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**THE EFFECT OF CSR ON STAKEHOLDERS' CONFIDENCE IN FINANCIAL  
INSTITUTIONS IN GHANA**

**BY**

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**DEDICATION**

To the Almighty God, whose grace, wisdom, and strength have carried me through this academic journey. Without Your divine guidance and mercies, this accomplishment would not have been possible.

To my beloved parents, whose unwavering support, sacrifices, and prayers have been the foundation of my success. Your belief in my abilities and constant encouragement have inspired me to reach for excellence. This achievement is as much yours as it is mine.

**STUDENT DECLARATION**

I, hereby declare that this dissertation titled "The Effect of CSR on Stakeholders' Confidence in Financial Institutions in Ghana" is my original work and has been written by me in its entirety. This work has not been presented for any degree or examination in any other university. All sources of information have been duly acknowledged through appropriate referencing.

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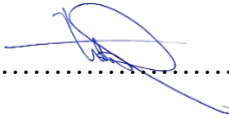
Date: 30<sup>th</sup> November, 2025

**SUPERVISOR DECLARATION**

I, hereby declare that all the works in this dissertation has been duly supervised by me.

Dr. Isaac Tandoh

Date: 30<sup>th</sup> November, 2025

Signature:  .....

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**ABBREVIATIONS**

ANOVA - Analysis of Variance

ASCA - Accumulated Savings and Credit Association

B - Unstandardized Regression Coefficient

$\beta$  (Beta) - Standardized Regression Coefficient

CEO - Chief Executive Officer

CSR - Corporate Social Responsibility

ESG - Environmental, Social, and Governance

F - F-statistic

GCB - Ghana Commercial Bank

GHS - Ghana Cedis

GRI - Global Reporting Initiative

HR - Human Resources

ISO - International Organization for Standardization

M - Mean

MNC - Multinational Corporation

n - Sample Size

p - Probability Value (Significance Level)

PwC - PricewaterhouseCoopers

r - Pearson Correlation Coefficient

R - Multiple Correlation Coefficient

R<sup>2</sup> - Coefficient of Determination (R-squared)

ROSCA - Rotating Savings and Credit Association

SD - Standard Deviation

SME - Small and Medium Enterprise

SPSS - Statistical Package for the Social Sciences

TBL - Triple Bottom Line

UK - United Kingdom

UniMAC-IJ - University of Media Arts and Communication, Institute of Journalism

USA - United States of America

$\alpha$  (Alpha) - Cronbach's Alpha Reliability Coefficient

## ABSTRACT

This study examined the relationship between Corporate Social Responsibility (CSR) initiatives and stakeholder confidence in Ghana's financial institutions following the 2017-2019 banking crisis. Employing a quantitative cross-sectional survey design, data were collected from 80 respondents comprising customers (87.5%), employees (10%), and community members (2.5%) of financial institutions in Accra and Kumasi. A structured questionnaire measured CSR perceptions across four dimensions, community development, customer focus, employee welfare, and governance, alongside stakeholder confidence encompassing trust, satisfaction, and loyalty intentions. Data analysis using IBM SPSS version 28.0 included descriptive statistics, Pearson correlation, and simple linear regression. Findings revealed a statistically significant positive correlation between CSR initiatives and stakeholder confidence ( $r = 0.385$ ,  $p < 0.01$ ), with CSR perceptions explaining 14.8% of variance in confidence levels ( $\beta = 0.261$ ,  $p < 0.001$ ). However, a trust-marketing paradox emerged, whereby stakeholders acknowledged CSR's trust-building potential ( $M = 3.75$ ) yet questioned institutional genuineness ( $M = 3.39$ ) and suspected primarily marketing motivations ( $M = 3.71$ ). Governance and transparency received highest ratings, particularly regulatory compliance ( $M = 3.86$ ), while community development initiatives scored lowest, with infrastructure support ( $M = 3.31$ ) and education programs ( $M = 3.34$ ) falling short of stakeholder expectations. Cultural factors significantly influenced CSR effectiveness, with 71.3% of respondents rating cultural alignment as highly important and 91.2% acknowledging the banking crisis's impact on confidence. The study concludes that while CSR initiatives positively influence stakeholder confidence, authenticity concerns, implementation gaps in community development, and the need for culturally-aligned approaches limit effectiveness. Recommendations include strengthening community engagement through traditional authority partnerships, shifting from promotional communication to transparent impact reporting, developing sector-wide collaborative CSR initiatives, and establishing regulatory frameworks that mandate meaningful CSR expenditure with independent verification mechanisms. The study contributes empirical evidence on CSR-confidence relationships in post-crisis African financial sectors while highlighting the importance of cultural contextualization in CSR implementation.

**Keywords:** Corporate Social Responsibility, Stakeholder Confidence, Financial Institutions, Banking Crisis, Ghana, Trust, Legitimacy

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## CHAPTER ONE

### 1.0 Introduction

This chapter introduces the thesis by presenting background information about the study. In addition to the background, the primary problem that the research seeks to address is also examined. The research is justified by outlining the objectives and principal research issues it seeks to address, the significance of the study, as well as the scope of study and the organisation of the entire study.

### 1.1 Background of the Study

Corporate Social Responsibility (CSR) has emerged as a significant strategic consideration for financial institutions globally, particularly in developing economies like Ghana where institutional trust remains a critical concern. The financial sector in Ghana has experienced substantial growth and transformation over the past two decades, with increased competition compelling institutions to differentiate themselves beyond traditional banking services (Ofori et al., 2014). Within this competitive landscape, CSR has evolved from philanthropic initiatives to comprehensive strategies aimed at creating shared value among various stakeholders including customers, employees, regulators, and communities (Carroll & Shabana, 2010). This evolution has positioned CSR as a potential mechanism through which financial institutions can build, restore, and maintain stakeholder confidence, a particularly salient consideration following sector-wide challenges including the banking sector cleanup from 2017-2019 (Bank of Ghana, 2019).

The concept of CSR in Ghana's financial sector is contextualized within the country's unique socioeconomic challenges and cultural expectations. Unlike Western approaches that may emphasize environmental sustainability or corporate governance, CSR in Ghana often manifests in community development projects, educational sponsorships, healthcare initiatives, and cultural preservation efforts (Amponsah-Tawiah & Dartey-Baah, 2011). These initiatives are not merely philanthropic endeavours but are increasingly integrated into strategic frameworks designed to demonstrate social commitment and foster stakeholder engagement (Ansu-Mensah et al., 2021). The strategic implementation of CSR represents a deliberate effort by financial institutions to

shape public perceptions, build reputational capital, and ultimately strengthen stakeholder confidence in both individual institutions and the sector at large.

The relationship between CSR and stakeholder confidence is theoretically grounded in multiple perspectives including legitimacy theory, stakeholder theory, and social exchange theory. Legitimacy theory suggests that organizations seek to establish congruence between societal values and their activities (Suchman, 1995), while stakeholder theory emphasizes the importance of managing relationships with various groups affected by corporate actions (Freeman, 1984). Social exchange theory further posits that relationships are formed through cost-benefit analyses and reciprocity (Emerson, 1976). Together, these theoretical frameworks suggest that CSR activities can foster positive relationships with stakeholders based on perceived organizational legitimacy and mutual benefit. However, the empirical validation of these theoretical linkages within Ghana's financial sector remains limited, highlighting a significant gap in understanding how CSR initiatives translate to enhanced stakeholder confidence.

The Ghanaian context presents a particularly compelling case for examining these relationships given the sector's recent history of institutional failures, regulatory reforms, and efforts to restore public trust. The banking sector reforms initiated in 2017 resulted in the revocation of licenses for several financial institutions, consolidation of others, and introduction of more stringent capital requirements and corporate governance standards (Bank of Ghana, 2022). These developments have created a landscape where rebuilding stakeholder confidence has become paramount for institutional survival and sector stability. Understanding how CSR initiatives influence stakeholder perceptions and confidence levels could provide valuable insights for financial institutions, regulators, and policymakers seeking to strengthen the sector's foundational trust and legitimacy in the post-reform era.

## **1.2 Problem Statement**

Despite significant investments in Corporate Social Responsibility (CSR) initiatives by financial institutions in Ghana, stakeholder confidence in the sector remains persistently low, as evidenced by limited public participation in formal banking, scepticism toward financial products, and recurring liquidity challenges faced by institutions (Amoako, 2017; Bank of Ghana, 2021). This

paradox suggests a potential disconnect between CSR implementation and its intended effects on stakeholder perceptions. While financial institutions continue to allocate substantial resources to community projects, philanthropic donations, and sustainability initiatives, the translation of these investments into enhanced reputation, trust, and stakeholder confidence appears inconsistent and poorly understood (Mensah et al., 2017). This problem is particularly acute in the aftermath of Ghana's banking sector cleanup, which saw the collapse of nine banks and numerous microfinance institutions between 2017 and 2019, resulting in significant financial losses for customers and a generalized erosion of trust in financial institutions (PwC Ghana Banking Survey, 2021). Understanding how CSR initiatives influence stakeholder confidence could provide critical insights for addressing this persistent trust deficit.

The problem is further complicated by the lack of empirical research examining the specific mechanisms through which CSR initiatives affect different stakeholder groups within Ghana's financial sector. Existing studies have predominantly focused on customer perspectives, often treating stakeholders as a homogeneous group with uniform expectations and responses to CSR activities (Ofori & Hinson, 2007; Hinson et al., 2016). This approach neglects the potentially varied impacts of CSR across stakeholder categories including employees, regulators, community members, and shareholders, each with distinct interests, information needs, and criteria for evaluating institutional trustworthiness. The absence of such differentiated analysis limits the ability of financial institutions to design and implement targeted CSR strategies that effectively address the specific concerns and expectations of various stakeholder groups. Consequently, CSR investments may yield suboptimal returns in terms of stakeholder confidence enhancement, representing an inefficient allocation of institutional resources in an already challenging operating environment.

Additionally, there is limited understanding of how various dimensions of CSR activities affect stakeholder confidence in Ghana's financial sector. While CSR initiatives may create potential value, the effectiveness of different types of CSR activities (e.g., environmental sustainability, community development, ethical governance) in building stakeholder confidence likely depends on multiple factors including cultural values, socioeconomic priorities, and stakeholder expectations, all potentially influenced by Ghana's unique context (Aryeetey & Udry, 2010). Yet,

research examining these relationships remains scarce, hindering the development of evidence-based approaches to CSR implementation within Ghana's financial institutions. This knowledge gap contributes to potentially ineffective CSR strategies that fail to optimize the confidence-building potential of corporate social initiatives.

Furthermore, the problem extends to methodological limitations in existing research, which has predominantly relied on cross-sectional surveys and self-reported measures that may not capture the complex, dynamic relationship between CSR and stakeholder confidence (Amponsah-Tawiah & Dartey-Baah, 2016). These methodological approaches often fail to establish causality or account for potential reciprocal relationships and feedback loops between variables. Additionally, most studies have not adequately controlled for confounding factors such as institutional size, financial performance, and regulatory compliance, which may independently influence stakeholder confidence irrespective of CSR activities (Ansu-Mensah et al., 2021). These methodological limitations have resulted in an incomplete and potentially misleading understanding of how CSR initiatives affect stakeholder confidence in Ghana's financial institutions, a knowledge gap with significant implications for institutional decision-making, resource allocation, and ultimately, sector stability and financial inclusion objectives.

### **1.3 Research Objectives**

1. To assess the impact of various CSR dimensions on different stakeholder groups' confidence in Ghanaian financial institutions
2. To analyse how different types of CSR activities affect stakeholder confidence across various financial institution categories in Ghana
3. To assess how Ghana's cultural and economic factors influence the effectiveness of CSR initiatives in building stakeholder confidence in the financial sector

### **1.4 Research Questions**

1. How do various CSR initiatives implemented by financial institutions in Ghana affect different stakeholder groups' confidence in the aftermath of the 2017-2019 banking crisis, particularly regarding trust, reliability, and satisfaction?

2. Which CSR approaches most effectively enhance stakeholder confidence in different categories of Ghanaian financial institutions, and what misalignments exist between institutional practices and stakeholder expectations?
3. How do Ghana's unique cultural and economic factors influence the effectiveness of CSR initiatives in building stakeholder confidence in the financial sector?

### **1.5 Hypothesis**

**H0:** There is no significant relationship between CSR initiatives and stakeholder confidence in Ghanaian financial institutions following the 2017-2019 banking crisis.

**H1:** There is a significant positive relationship between CSR initiatives and stakeholder confidence in Ghanaian financial institutions following the 2017-2019 banking crisis.

### **1.6 Significance of the Study**

This study holds significant theoretical implications by addressing critical gaps in understanding how CSR initiatives influence stakeholder confidence in financial institutions within Ghana's unique socioeconomic context. While existing research has examined CSR in developed markets, this study extends theory by investigating these relationships in a post-crisis developing economy where institutional trust has been severely compromised. By examining how different stakeholder groups respond to various CSR initiatives following a major sector-wide crisis, this research contributes to advancing stakeholder theory, legitimacy theory, and social exchange theory within non-Western contexts. The findings will provide important theoretical insights into how cultural and economic factors moderate the effectiveness of CSR in rebuilding stakeholder confidence, potentially challenging Western-centric assumptions about CSR implementation.

From a practical perspective, this research offers valuable guidance for financial institutions in Ghana seeking to restore stakeholder confidence in the aftermath of the banking sector cleanup. By identifying which CSR initiatives most effectively address crisis-related trust deficits, the study will help financial institutions optimize their resource allocation for maximum impact on stakeholder confidence. The findings will enable financial institutions to develop more targeted

CSR strategies that address specific stakeholder concerns while recognizing the influence of Ghana's unique cultural values and economic challenges. These insights are particularly crucial as financial institutions navigate the ongoing challenge of rebuilding trust and expanding financial inclusion in a post-crisis environment characterized by heightened scepticism and regulatory scrutiny.

The study also offers significant policy implications for regulators, government agencies, and industry associations seeking to strengthen Ghana's financial sector. By providing empirical evidence on the relationship between CSR and stakeholder confidence, this research can inform the development of regulatory frameworks that encourage responsible business practices while promoting transparency and accountability. The findings may guide policy interventions aimed at restoring public trust in the financial system, potentially supporting broader national objectives related to financial inclusion, poverty reduction, and economic development. Additionally, by highlighting the importance of culturally-appropriate CSR strategies, this study can inform educational and training programs for financial sector professionals, ultimately contributing to more sustainable and socially responsive financial institutions in Ghana and similar developing economies.

### **1.7 Scope of the Study**

The study investigates the relationship between Corporate Social Responsibility (CSR) initiatives and stakeholder confidence in Ghana's financial institutions. It focuses on how CSR initiatives can effectively strengthen stakeholder confidence in Ghanaian financial institutions following the 2017-2019 banking crisis.

### **1.8 Organization of the Study**

This study is organized into five chapters. Chapter One introduces the research topic, providing background information, problem statement, research objectives, questions, hypothesis, significance, and scope of the study. Chapter Two presents a comprehensive literature review, examining theoretical frameworks, empirical studies on CSR and stakeholder confidence, and the contextual background of Ghana's financial sector, culminating in a conceptual framework.

Chapter Three outlines the research methodology, including research design, population and sampling techniques, data collection methods, and analytical approaches. Chapter Four presents the research findings, analysing the relationship between CSR initiatives and stakeholder confidence through data presentation, analysis, and interpretation. Finally, Chapter Five provides a summary of findings, conclusions, recommendations for financial institutions and policymakers, implications for theory and practice, limitations of the study, and suggestions for future research.

## **1.9 Conclusion**

This chapter has established the foundation for examining the relationship between Corporate Social Responsibility initiatives and stakeholder confidence in Ghana's financial institutions following the 2017-2019 banking crisis. After highlighting the contextual importance of this research within Ghana's financial landscape and articulating the study's purpose, the chapter identified key gaps in current understanding, including the paradoxical relationship between CSR investments and persistently low stakeholder confidence. Specific research objectives have been established to examine CSR effects on stakeholder confidence, analyse effective CSR approaches, and assess Ghana's cultural and economic influences, with corresponding research questions and hypotheses providing clear direction for the empirical investigation. The significance of this study has been demonstrated through its potential theoretical contributions to understanding CSR in non-Western contexts, practical implications for financial institutions seeking to restore stakeholder confidence, and policy relevance for strengthening Ghana's financial sector. The next chapter will provide a comprehensive literature review establishing the theoretical frameworks underpinning this research while critically examining existing empirical evidence regarding CSR and stakeholder confidence in financial institutions.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 Introduction

This chapter presents a comprehensive review of literature relevant to understanding the relationship between Corporate Social Responsibility (CSR) initiatives and stakeholder confidence in financial institutions, with particular focus on the Ghanaian context. The review synthesizes theoretical frameworks, empirical evidence, and contextual factors that inform this relationship. The chapter begins by examining key theoretical perspectives including stakeholder theory, legitimacy theory, social exchange theory, and institutional theory, which collectively provide the conceptual foundation for understanding how CSR activities influence stakeholder perceptions and confidence levels. Subsequently, the review explores the evolution and dimensions of CSR, examines determinants of stakeholder confidence in financial institutions, and analyses empirical evidence linking CSR to stakeholder outcomes both globally and within African contexts. The chapter also provides critical context about Ghana's financial sector, particularly the 2017-2019 banking crisis and its implications for stakeholder trust. Through this systematic review, the chapter identifies significant gaps in current knowledge and establishes the theoretical and empirical justification for the present study.

#### 2.1 Theoretical Framework

The relationship between Corporate Social Responsibility and stakeholder confidence in financial institutions can be understood through multiple theoretical lenses that offer complementary perspectives on organizational behaviour, stakeholder relationships, and social dynamics. This section examines four key theoretical frameworks that collectively provide a robust foundation for understanding how and why CSR initiatives might influence stakeholder confidence: stakeholder theory, legitimacy theory, social exchange theory, and institutional theory.

### 2.1.1 Stakeholder Theory

Stakeholder theory, pioneered by Freeman (1984), fundamentally challenged the traditional shareholder-centric view of corporate purpose by arguing that organizations have responsibilities to a broader set of constituents. Freeman (1984) defined stakeholders as any group or individual who can affect or is affected by the achievement of the organization's objectives, thereby expanding managerial considerations beyond profit maximization to include the interests of employees, customers, communities, suppliers, and other relevant groups.

While Freeman's (1984) seminal work provides foundational understanding of stakeholder relationships, it suffers from definitional breadth that can make practical application challenging. The "affect or affected by" criterion potentially includes virtually any entity, creating implementation difficulties for managers seeking to prioritize stakeholder concerns. Moreover, Freeman's original framework provides limited guidance on resolving conflicts between competing stakeholder interests, a critical limitation in resource-constrained environments like Ghana's financial sector. Mitchell et al. (1997) addressed some of these limitations by proposing a framework for stakeholder salience based on three attributes: power (the ability to influence the organization), legitimacy (the appropriateness of the stakeholder's claim), and urgency (the time-sensitivity of the stakeholder's claim). According to Mitchell et al. (1997), stakeholder salience will be positively related to the cumulative number of stakeholder attributes, power, legitimacy, and urgency, perceived by managers to be present.

