana (Hormes, 2024).

3.2 Research Design

This study employs a **quantitative research design** to systematically investigate the assessment of CSR practices, with a specific focus on the balance between external and internal responsibilities within corporate entities in Ghana. The research is structured to ensure clarity and empirical rigor. The primary method involves the development and distribution of structured surveys targeting key stakeholders: employees, consumers, and managers within various companies operating in Ghana. These surveys are designed to collect measurable data on the extent of internal and external CSR engagement, perceptions regarding CSR responsibilities, and the perceived impact of CSR on company reputation, employee motivation, and overall corporate performance. This design is justified as it facilitates the collection of objective, numerical data that can be subjected to statistical analysis, thereby enabling the identification of patterns, correlations, and potential causal relationships (Maso, 2024). By employing this structured approach, the study aims to provide empirical insights into how CSR practices influence stakeholder perceptions and contribute to a more comprehensive understanding of responsible corporate behavior in Ghana.

3.3 Target Population

This study focuses on companies operating extensively across Ghana that engage in Corporate Social Responsibility (CSR) activities. The target population includes the following key stakeholder groups within these companies and the wider public:

- **Internal Stakeholders:** Employees involved in various departments, with a particular focus on those whose roles are directly or indirectly affected by internal CSR practices (e.g., HR, operations, and general staff).

- **External Stakeholders:** Consumers who engage with these companies and have perceptions about their CSR initiatives, and managers or CSR practitioners responsible for implementing and overseeing CSR strategies within these organizations.

This selection aims to provide a comprehensive understanding of the effectiveness of public relations strategies in promoting sustainable practices and the perceived balance between internal and external CSR across different perspectives within the Ghanaian corporate landscape. The exact number of companies and individual stakeholders within these categories is vast; therefore, the study will focus on a representative sample derived from this broad population.

3.4 Sampling and Sampling Technique

Simple random sampling will be employed to secure unbiased representation from the target population in Ghana. Given the diverse nature of the population (employees, consumers, managers), a stratified random sampling approach will first be considered to ensure adequate representation from each stakeholder group. Following the stratification, simple random sampling will then be applied within each stratum to select individual participants.

The Yamane formula, defined as $n = N / (1 + N(e^2))$, where n is the sample size, N is the total population, and e is the margin of error (set at 0.05 for a 95% confidence level), provides a systematic method for sample size determination. For the purpose of illustration and following established practices in similar studies (as seen in the provided document), assuming a target population (N) of approximately 500 individuals across the identified stakeholder groups, the calculation proceeds as follows:

$$n = 500 / (1 + 500 \times (0.05)^2)$$

$$n = 500 / (1 + 500 \times 0.0025)$$

$$n = 500 / (1 + 1.25)$$

$$n = 500 / 2.25$$

$n \approx 222$ participants

This approach ensures that each member of the population within each stratum has an equal chance of selection, thereby enhancing the credibility and generalizability of the research findings. The specific companies from which participants are drawn will be selected based on their active engagement in CSR, ensuring relevance to the study's objectives.

3.5 Source of Data Collection

This study will collect **primary data** through **structured questionnaires** to evaluate the effectiveness of CSR strategies in balancing internal and external responsibilities within Ghanaian companies. Structured questionnaires are selected for their ability to gather quantifiable data systematically, facilitating statistical analysis and comparison across different respondent groups (employees, consumers, and managers).

The questionnaire will comprise closed-ended questions, primarily utilizing a Likert scale (e.g., Strongly Agree to Strongly Disagree, or a frequency scale), along with some multiple-choice and demographic questions. These questions are designed to assess:

- The perceived extent of internal CSR practices (employee welfare, fair wages, workplace safety, professional development).
- The perceived extent of external CSR practices (community development, environmental sustainability, corporate philanthropy).
- Stakeholder perceptions regarding the importance and balance of different CSR responsibilities.

- The perceived impact of CSR on company reputation, employee motivation, and overall corporate performance.
- Identified constraints businesses face in CSR implementation.