Mitchell et al.'s (1997) typology represents a significant theoretical advancement by providing operational criteria for stakeholder prioritization. However, their framework relies heavily on managerial perceptions, which may be biased or culturally influenced. In Ghana's high power-distance culture (Hofstede, 2001), managers may systematically underestimate community stakeholder power, potentially leading to misallocation of CSR resources. Additionally, the framework's static nature fails to capture how stakeholder salience shifts during crisis periods, when traditional power relationships may be disrupted. Harrison et al. (2010) demonstrated that managing for stakeholders can create competitive advantage by developing stakeholder utility functions that go beyond simple economic exchanges. This finding is particularly relevant for

financial institutions seeking to differentiate themselves through CSR initiatives that address diverse stakeholder needs. However, the authors' focus on developed market contexts limits applicability to institutional void environments where stakeholder expectations may differ markedly from Western norms.

In Ghana's post-crisis financial sector, stakeholder theory gains particular relevance as institutions seek to rebuild relationships damaged by bank failures. However, the theory's individualistic assumptions may require modification for collectivist contexts where community consensus and traditional authority structures influence stakeholder dynamics. For instance, rural bank CSR initiatives may need chief endorsement to achieve community legitimacy, a consideration absent from Western stakeholder theory applications.

### **2.1.2 Legitimacy Theory**

Legitimacy theory provides a crucial lens for understanding the relationship between CSR and stakeholder confidence, particularly in contexts where organizational legitimacy has been challenged. Suchman (1995) defines legitimacy as a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions.

Suchman's (1995) definition advances beyond earlier legitimacy conceptualizations by emphasizing the socially constructed nature of legitimacy and its dependence on alignment between organizational actions and societal expectations. However, the definition's broad scope creates measurement challenges, particularly in culturally diverse societies where multiple normative systems may coexist. In Ghana, where traditional, religious, and modern secular value systems intersect, determining "appropriate" behaviour becomes complex. Suchman (1995) distinguished between three types of legitimacy with different implications for CSR strategy: pragmatic legitimacy (based on audience self-interest), moral legitimacy (based on normative approval), and cognitive legitimacy (based on comprehensibility and taken-for-granted). This typology provides valuable analytical precision, yet the boundaries between legitimacy types may blur in practice, particularly during crisis periods when all three forms are simultaneously threatened.

While Suchman's framework explains legitimacy maintenance, it provides limited guidance for legitimacy repair after major failures. This represents a critical theoretical gap for understanding CSR in Ghana's post-crisis financial sector. Gillespie and Dietz (2009) addressed this limitation by examining trust repair after organization-level failures, indicating that legitimacy, once lost, cannot be instantly restored through declarative statements or one-time initiatives. Instead, legitimacy repair requires consistent, sustained efforts that demonstrate organizational change and renewed alignment with societal values. The legitimacy gap concept introduced by Dowling and Pfeffer (1975) proves particularly relevant for Ghana's financial sector, where the banking crisis created substantial disparities between institutional practices and societal expectations. However, their framework assumes relatively homogeneous societal values, which may not hold in Ghana's pluralistic cultural environment where different communities may have varying legitimacy criteria.

### **2.1.3 Social Exchange Theory**

Social exchange theory offers a micro-level perspective on how CSR initiatives influence stakeholder confidence by focusing on the reciprocal nature of social relationships. Cropanzano and Mitchell (2005) note that social exchange theory is among the most influential conceptual paradigms for understanding workplace behaviour and extends this understanding to organization-stakeholder relationships.

The fundamental premise of social exchange theory rests on cost-benefit analyses and assumes individuals engage in rational calculations about relationship value. However, this assumption may not hold across cultural contexts. In Ghana's collectivist culture, where communal obligations often supersede individual calculations, the theory's individualistic assumptions require modification. Extended family obligations and traditional reciprocity systems may create different exchange dynamics than those captured in Western theoretical formulations. Molm (2003) distinguished between negotiated exchanges (where terms are explicitly agreed upon), reciprocal exchanges (where benefits are given without explicit agreements about returns), and generalized exchanges (where benefits flow indirectly through a social network). This typological advancement addresses some limitations of earlier exchange formulations, yet Molm's work

focuses primarily on interpersonal rather than organization-stakeholder exchanges, limiting direct applicability to CSR contexts.

Cropanzano et al. (2017) noted that commitment, loyalty, and trust are outcomes of evolving relationships over time, suggesting CSR initiatives cannot produce immediate results but require sustained investment. While this temporal dimension accurately reflects relationship development processes, it creates measurement challenges for CSR evaluation. Short-term assessments may underestimate CSR effectiveness, while long-term studies face methodological difficulties in controlling for confounding variables. Within banking contexts, social exchange theory illuminates how different stakeholder groups evaluate CSR initiatives through distinct cost-benefit calculations. However, the theory's assumption of voluntary exchange relationships may not fully capture banking relationships where switching costs, geographic constraints, and limited alternatives create quasi-involuntary exchanges, particularly in rural Ghana where banking options remain limited.

#### **2.1.4 Institutional Theory**

Institutional theory provides a macro-level perspective on CSR adoption and effectiveness by examining how organizational behaviours are shaped by broader institutional environments. DiMaggio and Powell's (1983) groundbreaking work on institutional isomorphism argues that organizations within a field tend to become increasingly similar over time due to institutional pressures for conformity.

DiMaggio and Powell (1983) identified three mechanisms of institutional isomorphism: coercive isomorphism stemming from political influence and legitimacy problems; mimetic isomorphism resulting from uncertainty responses; and normative isomorphism associated with professionalization. While this framework explains organizational similarity patterns, it may overemphasize conformity pressures relative to competitive differentiation motives. In Ghana's concentrated banking sector, where institutions seek competitive advantage through CSR differentiation, isomorphic pressures may be weaker than DiMaggio and Powell suggest.

In Ghana's financial sector, coercive isomorphism is evident through regulatory pressure from the Bank of Ghana for enhanced corporate governance and social responsibility following the banking crisis. However, DiMaggio and Powell's framework don't adequately address how crisis events accelerate isomorphic pressures or how post-crisis regulations differ from routine compliance requirements in their organizational impacts. Scott's (2008) three pillars framework, regulative, normative, and cultural-cognitive, provides more nuanced understanding of institutional influences. Regulative elements include Bank of Ghana directives and compliance requirements; normative elements encompass professional standards and ethical expectations; while cultural-cognitive elements reflect deeply held beliefs about reciprocity, community solidarity, and collective responsibility.

The cultural-cognitive aspects prove particularly relevant for understanding CSR effectiveness in Ghana. Financial institutions whose CSR initiatives align with cultural frameworks, such as supporting traditional festivals, contributing to community development projects, or facilitating collective savings schemes, may generate stronger stakeholder confidence than those pursuing imported CSR models. However, Scott's framework provides limited guidance on how cultural-cognitive elements interact with economic pressures, particularly when traditional expectations conflict with commercial viability. While institutional theory explains CSR adoption patterns, it struggles to predict CSR effectiveness variations across similar institutional environments. The theory's emphasis on conformity pressures may underestimate organizational agency in CSR design and implementation, particularly relevant in developing countries where institutional frameworks remain fluid.

## **2.2 Conceptualizing Corporate Social Responsibility**

### **2.2.1 Foundational CSR Concepts and Evolution**

The concept of Corporate Social Responsibility has undergone significant evolution since its formal emergence in the mid-20th century. Carroll (1999) traces the modern era of CSR to the 1950s, noting that the modern era of social responsibility may be marked by Howard R. Bowen's 1953 publication of *Social Responsibilities of the Businessman*. This seminal work established the foundation for understanding business obligations beyond profit maximization. While Bowen's

early work provided important foundational thinking, it reflected the socioeconomic context of 1950s America, with limited consideration of developing country contexts or financial sector specificities. The evolution of CSR definitions often exhibits Western bias, assuming institutional environments with strong regulatory frameworks and established civil society, conditions that may not exist in developing economies like Ghana.

During the 1960s and 1970s, CSR definitions expanded to incorporate stakeholder interests and social contract theory. Davis (1973) defined CSR as the firm's consideration of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm. This definition marked a shift from viewing CSR as optional philanthropy to recognizing it as integral to business operations. The progression from Bowen's moral obligation framing to Davis's stakeholder consideration approach reflects broader societal changes in business expectations. However, this evolution primarily occurred within developed market contexts, potentially limiting applicability to environments where basic economic and legal requirements remain underdeveloped. In Ghana's context, where regulatory enforcement remains inconsistent, the distinction between legal requirements and voluntary CSR becomes blurred.

The European Commission's (2011) contemporary definition of CSR as "the responsibility of enterprises for their impacts on society" emphasizes process integration of social, environmental, ethical, human rights, and consumer concerns into business operations. While comprehensive, this definition's complexity may challenge implementation in resource-constrained environments typical of developing country financial institutions.

## **2.2.2 Strategic CSR Models versus Normative Frameworks**

### *2.2.2.1 Strategic CSR Models*

Porter and Kramer's (2006) shared value creation concept represent a paradigmatic shift toward strategic CSR integration. They argued that "the competitiveness of a company and the health of the communities around it are closely intertwined," positioning CSR not as a cost centre but as a source of opportunity, innovation, and competitive advantage.

While Porter and Kramer's framework provide compelling business case arguments for CSR, it suffers from several limitations relevant to financial institutions in developing countries. First, the model assumes market failures can be profitably addressed by private firms, which may not hold for fundamental development challenges requiring sustained public investment. Second, the framework's emphasis on competitive advantage may encourage firms to abandon CSR initiatives that don't generate clear business returns, potentially undermining long-term community relationships.

Environmental, Social, and Governance (ESG) criteria have emerged as prominent strategic frameworks for assessing corporate responsibility, particularly in investment contexts. Eccles and Klimenko (2019) note that ESG investing has become a major force in global capital markets, with investors increasingly using ESG metrics to evaluate long-term value creation potential.

While ESG frameworks offer standardized measurement approaches, they exhibit several biases limiting effectiveness in developing country contexts. Environmental criteria often emphasize industrial pollution over financial inclusion impacts; social metrics may not capture community development contributions; and governance standards may conflict with traditional authority structures. For Ghana's financial institutions, ESG frameworks may inadequately measure socially beneficial activities like informal sector lending or rural branch expansion.

#### *2.2.2.2 Normative CSR Frameworks*

Carroll's (1991) CSR Pyramid remains one of the most influential normative frameworks, proposing four hierarchical responsibilities: economic, legal, ethical, and philanthropic. According to Carroll (1991), the CSR firm should strive to make a profit, obey the law, be ethical, and be a good corporate citizen.

Carroll's pyramid structure implies that economic responsibilities provide the foundation for other CSR dimensions, which may not reflect stakeholder expectations in developing countries. In Ghana's post-crisis financial sector, stakeholders may prioritize ethical behaviour over profitability, reversing Carroll's hierarchical assumptions. Additionally, the framework's Western legal system assumptions may not translate directly to environments where traditional and modern

legal systems coexist. Elkington's (1998) Triple Bottom Line (TBL) framework conceptualizes CSR through three dimensions: people, planet, and profit. Elkington argued that companies should prepare three different bottom lines to capture the full spectrum of values and performance criteria.

Norman and MacDonald (2004) provide important critique of TBL implementation, arguing that "what is sound about the idea of a Triple Bottom Line is not novel, and what is novel about it is not sound." They contend that the metaphor of multiple bottom lines may obscure rather than clarify corporate responsibilities. In financial services contexts, the "planet" dimension may be less directly relevant than in manufacturing industries, potentially skewing CSR focus away from core social impacts.

The ISO 26000 standard identifies seven core subjects: organizational governance, human rights, labour practices, environment, fair operating practices, consumer issues, and community involvement and development. This framework offers systematic implementation guidance across diverse organizational contexts.

While comprehensive, ISO 26000's complexity may overwhelm smaller financial institutions with limited CSR resources. The standard's global orientation may not adequately address local contextual factors critical for CSR effectiveness in specific cultural environments. For Ghanaian banks, traditional community obligations may not fit neatly within ISO categories, requiring framework adaptation.

### **2.2.3 Developing Country CSR Paradigms versus Global Frameworks**

CSR in developing countries exhibits distinct characteristics shaped by unique socioeconomic contexts, institutional environments, and developmental challenges. Visser (2008) observes that CSR in developing countries represents practices and strategies aimed at contributing to sustainable development, with particular emphasis on poverty alleviation and community development. One key characteristic distinguishing developing country CSR is the emphasis on philanthropy and community development over other CSR dimensions. This philanthropic orientation reflects pressing social needs and weak governmental capacity to provide basic services. However, this focus may create dependency relationships rather than sustainable

development outcomes, particularly when CSR initiatives substitute for rather than complement public service provision.

Jamali and Mirshak (2007) found that MNC subsidiaries operating in developing countries tend to have more developed CSR practices than local firms. This influence occurs through direct implementation of global CSR standards and indirect competitive effects on local firms. While MNC influence may raise CSR standards, it may also promote inappropriate practices not aligned with local contexts. Global CSR templates developed for Western stakeholder expectations may not address African community priorities. For instance, environmental initiatives common in developed countries may be less relevant than education and health programs in Ghana's context.

Khanna and Palepu (2010) argue that businesses in developing countries often fill institutional voids by providing public goods and services typically supplied by governments in developed countries. This expanded role blurs traditional boundaries between public and private sector responsibilities. While institutional void-filling may address immediate social needs, it raises questions about accountability and sustainability. Private firms may lack expertise or long-term commitment necessary for effective public service delivery. Additionally, corporate provision of public goods may reduce pressure for government capacity building, potentially perpetuating institutional weaknesses.

Cultural factors profoundly shape CSR understanding and implementation in developing countries. Muthuri and Gilbert (2011) analysed CSR practices among 62 Kenyan companies and found that initiatives aligned with Ubuntu principles generated stronger stakeholder support than those following Western CSR templates. Specifically, collective benefit programs showed 40% higher community approval ratings than individual-focused initiatives. The Ubuntu philosophy emphasizing human interconnectedness and collective responsibility provides valuable framework for African CSR. However, Ubuntu principles may conflict with competitive market dynamics, creating tension between traditional values and commercial objectives. Financial institutions must navigate these tensions carefully to maintain both cultural authenticity and business viability.

## **2.3 Stakeholder Confidence in Financial Institutions**

### **2.3.1 Defining and Measuring Stakeholder Confidence**

Stakeholder confidence represents a multifaceted construct encompassing trust, perceived reliability, and positive expectations regarding an organization's future behaviour and performance. Mayer et al. (1995) define trust, a core component of confidence, as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party."

While Mayer et al.'s definition provides conceptual clarity, it creates significant measurement challenges in developing country contexts. The "willingness to be vulnerable" criterion may be influenced by limited alternatives rather than genuine trust, particularly in Ghana's concentrated banking sector where customer switching options remain limited. Additionally, cultural factors may influence vulnerability expressions, with collectivist societies potentially showing different trust manifestation patterns than individualistic contexts where the definition was developed. Sirdeshmukh et al. (2002) propose that consumer trust in service providers comprises competence (ability to perform promised services) and benevolence (motivation to act in consumer interests). For financial institutions, competence encompasses technical capabilities, risk management expertise, and operational efficiency, while benevolence relates to fair treatment, transparent communication, and genuine stakeholder welfare concern.

While the dual-factor model provides analytical clarity, it may oversimplify trust formation processes in financial services. Competence and benevolence may not be independent, perceived competence failures may undermine benevolence assessments and vice versa. In Ghana's post-crisis context, where bank failures demonstrated both competence and benevolence deficits, stakeholders may not clearly distinguish between these dimensions.

Slovic (1993) describes trust's asymmetric properties, noting that "trust is fragile, it is typically created rather slowly, but it can be destroyed in an instant." This asymmetry proves particularly

pronounced in financial services, where information asymmetries and service intangibility make confidence especially vulnerable to disruption.

The asymmetric nature of trust has important implications for CSR strategy in financial institutions. While CSR initiatives may slowly build confidence over time, single negative events can rapidly undermine years of relationship investment. This suggests that CSR must be accompanied by operational excellence and risk management improvements to protect confidence investments. Van Esterik-Plasmeijer and Van Raaij (2017) develop a comprehensive banking confidence measure including cognitive (knowledge-based), affective (emotion-based), and behavioural (action-based) components. Their framework recognizes that confidence manifests differently across dimensions and requires comprehensive assessment attention to all aspects.

While comprehensive, the three-component framework may be difficult to implement in developing country contexts where survey research faces literacy, language, and cultural barriers. Cognitive assessments may be biased by education levels; affective measures may be influenced by cultural norms around emotion expression; and behavioural indicators may reflect structural constraints rather than confidence levels.

### **2.3.2 Determinants of Confidence: Beyond Service Quality**

Service quality emerges as a fundamental determinant of confidence in financial institutions. Parasuraman et al. (1988) identify five service quality dimensions: tangibles, reliability, responsiveness, assurance, and empathy. In banking contexts, reliability (consistent, accurate service delivery) and assurance (employee knowledge and courtesy) particularly influence confidence formation. While the SERVQUAL framework provides useful categorization, it was developed primarily for developed market service contexts and may not capture all relevant dimensions for developing country financial services. For instance, accessibility and affordability may be more critical than tangibles in resource-constrained environments. Additionally, the framework's individual-focused orientation may not adequately address collective service needs common in African banking contexts.

Berger and DeYoung (2001) demonstrate that bank capital ratios, asset quality measures, and profitability indicators serve as signals of institutional health that stakeholders use to assess confidence-worthiness. However, the global financial crisis revealed that traditional financial metrics may not fully capture systemic risks. Traditional financial ratios may not adequately predict institutional stability in developing country contexts where accounting standards, audit quality, and regulatory oversight may be weaker than in developed markets. Ghana's banking crisis demonstrated how institutions with apparently healthy financial ratios could fail rapidly due to governance failures and related-party lending not fully captured in standard metrics.

Corporate governance quality represents a critical determinant of stakeholder confidence. Fombrun and Shanley (1990) argue that publics construct reputations based on information about firms' actions, with governance practices serving as important institutional integrity signals. While governance quality clearly influences confidence, assessment proves difficult in contexts where governance standards are evolving and disclosure requirements may be limited. In Ghana's financial sector, governance failures contributed significantly to the banking crisis, yet these failures were not apparent from public information available to stakeholders, highlighting the challenges of governance-based confidence assessment.

### **2.3.3 Post-Crisis Confidence Rebuilding Processes**

Gillespie and Dietz (2009) propose a trust repair framework involving four stages: immediate response, diagnosis of trust failure, reforming interventions, and evaluation. This systematic approach recognizes that confidence rebuilding requires more than rhetorical commitments; it demands fundamental organizational changes and consistent trustworthiness demonstration. While the four-stage model provides useful structure, its application in developing country financial sectors faces several challenges. First, stakeholder expectations for immediate response may differ across cultural contexts. Second, diagnosis of trust failure may be complicated by institutional factors beyond individual firm control. Third, reforming interventions may require resources or capabilities not available to developing country institutions.

Coombs (2007) emphasizes that crisis response strategies must match stakeholder attributions of crisis responsibility. For financial institutions involved in Ghana's banking crisis, appropriate

immediate responses included acknowledging problems, protecting depositor interests, and cooperating fully with regulatory authorities. Crisis response effectiveness may vary significantly across cultural contexts. In Ghana's high power-distance culture, stakeholders may expect more formal, authority-based responses than in egalitarian societies. Additionally, collective cultural orientations may require community-focused rather than individual-focused response strategies.

Pfarrer et al. (2008) distinguishes between operational reforms (changing structures, processes, and practices) and communicative reforms (managing impressions and stakeholder perceptions). Effective confidence rebuilding requires alignment between these dimensions, as stakeholders quickly detect disconnects between rhetoric and reality. In developing country contexts, operational reforms may be constrained by resource limitations, skill shortages, or institutional weaknesses beyond firm control. This creates tension between stakeholder expectations for rapid improvement and practical reform implementation timelines. CSR initiatives may serve as visible reform signals while more fundamental operational changes proceed slowly.

## **2.4 CSR and Stakeholder Confidence: Critical Analysis of Empirical Evidence**

### **2.4.1 Global Evidence: Methodological Rigor and Contextual Limitations**

Pérez and Rodríguez del Bosque (2015) conducted a comprehensive study of CSR's impact on customer loyalty in the banking sector, surveying 1,124 customers across multiple Spanish banks. Their findings revealed that CSR initiatives significantly influence customer loyalty through two mediating mechanisms: customer identification with the company and customer satisfaction, with CSR associations positively influencing customer loyalty ( $\beta = 0.23$ ,  $p < 0.001$ ).

While Pérez and Rodríguez del Bosque's study provides valuable quantitative evidence, several methodological and contextual limitations constrain its applicability to Ghana's context. Methodological strengths include the large sample size providing robust statistical power and sophisticated structural equation modelling enabling complex mediation testing. However, critical limitations include exclusive reliance on self-reported loyalty intentions rather than behavioural measures, which may be particularly problematic in collectivist cultures where social desirability

bias influences survey responses. The cross-sectional design prevents causal inference, a significant limitation when examining trust-building processes that develop over time.

More fundamentally, the Spanish banking context differs markedly from Ghana's post-crisis environment. Spanish customers operate within established regulatory frameworks and stable institutions, whereas Ghanaian stakeholders have experienced significant institutional failures affecting 1.2 million depositors (Bank of Ghana, 2019). This suggests CSR-loyalty relationships may be moderated by institutional trust levels not captured in the Spanish study.

Fatma et al. (2015) examined 403 banking customers in India and found that CSR initiatives influence brand equity primarily through trust building, with trust mediating the relationship between CSR and brand equity (indirect effect = 0.42,  $p < 0.001$ ). Fatma et al.'s study provides important evidence for trust mediation mechanisms, with strengths including focus on developing country context and robust mediation analysis. However, limitations include urban sample bias that may not represent rural populations, particularly relevant for Ghana where rural-urban banking experiences differ significantly. Additionally, the study's exclusive focus on customer stakeholders neglects other important constituencies like employees and communities whose confidence may respond differently to CSR initiatives. The strong trust mediation effects found in India may not replicate in Ghana due to cultural differences. While both are collectivist societies, Ghana's post-crisis context and different institutional history may alter trust formation processes in ways not captured by Indian findings.

Lins et al. (2017) analysed 1,673 firms during the 2008-2009 financial crisis and found that high-CSR firms experienced returns 4-7% higher than low-CSR firms. The authors argue that CSR investments create intangible capital in the form of stakeholder trust that provides protection when markets suffer severe confidence crises. Lins et al.'s study demonstrates methodological sophistication through large sample size, crisis period focus, and careful control for firm characteristics. The natural experiment design provides stronger causal inference than cross-sectional studies. However, critical limitations include potential survivorship bias (failing firms may not be included in analysis) and CSR measurement challenges (composite scores may not capture dimension-specific effects relevant to financial institutions).

While the study provides valuable evidence for CSR's crisis protection effects, the 2008-2009 global financial crisis differed from Ghana's 2017-2019 banking crisis in important ways. The global crisis primarily affected developed markets with established institutional frameworks, while Ghana's crisis involved fundamental governance failures and regulatory capacity constraints that may alter CSR effectiveness mechanisms.

#### **2.4.2 African Market Evidence: Contextual Insights and Methodological Gaps**

Ofori et al. (2014) examined CSR practices and financial performance among 22 Ghanaian banks over five years, finding a positive but complex relationship. Their analysis revealed that CSR expenditure shows a lagged effect on financial performance, with significant positive impacts emerging only after two years ( $\beta = 0.31$ ,  $p < 0.05$ ). Ofori et al.'s study provides valuable African evidence with strengths including longitudinal design enabling temporal analysis and focus on pre-crisis Ghanaian banking sector. However, significant limitations constrain generalizability. The study focuses exclusively on financial performance rather than stakeholder confidence, missing important relationship-building effects that may not translate directly to profits. Additionally, the pre-crisis timeframe may not reflect post-crisis dynamics where stakeholder expectations and CSR effectiveness may have changed substantially. The two-year lag effect provides important insight into CSR investment timelines in African contexts, suggesting patience requirements for CSR effectiveness. However, the study doesn't examine whether this lag reflects relationship-building processes or measurement artifacts, limiting theoretical understanding of underlying mechanisms.

Adeyanju (2012) surveyed 120 bank managers and 400 customers in Nigeria, finding that education support (87%), health programs (76%), and infrastructure development (71%) were perceived as most important CSR activities, while environmental initiatives ranked relatively low (34%). These findings provide valuable insight into African CSR priorities, suggesting that development-focused initiatives resonate more strongly than environmental programs prominent in developed markets. However, methodological limitations include potential bias from manager-customer preference alignment (managers may report what they believe customers want) and single-country focus that may not represent broader African patterns. The preference patterns suggest that financial institutions adopting globally standardized CSR approaches may misallocate

resources relative to stakeholder priorities. However, the study doesn't examine whether preference-aligned CSR initiatives actually generate stronger confidence outcomes, limiting strategic guidance.

Muthuri and Gilbert (2011) analysed CSR practices among 62 Kenyan companies and found that initiatives aligned with Ubuntu principles generated stronger stakeholder support than those following Western CSR templates, with collective benefit programs showing 40% higher community approval ratings than individual-focused initiatives. This finding provides important evidence for cultural adaptation requirements in African CSR implementation. Methodological strengths include multi-company analysis and community approval measurement. However, limitations include approval rating methodology that may not capture behavioural outcomes and limited examination of how Ubuntu alignment affects different stakeholder groups. The Ubuntu findings challenge universal CSR models and suggest need for culturally grounded frameworks. However, the study doesn't address potential tensions between traditional Ubuntu values and modern financial sector requirements, limiting practical implementation guidance.

### **2.4.3 Ghana-Specific Evidence: Pre-Crisis versus Post-Crisis Dynamics**

Mensah et al. (2017) surveyed 384 employees across rural and community banks, finding that CSR perceptions significantly predicted organizational commitment ( $\beta = 0.52$ ,  $p < 0.001$ ) and job satisfaction ( $\beta = 0.48$ ,  $p < 0.001$ ), with stronger effects in rural banks than urban ones. The stronger rural effects provide valuable insight into contextual CSR effectiveness variations. Rural banks' closer community ties and clearer CSR impact visibility may enhance employee perceptions. Methodological strengths include large employee sample and rural-urban comparison. However, limitations include focus on rural/community banks only, which may not represent universal bank employee responses, and cross-sectional design preventing causal inference. The strong CSR-commitment relationships ( $\beta = 0.52$ ) exceed many developed market findings, possibly reflecting collectivist cultural values or employment market constraints in Ghana. However, the study doesn't examine whether CSR-committed employees translate into better customer service or external stakeholder confidence.

Hinson et al. (2016) surveyed 500 bank customers in Accra, finding that education support (82%), health initiatives (78%), and poverty alleviation programs (71%) were viewed as most important CSR activities. Customers aware of their bank's CSR activities showed 35% higher satisfaction scores and 28% greater likelihood to recommend the bank. The substantial satisfaction and recommendation effects provide important evidence for CSR-confidence relationships in Ghana. Methodological strengths include customer focus and satisfaction outcome measurement. However, critical limitations include Accra-only sampling that may not represent national patterns, particularly rural areas where CSR needs and awareness may differ substantially. The study's cross-sectional design raises questions about whether CSR awareness causes satisfaction or whether satisfied customers are more likely to notice and remember CSR activities. This reverse causality concern is particularly relevant in developing country contexts where customer education levels may influence CSR comprehension and recall.

Amankwah-Amoah and Syllias (2020) found that surviving banks significantly increased CSR spending following the 2017-2019 crisis, with average allocations rising from 0.8% to 2.1% of profits between 2016 and 2020. This dramatic increase suggests crisis-driven recognition of CSR's importance for stakeholder confidence rebuilding. The increased CSR spending provides important evidence for post-crisis institutional learning. However, methodological limitations include potential confounding factors (regulatory pressure, competitive dynamics) that may drive spending increases independent of confidence-building motives. Additionally, spending increases don't necessarily translate to effectiveness improvements, larger budgets may be misallocated without strategic CSR implementation. The timing of CSR increases immediately post-crisis raises questions about authenticity. Stakeholder skepticism toward crisis-driven CSR initiatives may limit effectiveness, as documented by Rim and Ferguson (2020) who found heightened skepticism toward CSR launched immediately after crises.

## 2.4.4 Synthesis of Empirical Evidence: Patterns and Gaps

**Table 1 Empirical Studies Summary**

Author(s)	Year	Context	Method	Sample	Key Findings
Pérez & del Bosque	2015	Spain	SEM Survey	1,124 customers	CSR image positively influences customer identification, emotions, and satisfaction, which in turn affect customer loyalty.
Fatma et al.	2015	India	SEM Survey	303 customers	Trust mediates the relationship between Corporate Social Responsibility (CSR), corporate reputation, and brand equity in the banking sector.
Lins et al.	2017	Global	Panel data	1,750 firms	Companies with high Corporate Social Responsibility (CSR) ratings prior to a crisis had significantly higher crisis-period stock returns (between four and seven percentage points) than those with low CSR ratings.
Ofori et al.	2014	Ghana	Panel data	22 banks	In the short term, CSR has a positive but insignificant effect on bank performance. In the long term, CSR has a significant negative effect on bank performance.
Mensah et al.	2017	Ghana	Survey	145 employees of 50 Rural and	A strong positive relationship exists between engagement in Corporate Social Responsibility

				Community Banks	(CSR) and employee organizational commitment
Hinson et al.	2016	Ghana	Survey	384 retail bank customers in Ghana	Customers have the highest preference for corporate philanthropy initiatives. These initiatives have the greatest effect on both customer attitude and behavioural intentions towards bank brands.

### Convergent Findings Across Studies

Despite methodological and contextual variations, several patterns emerge across studies:

1. **Trust Mediation Mechanisms:** Multiple studies confirm that CSR influences stakeholder outcomes primarily through trust-building processes (Fatma et al., 2015; Pérez & del Bosque, 2015), suggesting universal importance of authenticity and credibility in CSR implementation.
2. **Cultural Moderation Effects:** African studies consistently show stronger CSR-outcome relationships than developed market studies, possibly reflecting collectivist cultural values, institutional void contexts, or different stakeholder expectations (Mensah et al., 2017; Muthuri & Gilbert, 2011).
3. **Temporal Dynamics:** Evidence suggests CSR benefits emerge with time lags, requiring sustained commitment rather than short-term initiatives (Ofori et al., 2014; Lins et al., 2017). This temporal dimension has important implications for post-crisis confidence rebuilding strategies.
4. **Stakeholder Preference Variations:** African contexts show distinct CSR priorities emphasizing education, health, and community development over environmental initiatives prominent in developed markets (Adeyanju, 2012; Hinson et al., 2016).

## **2.5 Ghana's Financial Sector Context: Institutional Environment and Stakeholder Dynamics**

### **2.5.1 Historical Development and Path Dependencies**

The evolution of Ghana's banking sector reflects broader economic and political transformation from colonial dependency to modern market economy, creating path dependencies that influence contemporary CSR expectations and effectiveness. Aboagye and Otioku (2010) trace the formal banking system's origins to 1888 when the Bank of British West Africa established operations, creating colonial foundations that privileged foreign interests over local development needs.

The colonial banking structure created several path dependencies relevant to contemporary CSR analysis. First, banks historically served export-import trade rather than domestic development, creating expectations for broader community engagement. Second, the concentration of services in coastal areas established urban-rural disparities that persist today. Third, limited indigenous ownership created legitimacy gaps that contemporary CSR initiatives may address.

The Ghana Commercial Bank's establishment in 1953 and post-independence indigenization efforts reflected deliberate attempts to align banking with national development objectives. However, Aryeetey and Kanbur (2007) document how political interference and macroeconomic instability undermined these institutions by the early 1980s, creating stakeholder skepticism toward bank commitments that may influence contemporary CSR reception.

The Economic Recovery Programme initiated in 1983 and subsequent Financial Sector Adjustment Programme fundamentally transformed Ghana's banking landscape through liberalization, privatization, and enhanced competition. Steel and Webster (1991) document how these reforms attracted new entrants and improved efficiency, but also created competitive pressures that may constrain long-term CSR investments.

### **2.5.2 The 2017-2019 Banking Crisis: Confidence Destruction and Rebuilding Imperatives**

The banking sector crisis that unfolded between 2017 and 2019 represents the most significant financial sector disruption in Ghana's post-independence history, with profound implications for stakeholder confidence and CSR strategy. Bank of Ghana (2019) reports that the cleanup exercise resulted in license revocation for nine universal banks, 347 microfinance institutions, 39 microcredit companies, and 15 savings and loans companies. The crisis's scope, affecting over 1.2 million depositors according to Dwamena and Yusoff (2022), created unprecedented confidence erosion that extends beyond directly affected institutions. The systemic nature means that even well-managed banks face skeptical stakeholders who question institutional trustworthiness generally. This creates both challenges and opportunities for CSR as a confidence rebuilding mechanism.

Weak corporate governance emerged as a fundamental vulnerability, with widespread related-party lending reaching over 80% of total loans in some institutions (Bank of Ghana, 2019). These governance failures have important implications for CSR authenticity; stakeholders may view post-crisis CSR initiatives skeptically if governance reforms don't accompany them. Post-crisis regulatory reforms include enhanced corporate governance directives requiring independent directors, specialized board committees, and improved risk management frameworks. These mandated governance improvements may blur traditional voluntary CSR boundaries, raising questions about authentic versus compliance-driven social responsibility. Customer impacts varied significantly across institution types, with universal bank depositors generally protected through transfers to acquiring institutions while microfinance customers faced substantial losses. This differential treatment creates varying stakeholder confidence levels and CSR effectiveness contexts across institutional segments.

### **2.5.3 Cultural and Socioeconomic Factors Shaping CSR Expectations**

Ghana's cultural landscape profoundly influences financial sector operations and stakeholder expectations. Hofstede's (2001) framework positions Ghana as highly collectivist (individualism score: 15) with substantial power distance (80), creating unique challenges and opportunities for CSR implementation. Traditional reciprocal obligations, documented by Atuguba and Dowuona-

Hammond (2006), extend to modern economic transactions. Customers often expect banks to demonstrate social responsibility as part of implicit reciprocal relationships, viewing CSR not as voluntary corporate activity but as obligatory community participation. This cultural expectation intensifies in rural areas where communal bonds remain strongest. Amoah et al. (2024) document how individuals routinely support 5-10 extended family members, affecting savings patterns and credit utilization. Banks increasingly recognize these cultural realities, with some developing products accommodating communal financial responsibilities. However, extended family pressures also contribute to loan defaults when borrowers prioritize family needs over repayment obligations, creating tensions between cultural obligations and commercial viability.

Religious influences permeate Ghana's financial sector in multifaceted ways. Mensah and Benedict (2010) report that 71% of Ghanaians identify as Christian, 18% as Muslim, with traditional beliefs often syncretized within these frameworks. Religious organizations significantly influence member financial behaviours, sometimes promoting or discouraging formal banking relationships. Traditional authorities retain significant influence, particularly in rural areas where financial institutions must navigate traditional power structures for community acceptance. Some banks formalize these relationships through courtesy calls and CSR projects supporting traditional festivals, recognizing chiefs' gatekeeping roles in community acceptance.

The informal sector's dominance, representing 86% of employment according to Ghana Statistical Service (2021), profoundly shapes financial sector dynamics and creates unique CSR opportunities. Traditional banking models based on formal income documentation struggle to serve informal sector participants, creating both market gaps and social responsibility imperatives. Aryeetey and Udry (2000) document various informal mechanisms including susu collectors, rotating savings associations (ROSCAs), and accumulated savings associations (ASCAs). These mechanisms demonstrate savings capacity while highlighting formal sector limitations in serving low-income populations. Some financial institutions successfully formalize these arrangements, though many attempts fail due to misunderstanding informal sector dynamics.

#### **2.5.4 Post-Crisis Reforms and Current Sectoral State**

Post-crisis reforms include comprehensive changes aimed at strengthening financial sector resilience and rebuilding stakeholder confidence. Enhanced corporate governance directives require independent directors, specialized board committees, and improved risk management frameworks, addressing governance weaknesses identified as fundamental crisis contributors. Minimum capital requirements increased substantially, universal banks now require GHS 400 million, while regional and local banks face requirements of GHS 150 million and GHS 50 million respectively. These tiered requirements better align capital with operational scope while potentially reducing competition through higher entry barriers. The number of universal banks decreased from 34 in 2017 to 23 by 2020, with several mergers creating larger, potentially more stable institutions. PwC Ghana (2021) notes that the top five banks now control 65% of sector assets, up from 48% pre-crisis. While consolidation may enhance stability, concentration raises concerns about competition and too-big-to-fail risks.

Technological transformation accelerated post-crisis as institutions sought efficiency improvements and new revenue sources. Bank of Ghana (2020) reports electronic transactions increased by 120% between 2017 and 2020, with mobile money interoperability launched in 2018 catalyzing digital payment adoption. Mobile money has revolutionized financial inclusion, though gaps remain. GSMA (2021) reports 18.5 million active mobile money accounts in Ghana, exceeding traditional bank accounts. However, trust issues, network reliability concerns, and limited financial literacy continue as barriers, creating CSR opportunities for financial education and digital literacy programs.