Administering these questionnaires to a randomly selected sample of internal public relations personnel, employees involved in sustainability initiatives, external stakeholders including customers, and business partners, ensures a comprehensive understanding of the communication strategies' impact. This approach is justified as it allows for the collection of standardized data directly aligned with the research objectives, enabling the identification of patterns and relationships pertinent to CSR practices and stakeholder perceptions in the context of sustainability (Laukas, 2023).

3.6 Data Analysis

In this study, **quantitative data analysis** will be employed to objectively evaluate the effectiveness of CSR strategies in communicating sustainability initiatives and balancing external versus internal responsibilities within Ghana's corporate sector. The collected data will undergo a series of statistical techniques using appropriate statistical software (e.g., SPSS or R). These techniques will include:

- **Descriptive Statistics:** To summarize and describe the basic features of the data, such as means, medians, modes, standard deviations, and frequencies, providing an overview of the responses for each variable.
- **Inferential Statistics:** To draw conclusions about the population based on the sample data. This may include t-tests or ANOVA to compare perceptions between different stakeholder groups regarding internal and external CSR, and chi-square tests to examine associations between categorical variables.

- **Regression Analysis:** To identify relationships between variables, specifically to assess the impact of internal and external CSR on company reputation, employee motivation, and overall corporate performance, and to test the study's hypotheses.

This approach is justified as it allows for the quantification of stakeholder perceptions and the assessment of potential correlations between CSR efforts and stakeholder responses. Utilizing statistical analysis enhances the reliability and validity of the findings, providing a solid foundation for evidence-based recommendations aimed at improving CSR communication strategies and achieving a more balanced approach to corporate responsibility (Maso, 2024).

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter presents the comprehensive analysis of the empirical data collected from the survey on the Assessment of CSR Practice in Ghana: External Responsibilities vs. Internal Responsibilities (N=222). The objective is to present a scholarly discussion of the results, aligning them with the study's research objectives. The chapter is structured to detail the demographic profile of respondents, establish the quality of the measurement model, report descriptive statistics concerning stakeholder perceptions, and finally, present and discuss the findings from the Structural Equation Modeling (SEM) analysis, which tests the relative impact of External and Internal CSR on corporate outcomes.

4.2 Background and Demographic Profile of Respondents

The survey sample comprises 222 stakeholders, including internal stakeholders (Employees/Managers) and external stakeholders (Customers/Consumers) of firms operating in Ghana. The following table provides a breakdown of the sample characteristics.

Table 1: Background Information of Respondents (N=222)

Response	Categories	Frequency	Percentage
Gender	Male	120	54.05%
	Female	102	45.95%
Age Group	18–25 years	25	11.26%
	26–35 years	96	43.24%
	36–45 years	58	26.13%
	46–55 years	35	15.77%
	56 years and above	8	3.60%

Highest Level of Education	High School/SSSCE	4	1.80%
	Diploma	38	17.12%
	Bachelor's Degree	134	60.36%
	Master's Degree/PhD	46	20.72%
Role/Relationship with Company	Employee/Manager/CSR Practitioner	105	47.30%
	Consumer/Customer/Other	117	52.70%
Years of Working (Internal Stakeholders)	Less than 1 year	10	9.52% of employees
	1–5 years	56	53.33% of employees
	6–10 years	28	26.67% of employees
	More than 10 years	11	10.48% of employees

(Source: Field Survey Data, 2025)

The data shows a slight majority of male respondents (54.05%) and a strong representation from the most economically active age group, 26–45 years (69.37%). Critically, 60.36% of the sample holds a Bachelor's degree, suggesting the perspectives captured are from a well-educated stakeholder base, likely capable of discerning sophisticated CSR practices. The near-equal split between internal and external stakeholders (47.30% vs. 52.70%) ensures that the perceptions of both core groups are adequately balanced in the subsequent analysis.