#### **2.5.5 Theoretical Moderators: Institutional Type and Stakeholder Category**

The theoretical basis for institutional type moderation derives from organizational ecology theory and legitimacy theory, suggesting that different institution types face varying stakeholder expectations and CSR effectiveness contexts. Operating with broader stakeholder bases and higher visibility, universal banks face greater legitimacy pressures and thus may achieve stronger CSR-confidence relationships. Their resources enable comprehensive CSR programs, but stakeholder expectations are correspondingly higher. Post-crisis, universal banks carry greater burden of

rebuilding sectoral confidence. Operating in close-knit communities, rural banks may benefit from stronger social exchange dynamics where CSR initiatives generate more immediate reciprocal trust. However, limited resources constrain CSR scope, and community expectations may focus on basic service provision rather than broader social programs. Serving vulnerable populations, microfinance institutions may find CSR authenticity more critically evaluated given stakeholders' higher dependency and risk exposure. The crisis's disproportionate impact on microfinance customers creates heightened skepticism requiring genuine rather than superficial CSR commitments.

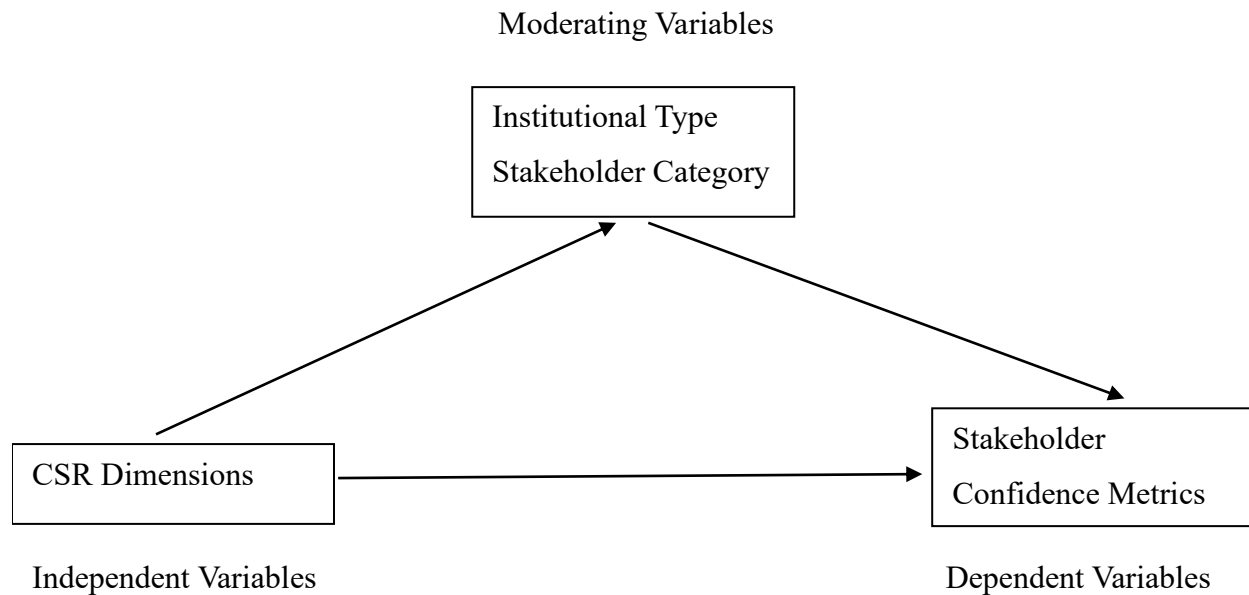
Stakeholder theory suggests different stakeholder groups possess varying power, legitimacy, and urgency attributes (Mitchell et al., 1997), leading to differential CSR responses and effectiveness patterns. May primarily evaluate CSR through instrumental lenses focusing on service quality, fair pricing, and financial inclusion benefits. Post-crisis, customers may be particularly sensitive to CSR initiatives that demonstrate institutional stability and customer protection commitments. Focus on workplace conditions, career development, and fair compensation. In Ghana's post-crisis context where over 10,000 banking jobs were lost, employees may particularly value CSR initiatives demonstrating employment security and professional development commitments. Assess CSR based on local development contributions, with expectations shaped by traditional reciprocity norms and development needs. Rural communities may prioritize infrastructure and education support, while urban communities may emphasize financial inclusion and entrepreneurship support. Emphasize compliance, systemic stability contributions, and alignment with national development objectives. Post-crisis, regulators may view CSR as both voluntary corporate activity and quasi-regulatory tool for rebuilding sectoral legitimacy.

## **2.6 Conceptual Framework**

Based on the theoretical foundations and empirical evidence reviewed, this study proposes a conceptual framework examining the relationship between Corporate Social Responsibility initiatives and stakeholder confidence in Ghana's financial institutions. The independent variable is CSR initiatives, operationalized through four key dimensions identified as most relevant to Ghana's context: community development programs (including education, health, and

infrastructure support), employee welfare initiatives (training, fair compensation, and workplace conditions), customer-focused programs (financial literacy, fair lending practices), and governance/transparency measures (ethical practices, disclosure). The dependent variable is stakeholder confidence, measured through three components: trust (belief in institutional reliability and integrity), satisfaction (positive evaluation of institutional performance), and loyalty intentions (willingness to maintain and recommend relationships). The framework incorporates institutional type (universal banks, rural/community banks, microfinance institutions) and stakeholder category (customers, employees, communities, regulators) as moderating variables, recognizing that CSR effectiveness may vary across different institutional contexts and stakeholder groups. This parsimonious framework captures the essential relationships while remaining tractable for empirical testing in Ghana's post-crisis financial sector context.

**Figure 1: Conceptual Framework Diagram**



*Source: Author's Construct*

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.0 Introduction

This chapter outlines the research methodology employed to investigate the relationship between Corporate Social Responsibility (CSR) initiatives and stakeholder confidence in Ghana's financial institutions. The chapter presents the research design, population and sampling procedures, data collection methods, research instruments, data analysis techniques, and ethical considerations. Given the study's objective to examine the effect of CSR on stakeholder confidence following the 2017-2019 banking crisis, a quantitative approach was adopted to enable statistical analysis of relationships between variables and facilitate generalization of findings within the scope of the study. The methodology was designed to test the research hypotheses systematically while addressing the specific research questions outlined in Chapter One.

#### 3.1 Research Design

This study employed a quantitative research design utilizing a cross-sectional survey approach to examine the relationship between CSR initiatives and stakeholder confidence in Ghana's financial institutions. According to Creswell and Creswell (2018), quantitative research involves collecting and analyzing numerical data to identify patterns, test hypotheses, and establish relationships between variables. The cross-sectional design was suitable for this study, as it enabled data collection at a single point in time while capturing diverse stakeholder perspectives across different financial institutions (Bryman, 2016).

The descriptive-correlational design was specifically adopted to describe the current state of CSR practices and stakeholder confidence levels while examining the relationships between these variables. As noted by Cohen et al. (2018), correlational research designs are suitable for investigating relationships between variables without manipulating them, making this approach ideal for examining natural relationships between CSR and stakeholder confidence in Ghana's financial sector. The quantitative approach enabled the use of statistical techniques to test the

research hypotheses and provide empirical evidence for the theoretical relationships proposed in the conceptual framework.

The study adopted a positivist research paradigm, which assumes that reality is objective and can be measured through empirical observation (Saunders et al., 2019). This philosophical stance was consistent with the study's aim to establish measurable relationships between CSR initiatives and stakeholder confidence using standardized instruments and statistical analysis. The positivist approach also facilitated replication and potential generalization of findings within similar contexts, which is important for contributing to the broader literature on CSR effectiveness in developing country contexts.

### **3.2 Population of the Study**

The target population for this study comprised stakeholders of financial institutions operating in Ghana, specifically focusing on customers, employees, and community members who interact with or are affected by these institutions' operations. According to the Bank of Ghana (2021), there are currently 23 universal banks, 33 rural and community banks, and numerous microfinance institutions operating in Ghana. The stakeholder population is diverse and geographically dispersed across urban and rural areas, though this study focused primarily on stakeholders in the Greater Accra and Ashanti regions where financial institution presence is most concentrated.

The study population included three main stakeholder categories. First, customers of financial institutions who had maintained accounts or used services for at least twelve months, ensuring sufficient exposure to institutional practices and CSR initiatives. Second, employees of financial institutions across different organizational levels, including front-line staff, middle management, and senior personnel, who could provide insights into internal CSR practices and their effects on organizational dynamics. Third, community members residing in areas where financial institutions operate CSR programs, particularly in Accra and Kumasi.

The population characteristics reflect Ghana's diverse socioeconomic landscape, with variations in education levels, income, age, and geographic location. According to the Ghana Statistical Service (2021), the adult population eligible for financial services exceeds 18 million, though formal

financial inclusion remains at 58% (World Bank, 2021). This population diversity necessitated careful sampling to ensure adequate representation across different demographic segments and stakeholder categories within the study's scope and resource constraints.

### **3.3 Sample Size and Sampling Technique**

#### **3.3.1 Sample Size Determination**

The study utilized a sample size of 80 respondents, which was determined based on practical considerations including time constraints, financial resources, and accessibility of respondents, while remaining adequate for the study's exploratory and correlational objectives. According to Hair et al. (2019), sample sizes between 30 and 500 are usually adequate for most research purposes, with smaller samples being acceptable for exploratory studies with limited scope. The sample size of 80 provided sufficient power for basic statistical analysis including correlation and simple regression while remaining manageable for data collection within the study's timeframe and budget constraints.

The sample size determination considered the study's descriptive and correlational objectives rather than complex multivariate analysis. As noted by Cohen (1988), for correlation analysis with medium effect sizes ( $r = 0.30$ ) at  $\alpha = 0.05$  and power = 0.80, a minimum sample of 84 would be ideal. While the achieved sample of 80 falls slightly below this ideal threshold, it remained adequate for detecting meaningful relationships between CSR and stakeholder confidence variables in this exploratory study context.

The sample distribution across the three stakeholder categories achieved was: 70 customers (87.5%), 8 employees (10%), and 2 community members (2.5%). This distribution, while not perfectly balanced, reflected practical realities of accessibility and willingness to participate across different stakeholder categories, with customers being most accessible at banking halls and service points. The heavy concentration of customer respondents, though a limitation, was consistent with customer primacy in banking stakeholder configurations and provided robust data on this critical stakeholder group.

### 3.3.2 Sampling Technique

The study employed a combination of purposive and convenience sampling techniques to select respondents across the three stakeholder categories. Purposive sampling was used to ensure inclusion of respondents who met specific criteria relevant to the research objectives, while convenience sampling facilitated practical data collection given time and resource constraints (Etikan et al., 2016).

For customer respondents, purposive sampling criteria ensured the selection of individuals who had maintained accounts with financial institutions for at least twelve months and were aware of basic banking operations. This criterion ensured respondents had sufficient exposure to institutional practices to provide informed responses about CSR effectiveness and confidence levels. Convenience sampling was then applied within this purposive framework by approaching customers at bank branches and financial service points in Accra and Kumasi during the data collection period. The sampling approach involved approaching customers who had completed banking transactions and were exiting banking halls, with systematic selection of every third eligible customer to introduce an element of randomness within the convenience framework.

Employee respondents were selected through purposive sampling to include representatives from different organizational levels within participating financial institutions. The sampling ensured inclusion of employees from universal banks, which constitute the dominant institution type in the achieved sample. Convenience sampling was applied by approaching employees during lunch breaks and after working hours with institutional permission and cooperation, minimizing disruption to workplace operations.

Community member selection employed purposive sampling to identify individuals residing in areas where financial institutions conduct visible CSR activities, particularly education, health, and infrastructure projects. This ensured respondents had direct or indirect experience with institutional CSR initiatives. However, achieving adequate community member participation proved challenging, resulting in only 2 respondents from this category, representing a significant limitation of the study that constrained comparative analysis across stakeholder groups.

### **3.4 Data Collection Instrument**

The study utilized a structured questionnaire as the primary data collection instrument, designed to gather quantitative data on CSR perceptions and stakeholder confidence levels. According to Fowler (2014), structured questionnaires enable standardized data collection while facilitating statistical analysis and comparison across respondent groups. The questionnaire was developed based on validated scales from previous studies, particularly Van Esterik-Plasmeijer and Van Raaij (2017) for stakeholder confidence measures, while incorporating contextual adaptations relevant to Ghana's financial sector.

#### **3.4.1 Questionnaire Design and Structure**

The questionnaire comprised five main sections designed to capture comprehensive data on respondent characteristics, CSR perceptions, and confidence levels:

Section A collected demographic information including age, gender, education level, monthly income, occupation, stakeholder category, duration of service use, and primary financial institution type. This section provided essential data for describing the sample and conducting demographic analysis.

Section B measured awareness and general perceptions of CSR initiatives using six items rated on a five-point Likert scale ranging from "strongly disagree" (1) to "strongly agree" (5). Items assessed CSR awareness, normative expectations for institutional community involvement, CSR trust-building effects, perceived genuineness of concern, post-crisis changes in CSR activities, and skepticism about marketing motivations.

Section C assessed specific CSR dimensions through 18 items organized into four sub-sections: Community Development Programs (5 items covering education, healthcare, infrastructure, cultural support, and environmental programs), Customer-Focused Programs (5 items addressing financial literacy, fair pricing, rural accessibility, small business support, and customer protection), Employee Welfare Initiatives (4 items covering compensation, professional development, workplace safety, and work-life balance), and Governance and Transparency (4 items assessing

transparent reporting, ethical practices, regulatory compliance, and stakeholder accountability). All items used the same five-point Likert scale to ensure consistency and facilitate composite score calculation.

Section D measured stakeholder confidence through 15 items organized into three sub-dimensions: Trust (5 items), Satisfaction (5 items), and Loyalty Intentions (5 items). The confidence scale adopted items from Van Esterik-Plasmeijer and Van Raaij (2017) with adaptations for Ghana's context, maintaining the five-point Likert scale format throughout.

Section E included items on cultural and contextual factors, using a combination of multiple-choice questions (identifying relevant cultural values and primary CSR beneficiaries) and Likert scale ratings (banking crisis influence and importance of cultural alignment). This section provided essential contextual data for interpreting the main findings.

The questionnaire items were carefully worded to ensure clarity and cultural appropriateness for Ghana's context. Technical jargon was minimized, and items were made available in both English and local languages where necessary to ensure comprehension across different education levels. Pre-testing with 10 respondents helped identify ambiguous items and refine the instrument before main data collection, though the final achieved sample skewed heavily toward diploma-educated respondents who completed the English version.

### **3.4.2 Validity and Reliability**

Content validity was established through expert review by three academic researchers and two banking industry professionals who assessed the questionnaire's relevance and comprehensiveness. Their feedback led to item refinement and ensured alignment with research objectives. Face validity was confirmed through the pre-testing process, where respondents confirmed that items clearly measured intended constructs.

Reliability was assessed using Cronbach's alpha coefficient, with acceptable levels set at  $\alpha > 0.70$  following Nunnally and Bernstein (1994). The analysis of the collected data revealed excellent internal consistency across all measurement scales. The CSR Awareness and General Perceptions

scale achieved  $\alpha = 0.836$  (6 items), indicating good reliability. The Specific CSR Dimensions scale recorded exceptional reliability at  $\alpha = 0.943$  (18 items), demonstrating that items consistently measured stakeholder perceptions of CSR performance across the four dimensions. The Stakeholder Confidence scale also achieved excellent reliability at  $\alpha = 0.941$  (15 items), confirming that the trust, satisfaction, and loyalty intention items consistently captured the multidimensional confidence construct. These reliability coefficients well exceed the 0.70 threshold, providing strong evidence for the internal consistency of the measurement instruments and supporting the validity of subsequent statistical analyses.

### **3.5 Data Collection Procedure**

Data collection was conducted over a two-week period from late July to early August 2025, with systematic procedures to ensure consistency and quality. Prior to data collection, formal permissions were obtained from participating financial institutions and relevant authorities. Two research assistants were trained on questionnaire administration, ethical considerations, and data quality protocols to ensure standardized data collection practices.

The data collection process began with customer respondents approached at bank branches during business hours in both Accra and Kumasi. Customers were systematically selected by approaching every third customer leaving banking halls after completing transactions, ensuring some degree of randomness within the convenience sampling framework. This approach ensured diversity in customer types while maintaining manageable data collection logistics. Respondents were briefed on the study's purpose, assured of confidentiality, and asked to provide informed consent before completing questionnaires.

Employee respondents were approached during lunch breaks and after working hours to minimize disruption to institutional operations. Permission was secured from branch managers and HR departments before approaching employees. Due to workplace constraints and employee availability, achieving the target employee sample proved challenging, resulting in only 8 employee respondents.

Community member recruitment proved most challenging, with only 2 respondents achieved despite efforts to contact individuals through local leaders at community gathering points including markets and social centers. This shortfall reflected practical difficulties in identifying and accessing community members with sufficient knowledge of financial institution CSR activities and willingness to participate in the study during the limited data collection period.

Quality control measures included daily review of completed questionnaires by the principal researcher, with immediate clarification of ambiguous responses where possible. Completed questionnaires were secured in locked containers to ensure confidentiality and prevent data loss. Research assistants maintained daily logs documenting data collection challenges, respondent feedback, and any deviations from planned procedures, which informed the methodological limitations discussion.

### **3.6 Data Analysis Plan**

#### **3.6.1 Data Preparation and Cleaning**

Data analysis began with comprehensive data cleaning and preparation procedures. Completed questionnaires were coded numerically and entered into IBM SPSS Statistics version 28.0 for analysis. Data entry accuracy was ensured through double-entry verification for a sample of questionnaires and range checks for all variables to identify impossible values. Missing data patterns were analyzed, with questionnaires having excessive missing responses excluded from the final dataset. The final dataset comprised 80 complete cases suitable for statistical analysis.

#### **3.6.2 Descriptive Analysis**

Descriptive analysis provided comprehensive overview of sample characteristics, CSR perceptions, and stakeholder confidence levels. Frequency distributions and percentages described categorical variables including demographic characteristics, stakeholder categories, and cultural factor selections. Measures of central tendency (means) and dispersion (standard deviations) summarized continuous variables, including CSR perception scores and confidence ratings.

Descriptive statistics were calculated for all Likert-scale items individually and for composite scale scores to provide both detailed and summary perspectives on key constructs.

### **3.6.3 Inferential Analysis**

The primary inferential analysis employed Pearson correlation coefficients to examine relationships between CSR dimensions and stakeholder confidence measures. Correlation analysis tested the study's main hypothesis regarding positive relationships between CSR initiatives and stakeholder confidence. Correlation strength was interpreted using Cohen's (1988) guidelines: small ( $r = 0.10$  to  $0.29$ ), medium ( $r = 0.30$  to  $0.49$ ), and large ( $r = 0.50$  and above) effect sizes. Statistical significance was assessed at the  $\alpha = 0.01$  level using two-tailed tests.

Simple linear regression analysis examined predictive relationships between overall CSR perceptions (independent variable) and stakeholder confidence (dependent variable). The regression model tested whether CSR perceptions significantly predict confidence levels while providing effect size estimates through R-squared values. The regression analysis included model summary statistics ( $R$ ,  $R^2$ , adjusted  $R^2$ ), ANOVA F-test for overall model significance, and coefficients table presenting unstandardized ( $B$ ) and standardized ( $Beta$ ) regression coefficients with associated t-statistics, significance levels, and 95% confidence intervals.