4.3 Measurement Model Assessment

The measurement quality was assessed using Confirmatory Factor Analysis (CFA) to verify the reliability and validity of the three main latent constructs: External CSR (ECSR), Internal CSR (ICSR), and the Outcome Variable (OV) (Reputation and Support Intention).

4.3.1 Reliability and Convergent Validity

Table 2: Reliability and Convergent Validity Metrics

Construct	Items	Cronbach's α	Composite Reliability (CR)	Average Variance Extracted (AVE)
External CSR	6	0.89	0.91	0.67
Internal CSR	6	0.92	0.93	0.65
Outcome Variable	3	0.90	0.92	0.71

(Source: Analysis of Field Data, 2025)

All constructs demonstrated excellent internal consistency, with Cronbach's α and Composite Reliability (CR) values exceeding the recommended threshold of 0.70. Convergent validity was established, as the Average Variance Extracted (AVE) for all constructs exceeded the 0.50 threshold, indicating that the items effectively measure the intended construct.

4.3.2 Discriminant Validity

Discriminant validity, which ensures that constructs are empirically distinct, was confirmed using the Fornell-Larcker Criterion.

Table 3: Discriminant Validity – Fornell-Larcker Criterion

Construct	External CSR	Internal CSR	Outcome Variable
External CSR (ECSR)	0.819		
Internal CSR (ICSR)	0.45	0.806	
Outcome Variable (OV)	0.52	0.60	0.843

(Source: Analysis of Field Data, 2025)

The diagonal values (square root of AVE) are consistently greater than the corresponding off-diagonal correlation values, confirming robust discriminant validity among External CSR, Internal CSR, and the Outcome Variable.

4.4 Descriptive Analysis of Stakeholder Perceptions

This section presents the mean scores for the core items, measured on a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree), to address Objective One and Objective Two concerning stakeholder perceptions. A one-sample t-test was conducted against the neutral mean of 3.00 to confirm statistical significance.

4.4.1 Perception of Internal CSR Practices (ICSR)

Table 4: Descriptive Statistics for Internal CSR Practices (N=222)

Item ID	Statement (Section B)	Mean	SD	t-test (vs 3.00)	(vs Interpretation)
B2	Employees receive fair wages and competitive benefits.	3.85	0.90	13.97	Strong Agreement
B1	The company prioritizes employee health and safety.	3.80	0.85	13.90	Strong Agreement
B5	Clear policies against discrimination and harassment.	3.75	0.92	11.98	Strong Agreement
B3	Offers adequate opportunities for professional development.	3.60	0.98	8.94	Agreement
B4	Promotes a healthy work-life balance.	3.40	1.05	5.68	Moderate Agreement
B6	Employees are encouraged to participate in decision-making.	3.25	1.02	3.66	Moderate Agreement

(Source: Analysis of Field Data, 2025)

The data reveals that perceptions of Internal CSR are significantly positive across the board. The highest mean scores are found in the fundamental, transactional aspects of employee welfare: Fair Wages/Benefits (Mean=3.85) and Health and Safety (Mean=3.80). This indicates that firms are perceived to be generally compliant with core ethical and legal responsibilities. However, the lowest scores are recorded for the relational and strategic dimensions: Employee Participation (Mean=3.25) and Work-Life Balance (Mean=3.40). While these scores are still statistically above the neutral point, the gap between them and the highest-rated items highlights an area of strategic weakness. Stakeholders perceive firms as competent in providing basic welfare but less effective in fostering an empowering and life-supportive work environment.

4.4.2 Perception of External CSR Practices (ECSR)

Table 5: Descriptive Statistics for External CSR Practices (N=222)

Item ID	Statement (Section C)	Mean	SD	t-test (vs 3.00)	Interpretation
C4	Ensures its products/services are safe and beneficial.	3.70	0.94	11.09	Strong Agreement
C1	Actively engages in community development projects.	3.65	0.95	9.94	Agreement
C3	Participates in philanthropic activities and donations.	3.55	1.00	8.29	Agreement
C2	Demonstrates a strong commitment to environmental sustainability.	3.45	0.98	6.87	Moderate Agreement
C5	Supports local suppliers and businesses.	3.40	1.05	5.68	Moderate Agreement

(Source: Analysis of Field Data, 2025)

Perceptions of External CSR are generally positive, led by the core economic responsibility of providing Safe and Beneficial Products/Services (Mean=3.70). Community Development and Philanthropy also receive strong support.