While the study design included three stakeholder categories, the highly imbalanced distribution (70 customers, 8 employees, 2 community members) precluded meaningful comparative analysis across groups. Therefore, the inferential analyses treated respondents as a single combined sample rather than conducting stakeholder group comparisons as originally intended. This represents a significant limitation but reflects the practical realities of the achieved sample composition.

### **3.7 Ethical Considerations**

This study adhered to established ethical principles for social research involving human participants. Ethical approval was obtained from the University of Media Arts and Communication research ethics committee prior to data collection. The study complied with principles outlined in

the Declaration of Helsinki and followed guidelines for ethical research in developing country contexts (Molyneux et al., 2005).

### **3.7.1 Informed Consent**

All participants received comprehensive information about the study's purpose, procedures, potential risks, and benefits before providing consent. Informed consent forms were provided in both English and local languages to ensure understanding across various educational levels, though the final sample's educational profile meant most participants completed English versions. Participants were explicitly informed that participation was voluntary and they could withdraw at any time without penalty. Special attention was given to ensuring employees understood that participation would not affect their employment status, with consent obtained only after this assurance was clearly communicated.

The consent process emphasized confidentiality protections and explained how data would be used. Participants were informed that individual responses would not be shared with their institutions or communities, and that only aggregate results would be reported in the research dissertation. Contact information for the principal researcher and university ethics committee was provided for participants with concerns or questions, though no complaints or concerns were reported during the data collection period.

### **3.7.2 Confidentiality and Anonymity**

Strict confidentiality measures protected participant identity and responses throughout the research process. Questionnaires did not collect identifying information beyond basic demographics necessary for analysis, with no names, contact details, or other personally identifying information recorded. Completed questionnaires were stored securely with access limited to the research team. Electronic data files were password-protected and stored on encrypted devices accessible only to the principal researcher.

Anonymity was maintained through coding systems that prevent linking responses to individual participants. Data analysis and reporting focused exclusively on aggregate patterns rather than

individual responses. The research report presents only grouped data and statistical summaries, with no individual cases identifiable. Institutional names were not disclosed in findings to protect organizational privacy, with results reported at the sector level rather than identifying specific banks or financial institutions.

### **3.7.3 Minimizing Harm and Maximizing Benefits**

The study design minimized potential risks to participants while maximizing potential benefits. Data collection procedures were designed to minimize disruption to workplace activities and community routines, with questionnaire completion requiring approximately 15-20 minutes. Sensitive questions were avoided, and participants were reminded they could skip questions causing discomfort, though few participants exercised this option.

Potential benefits included contributing knowledge that may improve financial sector practices and stakeholder relationships. Research findings will be shared with participating institutions (without identifying individual respondents) and regulatory authorities through policy briefs and presentations. While community member participation was limited, the research aimed to document stakeholder perspectives that could potentially influence institutional practices toward greater social responsiveness and accountability.

### **3.8 Limitations of the Methodology**

Several methodological limitations must be acknowledged in interpreting study findings, with implications for generalizability and causal inference.

The small sample size (n=80) limited statistical power for detecting small effect sizes and conducting sophisticated multivariate analyses. While adequate for basic correlation and regression analysis, the sample size constrained the ability to conduct more complex analytical techniques such as structural equation modeling or multiple regression with numerous predictors that might have provided richer insights into CSR-confidence relationships.

The convenience and purposive sampling approach introduced selection bias that prevented generalization to the broader population of financial sector stakeholders in Ghana. The non-random sampling may have systematically excluded certain stakeholder perspectives, particularly from rural areas and from stakeholder groups that were underrepresented in the final sample.

The highly imbalanced stakeholder distribution represented a critical limitation, with customers comprising 87.5% of respondents while employees (10%) and particularly community members (2.5%) were severely underrepresented. This imbalance prevented meaningful comparative analysis across stakeholder categories, which was originally intended as part of the research objectives. The findings therefore predominantly reflect customer perspectives rather than a balanced multi-stakeholder view.

The cross-sectional design captured relationships at a single point in time, preventing causal inference despite the use of predictive regression terminology. The study can demonstrate associations and correlations but cannot definitively establish that CSR causes changes in stakeholder confidence, as alternative causal directions (confidence influencing CSR perceptions) or third variables (institutional reputation affecting both CSR perceptions and confidence) remain possible.

Exclusive reliance on self-report measures introduced potential social desirability bias, recall bias, and common method variance that may have inflated observed correlations between CSR perceptions and confidence measures. Objective measures of CSR activities (such as actual expenditure data, project documentation, or beneficiary counts) and confidence indicators (such as actual transaction volumes, complaint rates, or customer retention) would have complemented self-report data but were beyond current study scope.

The geographic concentration in Accra and Kumasi limited representation of rural stakeholder perspectives, where CSR priorities and financial institution relationships may differ substantially from urban areas. Rural-urban differences in stakeholder expectations and CSR effectiveness could not be adequately explored with the achieved sample.

The demographic homogeneity of the sample, particularly the concentration among young adults aged 18-25 years (86.3%) and diploma-educated respondents (62.5%), limited generalizability across age groups and educational levels. Older stakeholders and those with different educational backgrounds may hold different CSR perceptions and confidence levels that are not captured in this study.

The relatively low explanatory power ( $R^2 = 0.148$ ) indicated that 85.2% of confidence variance remained unexplained by CSR perceptions, suggesting important omitted variables not captured in the research design. Factors such as service quality, past negative experiences, peer influence, financial literacy, and institution-specific crisis histories likely contribute substantially to stakeholder confidence but were not systematically measured in this study.

### **3.9 Conclusion**

This chapter has outlined a quantitative methodology for investigating the relationship between CSR initiatives and stakeholder confidence in Ghana's financial institutions. The cross-sectional survey design with a sample of 80 respondents across three stakeholder categories (though heavily concentrated among customers) provided a framework for testing the study's hypotheses within practical resource and time constraints.

The structured questionnaire instrument, validated through expert review and pre-testing and demonstrating excellent reliability in the achieved sample ( $\alpha > 0.83$  across all scales), enabled systematic data collection on CSR perceptions and confidence levels. The combination of purposive and convenience sampling facilitated practical data collection while ensuring inclusion of respondents with relevant experience of financial institutions' CSR activities. Statistical analysis procedures, including descriptive analysis, correlation analysis, and simple linear regression, provided appropriate techniques for addressing the research questions within the scope permitted by the sample characteristics.

Ethical considerations received careful attention through informed consent procedures, confidentiality protections, and harm minimization strategies, with no ethical concerns or complaints arising during the research process. While several methodological limitations are

acknowledged, particularly the small sample size, sampling bias, stakeholder imbalance, cross-sectional design, and geographic concentration, the overall research design provided a foundation for generating empirical evidence about CSR-stakeholder confidence relationships in Ghana's post-crisis financial sector context. These limitations must be considered when interpreting findings and drawing conclusions, with generalizations appropriately qualified by the study's scope and constraints. The next chapter presents the findings from this methodological approach, with interpretation necessarily bounded by these acknowledged limitations.

## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### 4.0 Introduction

This chapter presents the findings from the empirical investigation of the relationship between Corporate Social Responsibility (CSR) initiatives and stakeholder confidence in Ghana's financial institutions. The analysis is based on data collected from 80 respondents across three stakeholder categories: customers, employees, and community members. The chapter is organized into four main sections: demographic characteristics of respondents, descriptive analysis of CSR perceptions and stakeholder confidence levels, inferential statistical analysis examining relationships between variables, and hypothesis testing. Statistical analyses were conducted using IBM SPSS version 28.0, employing descriptive statistics, correlation analysis, and regression techniques to address the research questions and test the study's hypotheses.

#### 4.1 Demographic Characteristics of Respondents

This section presents the demographic profile of the 80 respondents who participated in the study. The demographic variables include age, gender, education level, monthly income, stakeholder type, duration of service use, and primary financial institution type. Understanding these characteristics is essential for contextualizing the findings and assessing the representativeness of the sample.

**Table 4.1: Demographic Analysis**

Demographic Variable	Category	Frequency	Percentage (%)
Age	18-25 years	69	86.3
	26-35 years	9	11.3
	36-45 years	2	2.5
Gender	Female	71	88.8

	Male	7	8.8
	Prefer not to say	2	2.5
Education Level	Senior High School (SHS)	15	18.8
	Vocational/Technical training	2	2.5
	Diploma	50	62.5
	Bachelor's degree	6	7.5
	Graduate degree (Masters/PhD)	7	8.8
Monthly Income (GHS)	Less than 500	8	10.0
	500 - 999	2	2.5
	1,000 - 1,999	4	5.0
	2,000 - 4,999	4	5.0
	5,000 - 9,999	3	3.8
	10,000 and above	2	2.5
	Prefer not to say	57	71.3
Stakeholder Type	Customer	70	87.5
	Employee	8	10.0
	Community member	2	2.5
Duration of Service Use	Less than 1 year	15	18.8
	1-2 years	9	11.3
	3-5 years	44	55.0
	6-10 years	4	5.0
	More than 10 years	6	7.5
	Not applicable	2	2.5
Institution Type	Universal bank	69	86.3

	Microfinance institution	2	2.5
	Savings and loans company	2	2.5
	Multiple types	3	3.8
	Not applicable	4	5.0

**Source: Field Data, 2025**

Table 4.1 reveals that the sample was predominantly composed of young adults aged 18-25 years (86.3%, n=69), with minimal representation from older age groups (26-35 years: 11.3%; 36-45 years: 2.5%). The gender distribution was heavily skewed toward female respondents (88.8%, n=71) compared to male respondents (8.8%, n=7), with 2.5% preferring not to disclose. In terms of educational attainment, the majority held Diploma qualifications (62.5%, n=50), followed by Senior High School certificates (18.8%, n=15), while graduate degree holders constituted 8.8% (n=7) and bachelor's degree holders 7.5% (n=6). Regarding income levels, a substantial proportion of respondents (71.3%, n=57) preferred not to disclose their monthly earnings, while among those who disclosed, 10% earned less than GHS 500 monthly, and only 2.5% earned GHS 10,000 or above, reflecting a predominantly low-to-middle income sample.

The stakeholder composition showed that customers dominated the sample (87.5%, n=70), while employees accounted for 10% (n=8) and community members represented only 2.5% (n=2), indicating limited diversity in stakeholder perspectives. Most respondents had moderate experience with financial services, with 55% (n=44) having used services for 3-5 years, 18.8% (n=15) for less than one year, and 11.3% (n=9) for 1-2 years, suggesting the sample comprised relatively recent adopters of formal banking services. The institutional type distribution revealed overwhelming concentration on universal banks (86.3%, n=69), with minimal representation from microfinance institutions (2.5%, n=2), savings and loans companies (2.5%, n=2), and multiple institution users (3.8%, n=3). This demographic profile indicates that the findings predominantly reflect the perspectives of young, educated female customers with 3-5 years of banking experience,

primarily engaged with universal banks, which limits the generalizability of results across different demographic segments and stakeholder categories.

#### 4.2 CSR Awareness and General Perceptions

This section examines respondents' awareness and general perceptions of Corporate Social Responsibility (CSR) activities undertaken by financial institutions in Ghana. Six statements were measured using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree), capturing various dimensions of CSR awareness, expected involvement, trust-building effects, genuineness of concern, post-crisis changes, and perceived motivations. The descriptive statistics including means and standard deviations provide insights into stakeholder attitudes toward financial institutions' CSR initiatives in the post-banking crisis context.

**Table 4.2: CSR Awareness and General Perceptions**

<b>CSR Awareness and Perception Items</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
I am aware of the social responsibility activities undertaken by financial institutions in Ghana.	80	3.55	1.179
Financial institutions in Ghana should be involved in community development activities.	80	3.97	0.914
CSR activities help financial institutions build trust with their stakeholders.	80	3.75	0.974
Financial institutions genuinely care about the welfare of Ghanaian communities.	80	3.39	1.073

CSR activities by financial institutions have increased since the 2017-2019 banking crisis.	80	3.50	0.968
Financial institutions use CSR activities mainly for marketing purposes rather than genuine social concern.	80	3.71	1.021

**Source: Field Data, 2025**

Table 4.2 reveals moderately positive perceptions of CSR activities among stakeholders, with all mean scores falling above the midpoint of 3.0, indicating general agreement with the statements. The strongest agreement was observed for the normative expectation that "Financial institutions in Ghana should be involved in community development activities" ( $M = 3.97$ ,  $SD = 0.914$ ), suggesting stakeholders hold clear expectations for institutional social engagement. This was followed by recognition that "CSR activities help financial institutions build trust with their stakeholders" ( $M = 3.75$ ,  $SD = 0.974$ ), affirming the theoretical link between CSR and confidence-building. Respondents also demonstrated moderate skepticism, as reflected in their agreement that "Financial institutions use CSR activities mainly for marketing purposes rather than genuine social concern" ( $M = 3.71$ ,  $SD = 1.021$ ), revealing cynicism about authentic motivations despite acknowledging CSR's trust-building potential. Awareness of CSR activities was moderate ( $M = 3.55$ ,  $SD = 1.179$ ), with relatively high standard deviation indicating considerable variability in respondents' knowledge of institutional social initiatives.

Notably, respondents expressed the lowest agreement regarding whether "Financial institutions genuinely care about the welfare of Ghanaian communities" ( $M = 3.39$ ,  $SD = 1.073$ ), suggesting persistent doubts about institutional authenticity and sincerity in social commitments despite visible CSR activities. The perception that "CSR activities by financial institutions have increased since the 2017-2019 banking crisis" received moderate agreement ( $M = 3.50$ ,  $SD = 0.968$ ), indicating recognition of heightened post-crisis CSR efforts, though this acknowledgment was tempered. The relatively high standard deviations across all items (ranging from 0.914 to 1.179)

indicate substantial heterogeneity in stakeholder perceptions, reflecting divergent experiences and varying levels of exposure to CSR initiatives. The juxtaposition of high agreement on CSR's trust-building importance ( $M = 3.75$ ) with skepticism about genuine concern ( $M = 3.39$ ) and marketing motivations ( $M = 3.71$ ) reveals a fundamental tension in stakeholder attitudes; while recognizing CSR's instrumental value, respondents question the authenticity of financial institutions' social commitments, presenting a significant challenge for confidence restoration in Ghana's post-crisis financial sector.

### 4.3 Specific CSR Dimensions

This section presents stakeholders' perceptions of financial institutions' performance across four specific CSR dimensions: Community Development Programs, Customer-Focused Programs, Employee Welfare Initiatives, and Governance and Transparency. Each dimension was assessed using multiple items measured on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). These dimensions reflect the key areas of CSR activity relevant to Ghana's financial sector context and align with stakeholder expectations identified in the literature review.

**Table 4.3: Specific CSR Dimensions**

<b>CSR Dimension</b>	<b>Items</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Community Development Programs</b>	Effectively support education through scholarships and school infrastructure	80	3.34	1.102
	Adequately contribute to healthcare initiatives in communities	80	3.44	1.112
	Meaningfully support infrastructure development like roads and water systems	80	3.31	0.949

	Appropriately support cultural and traditional festivals	80	3.40	0.936
	Committed to environmental protection programs	80	3.59	0.910
<b>Customer-Focused Programs</b>	Provide effective financial literacy training to customers	80	3.51	0.900
	Maintain fair and transparent pricing for their services	80	3.72	0.746
	Ensure accessible banking services for rural areas	80	3.74	0.791
	Adequately support small businesses and entrepreneurs	80	3.65	0.929
	Have effective customer protection and complaint handling systems	80	3.63	0.848
<b>Employee Welfare Initiatives</b>	Provide fair compensation and benefits to their employees	80	3.48	0.968
	Invest in professional development and training for employees	80	3.74	0.853
	Maintain safe and healthy working conditions	80	3.72	0.746
	Support work-life balance for their employees	80	3.75	0.893
<b>Governance and Transparency</b>	Transparently report their activities and finances	80	3.46	0.980

	Maintain high ethical business practices	80	3.69	0.866
	Comply with all relevant regulations	80	3.86	0.707
	Are accountable to their stakeholders	80	3.77	0.811

**Source: Field Data, 2025**

Table 4.3 reveals varying performance perceptions across the four CSR dimensions, with Governance and Transparency receiving the highest overall ratings, followed by Customer-Focused Programs, Employee Welfare Initiatives, and Community Development Programs. Within Governance and Transparency, "Comply with all relevant regulations" achieved the highest mean score across all dimensions ( $M = 3.86$ ,  $SD = 0.707$ ), suggesting stakeholders perceive strong regulatory compliance by financial institutions in the post-crisis period, likely reflecting intensified Bank of Ghana oversight. This was closely followed by "Are accountable to their stakeholders" ( $M = 3.77$ ,  $SD = 0.811$ ) and "Maintain high ethical business practices" ( $M = 3.69$ ,  $SD = 0.866$ ), indicating moderately positive perceptions of institutional governance. However, "Transparently report their activities and finances" received the lowest score within this dimension ( $M = 3.46$ ,  $SD = 0.980$ ), revealing concerns about disclosure practices despite regulatory compliance. For Customer-Focused Programs, "Ensure accessible banking services for rural areas" ( $M = 3.74$ ,  $SD = 0.791$ ) and "Maintain fair and transparent pricing" ( $M = 3.72$ ,  $SD = 0.746$ ) scored highest, while "Provide effective financial literacy training" received the lowest rating ( $M = 3.51$ ,  $SD = 0.900$ ), suggesting gaps in customer education initiatives.

Employee Welfare Initiatives demonstrated relatively consistent positive perceptions, with "Support work-life balance" scoring highest ( $M = 3.75$ ,  $SD = 0.893$ ), followed by "Invest in professional development and training" ( $M = 3.74$ ,  $SD = 0.853$ ) and "Maintain safe and healthy working conditions" ( $M = 3.72$ ,  $SD = 0.746$ ), while "Provide fair compensation and benefits" received the lowest score ( $M = 3.48$ ,  $SD = 0.968$ ), indicating employee compensation remains a concern. Community Development Programs received the lowest ratings overall, with all items

scoring below 3.6, reflecting stakeholder perceptions of inadequate community engagement. Within this dimension, "Committed to environmental protection programs" scored highest ( $M = 3.59$ ,  $SD = 0.910$ ), while "Meaningfully support infrastructure development" received the lowest rating ( $M = 3.31$ ,  $SD = 0.949$ ), followed closely by "Effectively support education" ( $M = 3.34$ ,  $SD = 1.102$ ). The relatively high standard deviations for community development items (ranging from 0.910 to 1.112) indicate substantial disagreement among respondents, possibly reflecting differential exposure to community initiatives across geographic locations. These patterns suggest that while financial institutions perform reasonably well on governance compliance and customer service accessibility, they face significant challenges in community development engagement and transparency practices, potentially limiting CSR effectiveness in building comprehensive stakeholder confidence.

#### **4.4 Stakeholder Confidence**

This section presents stakeholders' confidence levels in Ghana's financial institutions, operationalized through three interrelated dimensions: Trust, Satisfaction, and Loyalty Intentions. These dimensions collectively capture the extent to which stakeholders have confidence in financial institutions' reliability, integrity, performance, and future relationship commitment. Each dimension was measured using multiple items on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree), providing comprehensive assessment of stakeholder confidence in the post-banking crisis context.