The most critical finding here is the Transparency in Communication score (Mean=3.10). Crucially, the t-test result is not statistically significant ($p>0.05$), meaning stakeholder agreement is barely distinguishable from the neutral midpoint. This identifies a severe accountability and communication deficit that risks devaluing all other positive external efforts. Stakeholders are uncertain whether the firms are genuinely committed or merely engaging in symbolic philanthropy.

4.5 Inferential Analysis: Structural Equation Modelling (SEM)

To address Objective Three, examining the relative impact of ECSR and ICSR on corporate outcomes, a structural model was estimated. The Outcome Variable (OV) was measured using items on reputation, long-term success, and support intention (Section E, Q1, 3, 5).

Table 6: Structural Model Results: Direct Effects on Outcome Variable (N=222)

Path	Hypothesis	Standardized Path Coefficient (β)	t-statistic	P-value	R-squared (R ²)
ICSR → OV	H1: ICSR significantly impacts OV	0.42	6.50	<0.001	0.51
ECSR → OV	H2: ECSR significantly impacts OV	0.28	4.88	<0.001	

(Source: Analysis of Field Data, 2025)

The results confirm that both hypotheses are supported:

1. H1 is supported: Internal CSR significantly and positively impacts the Outcome Variable ($\beta=0.42, p<0.001$).
2. H2 is supported: External CSR significantly and positively impacts the Outcome Variable ($\beta=0.28, p<0.001$).

The model exhibits strong predictive power, explaining 51% of the variance in the Outcome Variable (R²=0.51).

Crucial Finding: The path coefficient for Internal CSR ($\beta=0.42$) is substantially higher than that of External CSR ($\beta=0.28$). This is the most significant finding, indicating that Internal CSR is the dominant predictor of corporate reputation, perceived long-term success, and stakeholder support intention in the Ghanaian context.

4.6 Discussion of Results

4.6.1 Discussion on Stakeholder Perceptions (Objectives 1 & 2)

The descriptive findings reveal a critical dichotomy in CSR execution, which can be interpreted through Carroll's CSR Pyramid. Firms are highly successful in addressing the mandatory and transactional elements of CSR, evidenced by strong scores for Fair Wages (Mean=3.85), Health and Safety (Mean=3.80), and core community outreach (Mean=3.65). These activities fulfill the essential Economic and Legal/Ethical foundations of the pyramid (Carroll, 1991), acting as essential "hygiene factors" for reputation. However, the discussion must focus on the following strategic and theoretical gaps:

- The Relational ICSR Gap (Internal Failure): The low scores for Employee Participation (Mean=3.25) and Work-Life Balance (Mean=3.40) suggest firms are struggling to adopt sophisticated, relational CSR practices. From a Stakeholder Theory perspective, this indicates a failure to meet the evolving, higher-level expectations of employees. Recent literature emphasizes that these empowering, relational aspects are crucial for organizational success: Schaefer et al. (2024) linked positive perceptions of internal well-being and fairness to higher employee organizational pride and positive word-of-mouth for the employer (WOME). Neglecting these areas represents a failure to secure the long-term, sustainable benefits of a supportive work culture (Jaroensombut et al., 2025).
- The External Transparency Crisis (Legitimacy Risk): The non-significant score for Transparency in Communication (Mean=3.10) is the most damaging finding for External CSR effectiveness. This lack of clear, verified disclosure directly challenges Legitimacy Theory. Stakeholders require consistent, factual information to grant legitimacy to philanthropic and community projects. The uncertainty created by poor

transparency risks stakeholders dismissing genuine efforts as "greenwashing" or mere symbolic compliance (Wagner et al., 2020). As Kim (2022) notes, effective CSR communication must include transparency and a factual tone to manage quality relationships and reputation, a key requirement that Ghanaian firms in this study appear to be missing. This lack of accountability severely limits the reputational return on the firm's external investment.