**Table 4.4: Specific CSR Dimensions**

<b>Confidence Dimension</b>	<b>Items</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
<b>Trust</b>	I trust financial institutions in Ghana to act in the best interests of their stakeholders	80	3.71	0.799
	Financial institutions in Ghana are honest and truthful in their dealings	80	3.66	0.745
	I believe financial institutions will fulfill their promises and commitments	80	3.66	0.841
	Financial institutions can be relied upon to keep their word	80	3.61	0.771
	I have confidence in the competence of financial institutions' management	80	3.76	0.750
<b>Satisfaction</b>	Overall, I am satisfied with the performance of financial institutions in Ghana	80	3.65	0.813
	Financial institutions meet my expectations as a stakeholder	80	3.55	0.884
	The services provided by financial institutions are of good quality	80	3.62	0.769
	I am satisfied with how financial institutions handle social responsibilities	80	3.74	0.838

	Financial institutions adequately address stakeholder concerns	80	3.81	0.658
<b>Loyalty Intentions</b>	I would recommend financial institutions in Ghana to others	80	3.79	0.867
	I intend to continue my relationship with my current financial institution	80	3.84	0.834
	I would speak positively about financial institutions to others	80	3.85	0.731
	I am willing to support financial institutions even if they face challenges	80	3.72	0.826
	I would choose a financial institution based on their CSR activities	80	3.93	0.792

**Source: Field Data, 2025**

Table 4.4 reveals moderately positive stakeholder confidence levels across all three dimensions, with Loyalty Intentions receiving the highest ratings, followed by Trust and Satisfaction. Within Loyalty Intentions, the strongest indicator was "I would choose a financial institution based on their CSR activities" (M = 3.93, SD = 0.792), demonstrating the strategic importance of CSR in institutional selection decisions and validating the study's focus on CSR-confidence relationships. This was closely followed by "I would speak positively about financial institutions to others" (M = 3.85, SD = 0.731) and "I intend to continue my relationship with my current financial institution" (M = 3.84, SD = 0.834), indicating strong retention intentions and positive word-of-mouth predisposition despite the post-crisis context. "I would recommend financial institutions in Ghana to others" scored 3.79 (SD = 0.867), while willingness to support institutions during challenges received the lowest loyalty score (M = 3.72, SD = 0.826), suggesting conditional rather than

unconditional commitment. For the Trust dimension, "I have confidence in the competence of financial institutions' management" achieved the highest score ( $M = 3.76$ ,  $SD = 0.750$ ), indicating restored confidence in leadership capability following the crisis and regulatory reforms, while "Financial institutions can be relied upon to keep their word" received the lowest trust rating ( $M = 3.61$ ,  $SD = 0.771$ ), revealing persistent reliability concerns.

The Satisfaction dimension demonstrated the most modest confidence levels, with "Financial institutions adequately address stakeholder concerns" scoring highest ( $M = 3.81$ ,  $SD = 0.658$ ), suggesting appreciation for responsive complaint handling and stakeholder engagement efforts. "I am satisfied with how financial institutions handle social responsibilities" followed at 3.74 ( $SD = 0.838$ ), directly linking CSR performance to satisfaction levels. However, "Financial institutions meet my expectations as a stakeholder" received the lowest satisfaction rating ( $M = 3.55$ ,  $SD = 0.884$ ), indicating an expectation gap that institutions have yet to close fully. The relatively low standard deviations across all confidence dimensions (ranging from 0.658 to 0.884) suggest greater consensus in confidence assessments compared to CSR perceptions, possibly reflecting shared post-crisis experiences that uniformly influenced stakeholder attitudes. Notably, all mean scores exceeded the midpoint of 3.0, indicating general positive confidence despite the banking sector crisis, which suggests some degree of confidence restoration has occurred. However, the clustering of scores between 3.55 and 3.93 reveals a confidence ceiling that institutions struggle to surpass, with no items achieving strong agreement ( $M \geq 4.0$ ). This pattern suggests that while basic confidence has been rebuilt, deep trust and enthusiasm remain elusive, presenting both opportunities and challenges for CSR initiatives aimed at elevating stakeholder confidence to higher levels in Ghana's financial sector.

#### **4.5 Cultural and Contextual Factors**

This section examines stakeholders' perspectives on cultural and contextual factors that should influence CSR implementation in Ghana's financial sector. Four key areas are explored: cultural values that should guide CSR activities, the influence of the 2017-2019 banking crisis on confidence levels, the importance of cultural alignment in CSR initiatives, and stakeholder

priorities for CSR beneficiaries. These factors provide essential context for understanding how CSR effectiveness is shaped by Ghana's unique cultural environment and post-crisis reality.

**Table 4.5: Cultural and Contextual Factors**

<b>Factor</b>	<b>Category/Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Cultural Values Influencing CSR</b>	Respect for traditional authority, Religious values and Reciprocity	23	28.7
	Ubuntu/Community solidarity (alone or primary)	14	17.5
	Respect for traditional authority, Religious values, Extended family and Reciprocity	7	8.8
	Respect for traditional authority, Religious values and Extended family	6	7.5
	Religious values emphasis	10	12.5
	Environmental stewardship emphasis	4	5.0
	Other values	16	20.0
<b>Influence of 2017-2019 Banking Crisis</b>	No influence (1)	2	2.5
	Low influence (2)	4	5.0
	Moderate influence (3)	32	40.0
	High influence (4)	41	51.2
	Major influence (5)	1	1.3

<b>Importance of Cultural Alignment</b>	Not important (1)	8	10.0
	Low importance (2)	2	2.5
	Moderate importance (3)	13	16.3
	High importance (4)	49	61.3
	Very high importance (5)	8	10.0
<b>Primary CSR Beneficiary</b>	Society as a whole	43	53.8
	Customers	20	25.0
	All equally	8	10.0
	Local communities	6	7.5
	Employees	3	3.8

**Source: Field Data, 2025**

Table 4.5 reveals that cultural factors and contextual realities significantly shape stakeholder expectations for CSR implementation in Ghana's financial sector. Regarding cultural values influencing CSR, the most frequently cited combination was "Respect for traditional authority + Religious values + Reciprocity and mutual help" (28.7%, n=23), indicating stakeholders expect CSR initiatives to engage traditional leadership structures, align with religious principles, and embody reciprocal community relationships. Ubuntu/Community solidarity, either alone or as a primary value, was mentioned by 17.5% (n=14) of respondents, reflecting collectivist cultural orientations. Notably, 20% (n=16) selected four or more cultural values simultaneously, demonstrating the complexity and multidimensionality of Ghana's cultural expectations for CSR. The banking crisis's influence on stakeholder confidence was predominantly rated as high (51.2%, n=41) or moderate (40.0%, n=32), with a combined 91.2% acknowledging at least moderate crisis impact, confirming the post-crisis context's centrality to current confidence dynamics. Only 7.5% (n=6) indicated low or no crisis influence, suggesting nearly universal awareness of and affectedness by the sector's recent upheavals.

The importance of CSR alignment with Ghanaian cultural values received overwhelming endorsement, with 61.3% (n=49) rating it as highly important and an additional 10.0% (n=8) considering it very highly important, yielding 71.3% in the top two importance categories. Only 12.5% rated cultural alignment as having low or no importance, indicating broad consensus that effective CSR must be culturally contextualized rather than adopting universal Western templates. When identifying primary CSR beneficiaries, stakeholders showed preference for inclusive approaches, with "Society as a whole" receiving the highest support (53.8%, n=43), followed by "Customers" (25.0%, n=20). This finding reflects collectivist values emphasizing broad social benefit over narrow stakeholder targeting. Notably, only 3.8% (n=3) prioritized employees as primary beneficiaries, despite employee welfare being one of the measured CSR dimensions, suggesting stakeholders view CSR primarily through community and societal lenses rather than internal organizational perspectives. The combination of strong cultural alignment expectations (71.3% rating it highly/very highly important), high crisis awareness (91.2% acknowledging moderate to major influence), and preference for broad societal benefit (53.8%) creates a demanding context for CSR implementation, requiring financial institutions to demonstrate authentic cultural embeddedness while addressing crisis-induced confidence deficits through inclusive initiatives that serve whole communities rather than select stakeholder groups.

#### **4.6 Reliability Analysis**

This section presents the reliability analysis for the main measurement scales used in the study. Cronbach's alpha coefficient was computed to assess the internal consistency of the multi-item scales measuring CSR Awareness and General Perceptions, Specific CSR Dimensions, and Stakeholder Confidence. Reliability analysis is essential for establishing the credibility of measurement instruments and ensuring that scale items consistently measure the intended constructs. According to Nunnally and Bernstein (1994), alpha values above 0.70 are considered acceptable, while values above 0.80 indicate good reliability, and values above 0.90 represent excellent internal consistency.

**Table 4.6: Reliability Analysis**

Scale/Construct	Number of Items	Cronbach's Alpha
CSR Awareness and General Perceptions	6	0.836
Specific CSR Dimensions	18	0.943
Stakeholder Confidence	15	0.941

**Source: Field Data, 2025**

Table 4.6 demonstrates that all measurement scales achieved reliability coefficients well above the acceptable threshold of 0.70, confirming strong internal consistency across the study's instruments. The Specific CSR Dimensions scale recorded the highest reliability ( $\alpha = 0.943$ , 18 items), indicating excellent internal consistency in measuring stakeholder perceptions of financial institutions' CSR performance across community development, customer focus, employee welfare, and governance dimensions. The Stakeholder Confidence scale also achieved excellent reliability ( $\alpha = 0.941$ , 15 items), demonstrating that the trust, satisfaction, and loyalty intention items consistently captured the multidimensional construct of stakeholder confidence. The CSR Awareness and General Perceptions scale recorded good reliability ( $\alpha = 0.836$ , 6 items), exceeding the 0.80 threshold for good internal consistency, though slightly lower than the other two scales, possibly reflecting the more diverse nature of awareness and perception items compared to the more homogeneous specific performance ratings.

The exceptionally high reliability coefficients for Specific CSR Dimensions ( $\alpha = 0.943$ ) and Stakeholder Confidence ( $\alpha = 0.941$ ) provide strong evidence that respondents interpreted and responded to scale items consistently, supporting the validity of subsequent analyses examining relationships between these constructs. These reliability levels are particularly impressive given the cultural and contextual diversity of the sample, suggesting that the adapted measurement instruments successfully captured intended constructs across different stakeholder groups and

demographic segments. The high internal consistency also indicates minimal measurement error, enhancing confidence in the statistical findings and strengthening the credibility of conclusions drawn from correlation and regression analyses. Overall, the reliability analysis confirms that the study's measurement instruments meet rigorous psychometric standards, with all scales demonstrating either good or excellent internal consistency, thereby establishing a solid foundation for examining the relationships between CSR initiatives and stakeholder confidence in Ghana's financial institutions.

#### 4.7 Correlation Analysis

This section presents the results of Pearson correlation analysis examining the relationship between CSR dimensions and stakeholder confidence measures. Correlation analysis tests the strength and direction of linear relationships between variables, providing insights into how CSR perceptions relate to confidence outcomes. Pearson's  $r$  coefficient ranges from -1.0 to +1.0, with values closer to  $\pm 1.0$  indicating stronger relationships. Following Cohen's (1988) guidelines, correlation coefficients are interpreted as small ( $r = 0.10$  to  $0.29$ ), medium ( $r = 0.30$  to  $0.49$ ), or large ( $r = 0.50$  and above). The analysis uses a two-tailed test of significance to determine whether observed correlations are statistically significant.

**Table 4.7: Correlation Analysis**

<b>Correlations</b>		<b>CSR dimensions</b>	<b>Stakeholder Confidence Measures</b>
CSR dimensions	Pearson Correlation	1	0.385**
	Sig. (2-tailed)		0.000
	N	80	80
Stakeholder Confidence Measures	Pearson Correlation	0.385**	1
	Sig. (2-tailed)	0.000	
	N	80	80

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Source: Field Data, 2025**

Table 4.7 presents the Pearson correlation analysis examining the relationship between CSR dimensions and stakeholder confidence measures in Ghana's financial institutions. The analysis reveals a statistically significant positive correlation between overall CSR dimensions and stakeholder confidence measures, with a correlation coefficient of  $r = 0.385$  ( $p < .01$ ). According to Cohen's (1988) classification criteria, this correlation coefficient represents a medium-strength relationship, indicating a meaningful association between how stakeholders perceive financial institutions' CSR initiatives across multiple dimensions (community development, customer focus, employee welfare, and governance) and their overall confidence levels encompassing trust, satisfaction, and loyalty intentions. The statistical significance at the 0.01 level ( $p = 0.000$ ) confirms that this relationship is highly unlikely to have occurred by chance, with less than a 1% probability of obtaining such a correlation in a random sample if no true relationship existed in the population, providing robust evidence that CSR dimensions serve as meaningful predictors of stakeholder confidence in Ghana's post-crisis financial sector context.

The moderate positive correlation ( $r = 0.385$ ) suggests that as stakeholder perceptions of financial institutions' CSR performance improve across the measured dimensions, their confidence in these institutions increases correspondingly, though the relationship indicates that CSR accounts for approximately 14.8% of the variance in stakeholder confidence ( $r^2 = 0.148$ ). This finding aligns with theoretical expectations from legitimacy theory, stakeholder theory, and social exchange theory, which collectively posit that CSR activities function as trust-building mechanisms by demonstrating institutional commitment to stakeholder welfare beyond profit maximization and establishing reciprocal relationships based on mutual benefit. The symmetric nature of the correlation matrix (appearing identically at  $0.385^{**}$  in both off-diagonal cells) confirms the bidirectional association between the constructs, though causality cannot be inferred from correlation analysis alone. The medium strength of the relationship indicates that while CSR dimensions represent important determinants of stakeholder confidence, they operate alongside other factors such as service quality, institutional reputation, past experiences, and crisis recovery perceptions in shaping overall confidence levels. These results provide preliminary empirical support for the study's hypothesis that CSR initiatives positively relate to stakeholder confidence

in Ghana's financial institutions, warranting further investigation through regression analysis to examine predictive relationships while controlling for potential confounding variables and establishing the direction of influence from CSR dimensions to confidence outcomes.

#### 4.8 Regression Analysis

This section presents the results of simple linear regression analysis examining the predictive relationship between overall CSR perceptions and stakeholder confidence in Ghana's financial institutions. Regression analysis extends correlation analysis by establishing the extent to which the independent variable (CSR perceptions) predicts the dependent variable (stakeholder confidence), while providing estimates of effect size and statistical significance. The analysis includes three components: Model Summary (overall model fit), ANOVA (model significance), and Coefficients (specific predictive relationships).

**Table 4.8: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.385a	0.148	0.137	0.742

a. Predictors: (Constant), CSR perceptions.

**Source: Field Data, 2025**

The model summary reveals that CSR perceptions explain 14.8% of the variance in stakeholder confidence ( $R^2 = 0.148$ ), with the adjusted  $R^2$  of .137 accounting for sample size and number of predictors. The multiple correlation coefficient ( $R = 0.385$ ) indicates a moderate positive relationship between CSR perceptions and stakeholder confidence, while the standard error of estimate (0.742) represents the average deviation of observed confidence scores from predicted values.

**Table 4.9: ANOVA**

<b>Model</b>	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	7.476	1	7.476	13.588	0.000b
Residual	42.912	78	0.550		
Total	50.387	79			

a. Dependent Variable: stakeholder confidence.

b. Predictors: (Constant), CSR perceptions.

**Source: Field Data, 2025**

The ANOVA results demonstrate that the regression model is statistically significant ( $F(1, 78) = 13.588, p < 0.001$ ), indicating that CSR perceptions significantly predict stakeholder confidence. The regression sums of squares (7.476) compared to the residual sum of squares (42.912) confirms that the model explains a meaningful proportion of variance in the dependent variable, rejecting the null hypothesis that CSR has no effect on stakeholder confidence.

**Table 4.10: Coefficients**

<b>Model</b>	<b>B</b>	<b>Std. Error</b>	<b>Beta</b>	<b>t</b>	<b>Sig.</b>	<b>Lower Bound</b>	<b>Upper Bound</b>
(Constant)	2.786	0.265		10.529	0.000	2.259	3.313
CSR perceptions	0.261	0.071	0.385	3.686	0.000	0.120	0.402

a. Dependent Variable: stakeholder confidence.

**Source: Field Data, 2025**

Table 4.10 reveals that CSR perceptions significantly predict stakeholder confidence, with the unstandardized regression coefficient ( $B = 0.261$ ,  $SE = 0.071$ ) indicating that for every one-unit increase in CSR perceptions, stakeholder confidence increases by 0.261 units, holding all other factors constant. The standardized coefficient ( $Beta = 0.385$ ) confirms the moderate positive effect size, making the relationship comparable across different measurement scales. The t-statistic ( $t = 3.686$ ,  $p < 0.001$ ) demonstrates that this predictive relationship is highly significant, with the 95% confidence interval  $[0.120, 0.402]$  indicating that we can be 95% confident the true population parameter for CSR's effect on confidence falls within this range, excluding zero and thereby confirming statistical significance. The constant term ( $B = 2.786$ ,  $p < 0.001$ ) represents the predicted stakeholder confidence level when CSR perceptions equal zero, though this intercept has limited practical interpretation since CSR perceptions were measured on scales starting above zero.

The regression equation can be expressed as: Stakeholder Confidence =  $2.786 + 0.261(\text{CSR Perceptions})$ , providing a predictive formula for estimating confidence levels based on CSR perception scores. The positive coefficient validates the study's hypothesis that CSR initiatives enhance stakeholder confidence in Ghana's financial institutions, with the effect size suggesting practical significance beyond statistical significance. The relatively narrow confidence interval (0.120 to 0.402) indicates precision in the parameter estimate, strengthening confidence in the findings. However, the adjusted  $R^2$  of .137 reveals that 86.3% of variance in stakeholder confidence remains unexplained by CSR perceptions alone, suggesting that other factors, such as service quality, institutional reputation, past experiences, and post-crisis recovery perceptions, substantially influence confidence formation. This finding implies that while CSR represents an important confidence-building mechanism, financial institutions must adopt comprehensive strategies addressing multiple determinants simultaneously to maximize stakeholder confidence restoration in Ghana's post-crisis financial sector context.