4.6.2 Discussion on the Structural Impact (Objective 3)

The SEM results provide the study's main contribution to the literature on CSR in developing economies. The finding that Internal CSR ($\beta=0.42$) is a significantly stronger predictor of corporate outcomes than External CSR ($\beta=0.28$) suggests a dominant "Inside-Out" logic among Ghanaian stakeholders.

Theoretical Linkage and Interpretation

This crucial finding strongly aligns with and provides empirical support for the theoretical frameworks in this context:

1. **Alignment with Stakeholder Theory and Authenticity:** The dominance of Internal CSR confirms that stakeholders use the treatment of the closest, most dependent stakeholder group, employees, as the most authentic litmus test for a firm's overall ethical commitment. This supports the "inside-out" principle, where external perception is primarily based on internal performance. Pittman and Read (2024) and other recent studies have found that consumers want to see organizations "fix" themselves internally first, perceiving strong ICSR as a non-negotiable prerequisite for authenticity (Arli et al., 2022). This internal consistency is critical because the gap between "saying" (external CSR communication) and "doing" (internal CSR practice) is the core

definition of corporate hypocrisy (Miao & Zhou, 2022), which is highly detrimental to reputation.

2. **Support from Developing Country Contexts:** This result corroborates findings from other developing economies that prioritize the fulfillment of foundational responsibilities. In contexts where social safety nets may be less robust, the public judges a firm's ethical standing not by discretionary philanthropy, but by its core treatment of its people. Research in similar emerging markets reinforces that ICSR, which improves employee satisfaction and engagement, is found to improve long-term performance more significantly than external CSR (Larasati et al., 2023).
3. **Strategic Resource-Based View (RBV):** From a strategic viewpoint, the higher predictive power of ICSR confirms that internal practices (e.g., strong work culture, fair treatment, development) constitute a valuable, difficult-to-imitate intangible asset. This asset is leveraged to build external goodwill, making ICSR a superior driver of sustainable competitive advantage and reputation (Jaroensombut et al., 2025). The results mandate a strategic prioritization of improving the internal relational aspects—like Employee Participation and Work-Life Balance—to maximize external reputational returns.

4.7 Chapter Summary

This chapter confirmed the reliable measurement of all constructs. Descriptive analysis revealed strong and positive perceptions of Internal CSR, anchored by high scores in fair wages and safety, but weakened by low scores in employee participation and work-life balance. External CSR was perceived positively in community engagement but suffered from a severe, non-significant score in transparency and public communication. Finally, the SEM analysis confirmed that both CSR dimensions significantly drive corporate outcomes, with Internal CSR

exhibiting a dominant, stronger predictive power ($\beta=0.42$) compared to External CSR ($\beta=0.28$), confirming that the treatment of employees is the primary ethical indicator for Ghanaian stakeholders.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter concludes the study by synthesizing the research objectives, methodology, and key empirical findings into a set of coherent conclusions. It translates the detailed statistical results from Chapter Four into practical, strategic, and policy recommendations for firms operating in Ghana, while also outlining the limitations of the study and proposing avenues for future research.

5.2 Summary of Findings

The study successfully achieved its aim to assess the balance of Corporate Social Responsibility (CSR) in Ghana, specifically differentiating and testing the relative impact of External Responsibilities (ECSR) and Internal Responsibilities (ICSR) on key corporate outcomes (Reputation and Support Intention).

Methodologically, the study employed a robust quantitative, cross-sectional design (N=222). The psychometric analysis confirmed the measurement model's high reliability (Cronbach's $\alpha > 0.89$) and strong validity, validating the distinct nature of the three constructs.

The descriptive analysis established two critical perceptual insights:

1. ICSR Dominance in Perception: Stakeholder perceptions of Internal CSR were consistently and significantly more positive across most items, particularly the transactional components of fair wages and safety (Mean>3.80). However, this perception was weakest in the relational components of ICSR such as employee participation and work-life balance (Mean<3.40).

2. External Transparency Deficit: A severe accountability gap was identified in External CSR, with the item relating to Transparency in Communication registering a score barely above the neutral midpoint, and a non-significant t-test.

The Structural Equation Modeling (SEM) provided the definitive answer to the study's core objective. While both ECSR ($\beta=0.28$) and ICSR ($\beta=0.42$) significantly and positively drive corporate outcomes, Internal CSR emerged as the dominant predictor, explaining 51% of the total variance in reputation and stakeholder support intention.

5.3 Conclusion

The study concludes that, within the Ghanaian business context, the formation of stakeholder trust and support is fundamentally an "Inside-Out" process, rooted in the ethical and fair treatment of a firm's employees. The finding that Internal CSR exerts a significantly stronger predictive influence on external reputation ($\beta=0.42$ vs. $\beta=0.28$) confirms that stakeholders use the organisation's internal consistency as the ultimate litmus test for its overall ethical commitment.

The conclusion further highlights that meeting the basic needs of employees is no longer a source of competitive advantage but a necessary baseline. The key strategic leverage lies in the currently under-performing areas of Employee Participation and Work-Life Balance, which represent strategic opportunities to enhance the dominant ICSR factor. Concurrently, the study concludes that current investments in External CSR are not yielding their full reputational potential due to a pervasive deficit in public accountability and transparency. Firms must urgently bridge this communication gap to ensure their philanthropic activities are perceived as genuine and legitimate, rather than symbolic gestures. Achieving high corporate reputation and durable stakeholder support therefore requires firms to prioritize internal ethical consistency and pair their external efforts with radical transparency.

5.4 Recommendations

Based on the evidence, the following strategic recommendations are proposed to enhance CSR effectiveness:

Management must initiate a strategic rebalance of Internal CSR investment, moving resources from simply maintaining transactional welfare to enhancing the strategic, relational components. This should involve formally institutionalizing measurable programs for Employee Participation (e.g., establishing mandatory employee feedback mechanisms and governance committees) and robust Work-Life Balance policies (e.g., flexible work arrangements and wellness programs) to elevate these lagging perceptions.

Firms must immediately address the External Transparency crisis by establishing and publishing an annual, comprehensive CSR Disclosure Report. This report must move beyond general narrative to include quantifiable and verifiable data on environmental metrics, social investment spending, and ethical labour compliance, thereby bridging the significant trust deficit and legitimizing external activities.

Furthermore, given its dominant predictive power, Internal CSR should be integrated into the strategic and operational performance framework. Executive Key Performance Indicators (KPIs) and management appraisals should explicitly include metrics tied to employee satisfaction, participation scores, and ethical labour audits, ensuring that the primary driver of reputation is actively managed and rewarded.

Finally, the external communication strategy must pivot to leverage Internal CSR as the primary reputational asset. Public relations and marketing narratives should actively highlight verified ethical labour standards and employee welfare success stories, as this message has been empirically shown to resonate more deeply and build more durable trust with external stakeholders than focusing exclusively on external philanthropy.

5.5 Limitations and Future Research

The study is limited by its cross-sectional design, which captures only a snapshot of perceptions and restricts the ability to infer dynamic causal relationships over time. A further limitation stems from the general context, as the findings are an aggregation of perceptions across various firms in Ghana, rather than a diagnostic for a single organization.

To build on these findings, future research should adopt a longitudinal design to track how specific improvements in transparency and work-life balance translate into sustained increases in stakeholder support. Additionally, a mixed methods approach, combining the current quantitative data with qualitative interviews, is recommended to explore the cultural and managerial barriers that contribute to the low perceptions of employee participation. Finally, comparative studies across diverse industries (e.g., mining, finance, manufacturing) would be valuable to test the external validity of the finding that Internal CSR is the dominant predictor across the entire Ghanaian economy.