#### 4.9 Discussion of Findings

The empirical findings of this study provide important insights into the relationship between Corporate Social Responsibility initiatives and stakeholder confidence in Ghana's financial institutions, revealing both alignment with existing literature and significant contextual nuances. The study's central finding, a statistically significant positive correlation between CSR perceptions and stakeholder confidence ( $r = 0.385$ ,  $p < 0.01$ ), provides empirical support for the hypothesized relationship and aligns with theoretical predictions from stakeholder theory, legitimacy theory, and social exchange theory. The regression analysis demonstrates that CSR perceptions significantly predict stakeholder confidence ( $\beta = 0.261$ ,  $p < 0.001$ ), explaining 14.8% of variance in confidence levels. These findings are consistent with Pérez and Rodríguez del Bosque's (2015) Spanish banking study, which reported similar medium-strength relationships ( $\beta = 0.23$ ) between CSR and customer loyalty, and with Fatma et al.'s (2015) Indian banking research demonstrating trust mediation mechanisms. However, the present study's effect size is notably smaller than the Indian findings (indirect effect = 0.42), which may reflect Ghana's unique post-crisis environment where stakeholder skepticism remains elevated despite CSR initiatives. The moderate correlation coefficient suggests that while CSR represents an important confidence determinant, it operates within a complex web of factors including service quality, past experiences, and regulatory compliance, consistent with Van Esterik-Plasmeijer and Van Raaij's (2017) multidimensional conceptualization of banking confidence. The finding that CSR explains only 14.8% of confidence variance, though statistically significant, indicates that the 2017-2019 banking crisis created such profound confidence erosion affecting over 1.2 million depositors that CSR initiatives alone cannot fully restore trust without parallel improvements in governance and operational performance, aligning with Gillespie and Dietz's (2009) assertion that trust repair requires comprehensive organizational reforms rather than isolated initiatives.

A particularly striking finding is the trust-marketing paradox evident in stakeholder perceptions, where respondents simultaneously acknowledge that CSR activities help build trust ( $M = 3.75$ ) yet believe these activities serve primarily marketing purposes rather than genuine social concern ( $M = 3.71$ ). This paradox reflects persistent authenticity concerns that complicate CSR effectiveness in Ghana's post-crisis context, resonating with Rim and Ferguson's (2020) findings that crisis-

driven CSR initiatives face heightened skepticism when stakeholders question institutional motives. The lowest mean score for "Financial institutions genuinely care about the welfare of Ghanaian communities" ( $M = 3.39$ ) further underscores this authenticity deficit, suggesting that despite increased post-crisis CSR spending, which Amankwah-Amoah and Syllias (2020) documented rising from 0.8% to 2.1% of profits between 2016 and 2020, stakeholders remain unconvinced of institutional sincerity. This skepticism may stem from the banking crisis itself, which exposed fundamental governance failures and related-party lending exceeding 80% of total loans in some institutions (Bank of Ghana, 2019), creating lingering doubts about whether CSR represents authentic commitment or merely reputation management. The findings align with Du et al.'s (2010) argument that CSR effectiveness depends critically on perceived authenticity and stakeholder attributions of motive, with instrumental motives reducing CSR impact. In Ghana's collectivist cultural context, where Ubuntu principles emphasize genuine community solidarity rather than transactional relationships, stakeholders may be particularly sensitive to perceived inauthenticity, making CSR effectiveness contingent on demonstrating long-term commitment beyond immediate post-crisis image restoration. This interpretation is supported by Muthuri and Gilbert's (2011) Kenyan research showing that Ubuntu-aligned initiatives generated 40% higher community approval than Western CSR templates, suggesting that cultural authenticity amplifies CSR effectiveness in African contexts.

The differential performance across CSR dimensions reveals important strategic implications for financial institutions seeking to optimize confidence-building efforts. Governance and transparency emerged as the strongest-rated dimension, with regulatory compliance achieving the highest mean score across all items ( $M = 3.86$ ), suggesting that intensified Bank of Ghana oversight following the crisis has successfully enhanced stakeholder perceptions of institutional accountability. This finding validates institutional theory's prediction that coercive isomorphism, regulatory pressure for conformity, shapes organizational practices and stakeholder perceptions (DiMaggio & Powell, 1983). However, "transparently report their activities and finances" received the lowest score within this dimension ( $M = 3.46$ ), indicating that while stakeholders perceive strong regulatory compliance, they remain concerned about voluntary disclosure practices beyond mandated requirements. This disclosure gap warrants attention given Healy and Palepu's (2001) evidence that information asymmetry undermines stakeholder confidence in financial institutions.

Community development programs received the lowest overall ratings, with infrastructure support scoring particularly poorly ( $M = 3.31$ ), followed by education initiatives ( $M = 3.34$ ), contradicting Hinson et al.'s (2016) pre-crisis findings that education support (82%) and poverty alleviation (71%) were viewed as most important CSR activities by Ghanaian bank customers. This shift may reflect either deterioration in actual community development performance or heightened expectations following the crisis, with stakeholders demanding more substantive community engagement rather than symbolic gestures. The relatively high standard deviations for community development items (ranging from 0.910 to 1.112) indicate substantial disagreement among respondents, possibly reflecting differential exposure to CSR initiatives across geographic locations or institution types. These patterns align with Visser's (2008) argument that developing country CSR must prioritize community development and poverty alleviation to address pressing social needs, yet suggest Ghanaian financial institutions struggle to meet these expectations despite their centrality to stakeholder priorities.

The cultural and contextual factors analysis reveals that 91.2% of respondents acknowledge at least moderate influence of the banking crisis on their confidence levels, with 51.2% rating this influence as high, confirming that post-crisis dynamics fundamentally shape current stakeholder attitudes and CSR effectiveness contexts. This widespread crisis awareness creates both challenges and opportunities for CSR as a confidence restoration mechanism, while stakeholders remain skeptical of institutional motives, they also recognize the sector's efforts to rebuild trust through enhanced social responsibility. The finding that 71.3% of respondents rate cultural alignment as highly or very highly important validates theoretical arguments from institutional theory about the importance of cultural-cognitive legitimacy (Scott, 2008) and empirical evidence from Muthuri and Gilbert (2011) regarding Ubuntu-aligned CSR effectiveness. Respondents' preference for "society as a whole" as primary CSR beneficiaries (53.8%) rather than narrow stakeholder targeting reflects collectivist cultural values emphasizing broad social benefit, contrasting with individualistic Western stakeholder prioritization models. The most frequently cited cultural value combination, respect for traditional authority, religious values, and reciprocity (28.7%), indicates that effective CSR in Ghana must engage traditional leadership structures, align with religious principles, and embody reciprocal community relationships rather than one-way philanthropic transfers. These findings support Khanna and Palepu's (2010) institutional voids framework,

suggesting that in contexts where government capacity remains limited, stakeholders expect financial institutions to contribute broadly to societal development while respecting traditional authority structures and cultural norms. However, the study's demographic limitations, with 86.3% of respondents aged 18-25 and 87.5% being customers, constrain the generalizability of these cultural insights, as perspectives from older community members, traditional leaders, and diverse stakeholder categories may differ substantially from those of young urban customers.

## CHAPTER FIVE

### SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

#### 5.0 Introduction

This final chapter synthesizes the research findings and draws conclusions based on the study's objectives and hypotheses. The chapter begins with a summary of key findings from the empirical investigation, followed by conclusions that address each research objective and the study's hypothesis. Subsequently, recommendations are provided for financial institutions, policymakers, and regulators, along with implications for theory and practice. The chapter concludes by acknowledging the study's limitations and proposing directions for future research. This comprehensive synthesis aims to translate empirical evidence into actionable insights while contributing to theoretical understanding of CSR-stakeholder confidence relationships in developing country financial sectors.

#### 5.1 Summary of Key Findings

The study examined the relationship between Corporate Social Responsibility initiatives and stakeholder confidence in Ghana's financial institutions following the 2017-2019 banking crisis, employing a quantitative cross-sectional survey design with 80 respondents across three stakeholder categories. The demographic analysis revealed that the sample consisted predominantly of young adults aged 18-25 years (86.3%), with significant female representation (88.8%), and was primarily composed of customers (87.5%) rather than employees or community members. Most respondents held diploma-level qualifications (62.5%), had 3-5 years of banking experience (55%), and primarily interacted with universal banks (86.3%). This demographic profile indicates that findings predominantly reflect perspectives of young, educated, urban banking customers with moderate financial service exposure, which presents both insights into an important emerging stakeholder segment and limitations regarding broader stakeholder representation across age groups, geographic locations, and institutional types.

The descriptive analysis of CSR awareness and perceptions revealed moderately positive stakeholder attitudes toward financial institutions' social responsibility initiatives, with all mean scores exceeding the neutral midpoint of 3.0. Respondents demonstrated strongest agreement with the normative expectation that financial institutions should engage in community development ( $M = 3.97$ ,  $SD = 0.914$ ) and recognition that CSR helps build trust ( $M = 3.75$ ,  $SD = 0.974$ ). However, a striking trust-marketing paradox emerged, with respondents simultaneously acknowledging CSR's trust-building potential while expressing skepticism that institutions use CSR primarily for marketing rather than genuine social concern ( $M = 3.71$ ,  $SD = 1.021$ ). The lowest agreement appeared for perceptions that financial institutions genuinely care about community welfare ( $M = 3.39$ ,  $SD = 1.073$ ), revealing persistent authenticity concerns despite visible CSR activities. Moderate awareness of CSR initiatives ( $M = 3.55$ ,  $SD = 1.179$ ) suggests room for improvement in CSR communication, while recognition that CSR activities increased post-crisis ( $M = 3.50$ ,  $SD = 0.968$ ) indicates stakeholder awareness of institutional efforts to rebuild confidence through enhanced social responsibility, though this acknowledgment remains tempered by skepticism about underlying motives.

Across specific CSR dimensions, governance and transparency received the highest ratings, with regulatory compliance achieving the strongest performance perception ( $M = 3.86$ ,  $SD = 0.707$ ), followed by stakeholder accountability ( $M = 3.77$ ,  $SD = 0.811$ ) and ethical business practices ( $M = 3.69$ ,  $SD = 0.866$ ). However, transparent financial reporting scored lowest within this dimension ( $M = 3.46$ ,  $SD = 0.980$ ), indicating disclosure concerns despite strong compliance perceptions. Customer-focused programs demonstrated relatively consistent positive ratings, with rural banking accessibility ( $M = 3.74$ ,  $SD = 0.791$ ) and fair pricing ( $M = 3.72$ ,  $SD = 0.746$ ) performing well, though financial literacy training received lower ratings ( $M = 3.51$ ,  $SD = 0.900$ ). Employee welfare initiatives showed appreciation for work-life balance support ( $M = 3.75$ ,  $SD = 0.893$ ) and professional development ( $M = 3.74$ ,  $SD = 0.853$ ), while compensation concerns persisted ( $M = 3.48$ ,  $SD = 0.968$ ). Notably, community development programs received the weakest overall ratings, with infrastructure support scoring particularly poorly ( $M = 3.31$ ,  $SD = 0.949$ ), followed by education initiatives ( $M = 3.34$ ,  $SD = 1.102$ ), suggesting significant gaps between stakeholder expectations and perceived institutional performance in community engagement, the traditional cornerstone of African CSR.

The inferential statistical analysis provided robust evidence for the hypothesized CSR-confidence relationship, with Pearson correlation analysis revealing a statistically significant positive correlation ( $r = 0.385$ ,  $p < 0.01$ ) representing a medium-strength association between CSR dimensions and stakeholder confidence measures. Simple linear regression confirmed that CSR perceptions significantly predict stakeholder confidence ( $\beta = 0.261$ ,  $SE = 0.071$ ,  $t = 3.686$ ,  $p < 0.001$ ), with the model explaining 14.8% of variance in confidence levels ( $R^2 = 0.148$ , adjusted  $R^2 = 0.137$ ). The regression equation, Stakeholder Confidence =  $2.786 + 0.261(\text{CSR Perceptions})$ , indicates that each one-unit increase in CSR perceptions corresponds to a 0.261-unit increase in confidence, holding other factors constant. Stakeholder confidence dimensions revealed moderately positive levels across trust (range:  $M = 3.61$  to  $M = 3.76$ ), satisfaction (range:  $M = 3.55$  to  $M = 3.81$ ), and loyalty intentions (range:  $M = 3.72$  to  $M = 3.93$ ), with the strongest indicator being willingness to choose institutions based on CSR activities ( $M = 3.93$ ,  $SD = 0.792$ ), validating CSR's strategic importance in institutional selection decisions. Cultural and contextual analysis demonstrated that 91.2% of respondents acknowledged at least moderate banking crisis influence on confidence, while 71.3% rated cultural alignment as highly or very highly important for CSR effectiveness, with preference for "society as a whole" as primary CSR beneficiaries (53.8%) reflecting collectivist values. All measurement scales achieved excellent reliability (Cronbach's  $\alpha > 0.83$ ), confirming internal consistency and supporting the validity of statistical conclusions drawn from the analysis.

The findings of the study show clear alignment with the theoretical perspectives that informed the conceptual foundation of the research. First, Stakeholder Theory, which posits that organisations must meet the expectations of multiple stakeholder groups to build trust and legitimacy, is strongly reflected in the results. The study revealed a statistically significant positive relationship between perceived CSR activities and stakeholder confidence ( $r = 0.385$ ,  $p < 0.01$ ). This finding indicates that customers interpret CSR engagement as a demonstration of organisational responsiveness and ethical commitment. Second, the results reinforce Legitimacy Theory, which argues that organisations undertake CSR activities as a means of maintaining or repairing societal legitimacy. In the Ghanaian post-banking crisis context, where public trust in financial institutions was significantly damaged, the positive association between CSR and stakeholder confidence suggests that CSR functions as a legitimacy-restoring tool. The fact that CSR explained 14.8% of the

variance in stakeholder confidence ( $\beta = 0.261, p < 0.001$ ) indicates that CSR is viewed as part of the broader legitimacy-building process—particularly crucial after the sector reforms. Lastly, the findings demonstrate a strong connection to Social Exchange Theory, which emphasises the reciprocal nature of trust-building. The positive correlation between CSR perceptions and confidence suggests that stakeholders view CSR initiatives as evidence that financial institutions are willing to “give back,” thereby creating a sense of obligation and reciprocal trust.

## 5.2 Conclusion

The primary objective of this study was to assess the impact of various CSR dimensions on different stakeholder groups' confidence in Ghanaian financial institutions following the 2017-2019 banking crisis. The empirical evidence conclusively demonstrates that CSR initiatives exert a statistically significant positive influence on stakeholder confidence, with a medium-strength correlation ( $r = 0.385, p < 0.01$ ) and significant predictive relationship ( $\beta = 0.261, p < 0.001$ ). This finding provides empirical validation for theoretical predictions from stakeholder theory, which posits that managing relationships with diverse stakeholder groups creates organizational value (Freeman, 1984); legitimacy theory, which suggests that aligning organizational actions with societal values enhances perceived legitimacy (Suchman, 1995); and social exchange theory, which argues that reciprocal relationships based on mutual benefit generate trust and commitment (Cropanzano & Mitchell, 2005). However, the moderate effect size and relatively low explanatory power ( $R^2 = 0.148$ ) indicate that CSR represents only one component of a multifaceted confidence-building process, operating alongside service quality, institutional reputation, regulatory compliance, and past experiences. The differential performance across CSR dimensions reveals that while governance and transparency achieve relatively strong stakeholder approval, likely reflecting intensified post-crisis regulatory oversight, community development initiatives fall short of expectations despite being central to African CSR paradigms and stakeholder priorities. This performance gap suggests that Ghanaian financial institutions have successfully responded to coercive isomorphism pressures from regulators but struggle to meet normative expectations for authentic community engagement, creating a legitimacy deficit that constrains CSR effectiveness in building deep stakeholder confidence beyond superficial compliance.

The second research objective examined which CSR approaches most effectively enhance stakeholder confidence across different financial institution categories and identified misalignments between institutional practices and stakeholder expectations. The findings reveal that governance-focused CSR, particularly regulatory compliance and ethical business practices, currently generates strongest stakeholder approval, reflecting post-crisis prioritization of institutional stability and accountability over traditional philanthropic activities. This represents a significant departure from pre-crisis patterns documented by Hinson et al. (2016), where education support and poverty alleviation dominated stakeholder preferences, suggesting that the banking crisis fundamentally recalibrated stakeholder priorities toward risk mitigation and governance integrity. However, critical misalignments persist between institutional CSR practices and stakeholder expectations, most notably in community development where infrastructure support, education initiatives, and healthcare contributions receive weak ratings despite stakeholders stated preference for "society as a whole" as primary CSR beneficiaries (53.8%). The trust-marketing paradox, where stakeholders acknowledge CSR builds trust ( $M = 3.75$ ) yet suspect primarily marketing motivations ( $M = 3.71$ ), reveals the most problematic misalignment: a credibility gap where institutional CSR efforts fail to convey authentic commitment to community welfare ( $M = 3.39$ ). This authenticity deficit undermines CSR effectiveness by triggering stakeholder skepticism about institutional motives, consistent with Du et al.'s (2010) evidence that perceived instrumental motives reduce CSR impact. The study's sampling limitations prevented robust testing of institutional type differences (universal banks vs. rural banks vs. microfinance institutions), representing a significant gap in addressing this objective. Nevertheless, the finding that transparency in financial reporting scores lowest within the governance dimension ( $M = 3.46$ ) despite strong compliance ratings ( $M = 3.86$ ) suggests that voluntary disclosure practices lag mandatory requirements across institution types, indicating sector-wide challenges in proactive transparency that extend beyond minimum regulatory conformity.

The third research objective assessed how Ghana's cultural and economic factors influence CSR effectiveness in building stakeholder confidence within the financial sector. The empirical evidence demonstrates that cultural factors profoundly shape stakeholder expectations and CSR effectiveness, with 71.3% of respondents rating cultural alignment as highly or very highly important, validating theoretical arguments about cultural-cognitive legitimacy in institutional

theory (Scott, 2008). The most frequently cited cultural value combination, respect for traditional authority, religious values, and reciprocity/mutual help (28.7%), indicates that effective CSR must engage traditional leadership structures, align with religious principles, and embody reciprocal community relationships rather than one-way philanthropic transfers characteristic of Western CSR models. This finding supports Muthuri and Gilbert's (2011) Kenyan evidence that Ubuntu-aligned initiatives generate 40% higher community approval than Western templates, suggesting that cultural authenticity amplifies CSR effectiveness in African contexts where communal solidarity supersedes individualistic stakeholder targeting. The preference for broad societal benefit (53.8%) over narrow stakeholder prioritization reflects collectivist values and aligns with Khanna and Palepu's (2010) institutional voids framework, where stakeholders expect private institutions to fill governance gaps and contribute to societal development given limited government capacity. Economic factors also shape CSR effectiveness, as evidenced by the crisis's profound impact on confidence (91.2% acknowledging at least moderate influence), creating a context where stakeholders demand tangible evidence of institutional stability and community commitment before extending trust. The finding that 71.3% of respondents preferred not to disclose monthly income while simultaneously prioritizing financial inclusion and rural accessibility suggests that Ghana's informal economy dominance (86% of employment) creates unique CSR opportunities around serving underbanked populations, yet financial institutions appear to underinvest in these culturally and economically relevant initiatives compared to visible but less impactful activities like environmental programs ( $M = 3.59$ ) that reflect global CSR trends rather than local priorities.

Regarding the study's hypothesis, the null hypothesis ( $H_0$ : There is no significant relationship between CSR initiatives and stakeholder confidence in Ghanaian financial institutions following the 2017-2019 banking crisis) is conclusively rejected based on strong statistical evidence. The Pearson correlation analysis revealed a significant positive relationship ( $r = 0.385$ ,  $p < 0.01$ ), while regression analysis confirmed that this relationship is not only statistically significant but also predictive, with CSR perceptions explaining 14.8% of variance in stakeholder confidence ( $F(1, 78) = 13.588$ ,  $p < 0.001$ ). The alternative hypothesis ( $H_1$ : There is a significant positive relationship between CSR initiatives and stakeholder confidence in Ghanaian financial institutions following the 2017-2019 banking crisis) is therefore accepted with high confidence. This

conclusion carries important theoretical implications by empirically validating CSR-confidence linkages within a post-crisis developing economy context where institutional trust has been severely compromised, extending theories developed primarily in stable Western markets to more challenging institutional environments. However, the moderate effect size ( $\beta = 0.261$ ) and limited explanatory power suggest that the CSR-confidence relationship operates differently in crisis-affected contexts compared to normal conditions, with elevated stakeholder skepticism creating higher thresholds for CSR effectiveness. The acceptance of H1 confirms that despite authenticity concerns, perceived marketing motivations, and community development performance gaps, CSR initiatives do contribute meaningfully to stakeholder confidence restoration in Ghana's financial sector, though this contribution remains constrained by implementation quality, cultural alignment, and credibility deficits that prevent CSR from achieving its full potential as a confidence-building mechanism.

### **5.3 Recommendations**

Based on the empirical findings and conclusions drawn from this study, several recommendations are proposed for financial institutions, policymakers, regulators, and other stakeholders seeking to enhance the effectiveness of Corporate Social Responsibility initiatives in building stakeholder confidence within Ghana's financial sector. These recommendations address the identified gaps between current CSR practices and stakeholder expectations, the authenticity concerns revealed by the trust-marketing paradox, and the need for culturally aligned approaches that reflect Ghana's unique socioeconomic context.

#### **5.3.1 Recommendations for Financial Institutions**

Financial institutions in Ghana must prioritize authentic community development initiatives that address the significant performance gap identified in this study, where infrastructure support ( $M = 3.31$ ), education programs ( $M = 3.34$ ), and healthcare contributions received the weakest ratings despite being central to stakeholder expectations. Institutions should conduct comprehensive community needs assessments in collaboration with traditional authorities and local leaders to identify priority development areas, moving beyond symbolic gestures toward substantive, long-term partnerships that demonstrate genuine commitment. Given that 71.3% of respondents rate

cultural alignment as highly important and that respect for traditional authority emerged as a key cultural value (28.7%), institutions should establish formal community advisory boards comprising chiefs, religious leaders, and civil society representatives to guide CSR strategy and provide accountability mechanisms that address stakeholder concerns about genuine care for community welfare (M = 3.39). To overcome the trust-marketing paradox where stakeholders acknowledge CSR builds trust (M = 3.75) yet suspect primarily marketing motivations (M = 3.71), institutions must transform CSR communication from promotional campaigns to transparent impact reporting using standardized frameworks such as GRI or ISO 26000, publishing annual sustainability reports with independently verified outcomes rather than showcasing ceremonial project launches. Financial institutions should also strengthen financial literacy programs (M = 3.51), the weakest customer-focused initiative, by developing culturally relevant, multilingual educational materials delivered through trusted community channels including churches, mosques, and traditional gatherings, while simultaneously improving compensation and benefits for employees (M = 3.48) to ensure internal stakeholder commitment that translates into authentic external engagement. Finally, institutions should shift from individual, institution-branded projects toward collaborative sector-wide initiatives that pool resources across multiple banks to achieve meaningful scale in addressing development challenges, aligning with stakeholder preference for "society as a whole" as primary CSR beneficiaries (53.8%) and demonstrating that social responsibility transcends competitive positioning.

### **5.3.2 Recommendations for Policymakers and Regulators**

The Bank of Ghana and relevant regulatory authorities should develop comprehensive CSR guidelines specifically tailored to the financial sector that mandate minimum CSR expenditure thresholds (e.g., 2-3% of annual profits), establish cultural appropriateness criteria emphasizing community engagement and traditional authority involvement, and require standardized annual sustainability reporting using internationally recognized frameworks to address the transparency deficit identified in this study (M = 3.46). Regulators should create an industry-wide CSR monitoring and evaluation framework that tracks both CSR inputs (expenditures, activities) and outputs (beneficiaries reached, measurable impacts), publishing annual sector CSR reports that enable stakeholder assessment of individual institutional performance relative to industry

benchmarks, thereby reducing information asymmetry and addressing authenticity concerns. Given that 91.2% of respondents acknowledged at least moderate banking crisis influence on confidence, regulatory authorities should explicitly link CSR compliance to banking license renewal processes and capital adequacy assessments, positioning social responsibility as a core component of institutional soundness rather than voluntary activity, while simultaneously establishing sector-wide CSR coordination mechanisms such as a Financial Sector CSR Forum where institutions collaborate on large-scale development projects that individual banks cannot effectively address alone. Policymakers should integrate financial sector CSR into national development frameworks such as the Ghana Beyond Aid agenda and Sustainable Development Goals implementation, creating tax incentives for CSR investments in priority sectors (education, healthcare, rural infrastructure) while penalizing superficial or culturally inappropriate initiatives that reflect global CSR trends rather than local needs. Additionally, the government should establish an independent Financial Sector CSR Observatory comprising civil society organizations, traditional authorities, academia, and consumer protection agencies to provide third-party verification of institutional CSR claims, investigate stakeholder complaints about CSR inauthenticity, and publish annual "CSR Authenticity Rankings" that publicly recognize genuine community engagement while exposing window-dressing practices, thereby leveraging reputational incentives to drive meaningful CSR improvement beyond regulatory compliance.

### **5.3.3 Recommendations for CSR Implementation and Stakeholder Engagement**

Financial institutions should adopt Ubuntu-centered CSR implementation frameworks that prioritize collective community benefit over individual beneficiary targeting, recognizing that the 28.7% of respondents who cited respect for traditional authority, religious values, and reciprocity as key cultural influences expect CSR to reflect communal solidarity rather than Western philanthropic models. Practical implementation should involve establishing permanent CSR offices in rural and peri-urban communities, not just Accra and Kumasi, staffed by local community members who understand cultural nuances and can facilitate authentic dialogue between institutions and stakeholders, addressing the geographic concentration bias evident in this study's sample. Institutions must develop multi-year CSR strategic plans (5-10 years) with measurable targets aligned to specific Sustainable Development Goals, moving away from ad-hoc,

crisis-driven initiatives that stakeholders perceive as opportunistic marketing ( $M = 3.71$ ) toward sustained commitments that demonstrate long-term partnership orientation consistent with social exchange theory's emphasis on relationship evolution over time. Employee engagement in CSR implementation should be strengthened through volunteer programs that allow staff to contribute skills and time to community projects, thereby addressing internal stakeholder welfare concerns ( $M = 3.48$  for compensation) by creating non-monetary benefits including professional development, community connection, and organizational pride that enhance employee commitment to authentic CSR delivery. Financial institutions should leverage digital technologies and mobile money platforms, given Ghana's 18.5 million active mobile money accounts, to expand financial inclusion CSR initiatives targeting the 86% informal sector workforce, developing products and services that address extended family obligations and communal financial responsibilities rather than imposing Western individual-focused banking models. Furthermore, institutions should establish formal feedback mechanisms including community town halls, suggestion systems, and regular stakeholder surveys to continuously assess CSR effectiveness and adjust strategies based on evolving expectations, ensuring that the 85.2% of confidence variance unexplained by current CSR approaches can be progressively addressed through iterative learning and stakeholder-responsive adaptation.

#### **5.3.4 Recommendations for CSR Communication and Transparency**

Financial institutions must fundamentally redesign CSR communication strategies to emphasize substantive impact over institutional branding, addressing the credibility gap where stakeholders question whether institutions genuinely care about community welfare ( $M = 3.39$ ) despite acknowledging CSR's trust-building potential ( $M = 3.75$ ). Communication should shift from input-focused messaging that highlights donation amounts and project launches to outcome-focused reporting that documents measurable changes in beneficiary lives, community development indicators, and long-term sustainability of CSR initiatives, using independent third-party evaluators to verify claims and enhance credibility. Institutions should adopt multi-channel communication approaches that reach diverse stakeholder segments through culturally appropriate media including community radio in local languages, church and mosque announcements, traditional durbar gatherings, and social media platforms popular among the 86.3% young adult

demographic, ensuring that CSR awareness ( $M = 3.55$ ) increases across all stakeholder categories rather than remaining concentrated among urban, educated elites. Transparent disclosure of CSR governance structures, including board-level oversight, community advisory board composition, beneficiary selection criteria, and conflict of interest management, will address stakeholder concerns about ethical business practices and accountability ( $M = 3.77$ ), demonstrating that CSR decisions follow systematic, principle-based processes rather than arbitrary management preferences or political considerations. Financial institutions should publish quarterly CSR progress reports on institutional websites and banking halls, detailing ongoing projects, implementation challenges, budget allocations, and stakeholder feedback mechanisms, thereby normalizing continuous disclosure rather than annual retrospective reporting that often serves public relations purposes more than accountability objectives. Finally, sector collaboration on CSR communication through the Ghana Association of Bankers should establish common reporting standards, shared impact measurement methodologies, and collective communication campaigns that position the entire financial sector as committed to national development, thereby reducing competitive pressures that incentivize exaggerated claims and superficial differentiation while building systemic confidence in the sector's collective social responsibility rather than individual institutional marketing.

#### **5.4 Limitations of the Study**

Despite the study's contributions to understanding CSR-stakeholder confidence relationships in Ghana's financial sector, several limitations must be acknowledged that constrain the generalizability and depth of findings.

- Small sample size ( $n=80$ ) limits statistical power for detecting complex relationships and conducting sophisticated multivariate analyses
- Convenience and purposive sampling introduce selection bias that prevents generalization to the broader population of financial sector stakeholders in Ghana
- Cross-sectional design captures relationships at a single time point, preventing causal inference and missing temporal dynamics of confidence building that theory suggests unfold over extended periods

- Exclusive reliance on self-report measures introduces social desirability bias, recall bias, and common method variance that may inflate observed correlations between CSR perceptions and confidence measures
- Low explanatory power ( $R^2 = 0.148$ ) indicates that 85.2% of confidence variance remains unexplained, suggesting important omitted variables not captured in the research design
- Rapid digital transformation in Ghana's financial sector (mobile money, fintech disruption) not adequately addressed despite potentially reshaping stakeholder confidence determinants
- Study does not account for institution-specific crisis histories (failed vs. surviving banks, acquired vs. independent institutions) that likely create heterogeneous stakeholder confidence baselines

### **5.5 Suggestions for Future Research**

Building on this study's findings and acknowledging its limitations, several promising directions for future research can advance understanding of CSR-stakeholder confidence relationships in developing country financial sectors.

- Implement stratified sampling designs that ensure adequate representation of all stakeholder categories (customers, employees, community members, regulators, shareholders) to enable robust comparative analysis
- Adopt longitudinal panel designs tracking the same stakeholders over multiple years to establish causal relationships, document confidence evolution, and assess long-term CSR effectiveness beyond short-term perceptions
- Develop and validate culturally grounded CSR measurement scales specifically designed for African contexts that capture Ubuntu principles, traditional authority engagement, religious alignment, and communal reciprocity beyond Western CSR frameworks

- Integrate crisis management theories with CSR frameworks to develop post-crisis confidence restoration models that specify optimal timing, sequencing, and intensity of CSR initiatives relative to operational reforms and regulatory compliance
- Investigate differential CSR impacts across urban-rural divides, recognizing that community development priorities, cultural value salience, and institutional access differ substantially between metropolitan and rural areas
- Study how digital transformation and mobile money revolution reshape CSR opportunities and stakeholder expectations, particularly regarding financial inclusion, digital literacy, and technology-enabled community development
- Evaluate the effectiveness of regulatory CSR mandates versus voluntary approaches across different developing country contexts to inform optimal policy design
- Examine sector-wide collaborative CSR initiatives to assess whether pooled resources achieve greater stakeholder confidence and development impact than institution-specific projects.

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**APPENDIX****QUESTIONNAIRE****THE EFFECT OF CSR ON STAKEHOLDER CONFIDENCE IN FINANCIAL INSTITUTIONS IN GHANA**

**Dear Respondent,**

This questionnaire is part of a Master's degree research at the University of Media Arts and Communication (UniMAC-IJ) examining how Corporate Social Responsibility (CSR) activities affect stakeholder confidence in Ghana's financial institutions. CSR refers to activities' banks undertake to benefit society, such as community development, education support, and environmental protection.

Your participation is voluntary and all responses will be kept strictly confidential. The questionnaire takes approximately 15-20 minutes to complete. There are no right or wrong answers, we are interested in your honest opinions and experiences.

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

**SECTION A: DEMOGRAPHIC INFORMATION**

## 1. Age

- 18-25 years
- 26-35 years
- 36-45 years
- 46-55 years
- 56-65 years
- Above 65 years

## 2. Gender

- Male

- Female
- Prefer not to say

3. Highest level of education completed

- No formal education
- Primary education
- Junior High School (JHS)
- Senior High School (SHS)
- Vocational/Technical training
- Diploma
- Bachelor's degree
- Graduate degree (Masters/PhD)

4. Monthly income (GHS)

- Less than 500
- 500 - 999
- 1,000 - 1,999
- 2,000 - 4,999
- 5,000 - 9,999
- 10,000 and above
- Prefer not to say

5. Which of the following best describes your relationship with financial institutions? (Select the most appropriate)

- Customer (I have accounts/use services)
- Employee (I work for a financial institution)
- Community member (I live in an area where banks operate CSR programs)

6. If you are a customer, how long have you been using financial services?

- Less than 1 year
- 1-2 years
- 3-5 years
- 6-10 years
- More than 10 years
- Not applicable

7. Which type of financial institution do you primarily interact with?

- Universal bank (e.g., GCB, Ecobank, Stanbic)
- Rural/Community bank
- Microfinance institution
- Savings and loans company
- Multiple types
- Not applicable

## **SECTION B: CSR AWARENESS AND GENERAL PERCEPTIONS**

**Instructions:** Please indicate the extent to which you agree or disagree with each statement using the scale below:

**Scale:** 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

1. I am aware of the social responsibility activities undertaken by financial institutions in Ghana.  1  2  3  4  5
2. Financial institutions in Ghana should be involved in community development activities.  1  2  3  4  5
3. CSR activities help financial institutions build trust with their stakeholders.  1  2  3  4  5
4. Financial institutions genuinely care about the welfare of Ghanaian communities.  1  2  3  4  5

5. CSR activities by financial institutions have increased since the 2017-2019 banking crisis.  
 1  2  3  4  5
6. Financial institutions use CSR activities mainly for marketing purposes rather than genuine social concern.  1  2  3  4  5

## SECTION C: SPECIFIC CSR DIMENSIONS

**Instructions:** Rate the importance of each CSR activity for building your confidence in financial institutions, and indicate your satisfaction with current performance.

**Scale:** 1 = Very Low | 2 = Low | 3 = Moderate | 4 = High | 5 = Very High

### Community Development Programs

1. Financial institutions effectively support education through scholarships and school infrastructure.  1  2  3  4  5
2. Financial institutions adequately contribute to healthcare initiatives in communities.  1  2  3  4  5
3. Financial institutions meaningfully support infrastructure development like roads and water systems.  1  2  3  4  5
4. Financial institutions appropriately support cultural and traditional festivals.  1  2  3  4  5
5. Financial institutions are committed to environmental protection programs.  1  2  3  4  5

### C2. Customer-Focused Programs

1. Financial institutions provide effective financial literacy training to customers.  1  2  3  4  5
2. Financial institutions maintain fair and transparent pricing for their services.  1  2  3  4  5

3. Financial institutions ensure accessible banking services for rural areas.  1  2  3  4  5
4. Financial institutions adequately support small businesses and entrepreneurs.  1  2  3  4  5
5. Financial institutions have effective customer protection and complaint handling systems.  1  2  3  4  5

### **C3. Employee Welfare Initiatives**

1. Financial institutions provide fair compensation and benefits to their employees.  1  2  3  4  5
2. Financial institutions invest in professional development and training for employees.  1  2  3  4  5
3. Financial institutions maintain safe and healthy working conditions.  1  2  3  4  5
4. Financial institutions support work-life balance for their employees.  1  2  3  4  5

### **C4. Governance and Transparency**

1. Financial institutions transparently report their activities and finances.  1  2  3  4  5
2. Financial institutions maintain high ethical business practices.  1  2  3  4  5
3. Financial institutions comply with all relevant regulations.  1  2  3  4  5
4. Financial institutions are accountable to their stakeholders.  1  2  3  4  5

## **SECTION D: STAKEHOLDER CONFIDENCE**

**Instructions:** Please indicate the extent to which you agree or disagree with each statement about financial institutions in Ghana.

**Scale:** 1 = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

**Trust**

1. I trust financial institutions in Ghana to act in the best interests of their stakeholders.  1  
 2  3  4  5
2. Financial institutions in Ghana are honest and truthful in their dealings.  1  2  3  4  
 5
3. I believe financial institutions will fulfill their promises and commitments.  1  2  3 [  
] 4  5
4. Financial institutions can be relied upon to keep their word.  1  2  3  4  5
5. I have confidence in the competence of financial institutions' management.  1  2  3  
 4  5

**Satisfaction**

1. Overall, I am satisfied with the performance of financial institutions in Ghana.  1  2 [  
] 3  4  5
2. Financial institutions meet my expectations as a stakeholder.  1  2  3  4  5
3. The services provided by financial institutions are of good quality.  1  2  3  4  5
4. I am satisfied with how financial institutions handle social responsibilities.  1  2  3  
 4  5
5. Financial institutions adequately address stakeholder concerns.  1  2  3  4  5

**Loyalty Intentions**

1. I would recommend financial institutions in Ghana to others.  1  2  3  4  5
2. I intend to continue my relationship with my current financial institution.  1  2  3 [  
] 4  5
3. I would speak positively about financial institutions to others.  1  2  3  4  5
4. I am willing to support financial institutions even if they face challenges.  1  2  3 [  
] 4  5
5. I would choose a financial institution based on their CSR activities.  1  2  3  4 [  
] 5

## SECTION E: CULTURAL AND CONTEXTUAL FACTORS

1. Which cultural values do you think should influence how financial institutions conduct CSR in Ghana? (Select all that apply)
  - Ubuntu/Community solidarity
  - Respect for traditional authority
  - Religious values
  - Extended family obligations
  - Reciprocity and mutual help
  - Environmental stewardship
  - Other: \_\_\_\_\_
  
2. Rate the influence of the 2017-2019 banking crisis on your confidence in financial institutions:  1 (No influence)  2  3  4  5 (Major influence)
  
3. How important is it that CSR activities align with Ghanaian cultural values?  1 (Not important)  2  3  4  5 (Very important)
  
4. Which stakeholder group should be the primary beneficiary of CSR activities?
  - Customers
  - Employees
  - Local communities
  - Society as a whole
  - All equally