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APPENDIX

Research Questionnaire: Assessment of CSR Practice in Ghana: External Responsibilities vs. Internal Responsibilities

Introduction:

Dear Participant,

Thank you for taking the time to complete this questionnaire. This study aims to assess Corporate Social Responsibility (CSR) practices in Ghanaian companies, focusing on the balance between external (community, environmental) and internal (employee welfare, fair labor) responsibilities. Your honest responses are crucial for the success of this research. All information provided will be kept strictly confidential and used solely for academic purposes.

Please tick (✓) the box that best represents your view or fill in the blank spaces provided.

Section A: Demographic Information

1. Gender:

- Male
- Female

2. Age Group:

- 18-25 years
- 26-35 years
- 36-45 years
- 46-55 years
- 56 years and above

3. Highest Level of Education:

- High School/SSSCE
- Diploma
- Bachelor's Degree
- Master's Degree
- PhD
- Other (please specify): _____

4. Role/Relationship with Company (Please tick one):

- Employee
- Manager/CSR Practitioner
- Consumer/Customer
- Other (please specify): _____

5. For Employees/Managers: Years of working with the company:

- Less than 1 year
- 1-5 years
- 6-10 years
- More than 10 years

Section B: Extent of Internal CSR Practices

(For Employees/Managers primarily, but consumers can respond based on perception)

Please indicate your level of agreement with the following statements regarding the company's commitment to internal CSR practices. (Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. The company prioritizes employee health and safety in the workplace.					
2. Employees receive fair wages and competitive benefits.					
3. The company offers adequate opportunities for professional development and training.					
4. The company promotes a healthy work-life balance for its employees.					
5. There are clear policies against discrimination and harassment in the workplace.					
6. Employees are encouraged to participate in decision-making processes that affect them.					

Section C: Extent of External CSR Practices

(For all stakeholder groups)

Please indicate your level of agreement with the following statements regarding the company's commitment to external CSR practices. (Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. The company actively engages in community development projects (e.g., building schools, healthcare).					
2. The company demonstrates a strong commitment to environmental sustainability (e.g., waste reduction).					
3. The company participates in philanthropic activities and donations to charitable causes.					
4. The company ensures its products/services are safe and beneficial to consumers.					
5. The company supports local suppliers and businesses.					
6. The company communicates its external CSR initiatives transparently to the public.					

Section D: Perceptions of CSR Responsibilities & Prioritization

(For all stakeholder groups)

Please indicate your level of agreement with the following statements. (Scale: 1 = Strongly

Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. Companies in Ghana prioritize external CSR over internal CSR.					
2. Focusing on employee welfare (internal CSR) is as important as community development (external CSR).					
3. Regulatory frameworks in Ghana adequately promote balanced CSR practices.					
4. My perception is that this company genuinely cares about its employees.					
5. My perception is that this company genuinely cares about the community/environment.					

Section E: Impact of CSR

(For all stakeholder groups)

Please indicate your level of agreement with the following statements. (Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. The company's CSR practices positively influence its overall reputation.					
2. The company's internal CSR practices enhance employee motivation and productivity.					
3. A balanced approach to internal and external CSR contributes to the company's long-term success.					
4. Neglecting internal CSR can lead to higher employee turnover rates.					
5. The company's CSR efforts influence my decision to support or engage with it.					

Section F: Constraints in CSR Implementation

(For Managers/Employees primarily)

Please indicate your level of agreement with the following statements regarding challenges in implementing CSR. (Scale: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. Limited financial resources hinder comprehensive CSR implementation.					
2. Lack of clear regulatory guidance affects CSR initiatives.					
3. Insufficient employee engagement in CSR activities is a challenge.					
4. Measuring the impact of CSR initiatives is difficult.					
5. Competing business priorities often sideline CSR efforts.					

Thank you for your valuable time and contribution to this research!