



## Implementing Corporate Social Responsibility in Banking Sector: A Literature Review

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**Abstract** – For banks, CSR may be a useful marketing tactic to draw in and keep employees as well as consumers. Banking professionals should place a strong emphasis on embracing and putting CSR initiatives into practice in order to boost client happiness, loyalty, and other factors. Given that consumers are becoming more aware of their social responsibilities, corporate social responsibility (CSR) can be viewed as a successful means of enhancing customer satisfaction and loyalty in addition to the conventional marketing techniques of price, publicity, and advertising. Consumer perception of banks that engage in CSR efforts is expected to be favorable. As a result, this can improve the rapport between banks and clients, encourage contentment and loyalty, and offer a number of advantages. This literature review aims to explore the concept of corporate social responsibility (CSR) in the banking industry, identify the aspects of CSR that the industry needs to take into account, identify the methods used in research on the topic of CSR and the industry, and determine the advantages of implementing CSR in the industry. A total of twenty publications published between 2018 and 2022 that were quantitative in nature and used a mixed methodology were used.

**Keywords:** CSR; banking sector; marketing strategies; quantitatively; mixed approach.

### 1. INTRODUCTION

The concept of Corporate Social Responsibility (CSR), originally known as Social Responsibility (SR), was first explored as early as the 1930s, according to Chowdhury, A. Y., & Nehal, M. N. (2020). The topic did not gain popularity and discussion using current terminology until Bowen's Social Responsibilities of the Businessman was published in 1953, according to the authors. The idea and concept of corporate social responsibility, or CSR for short, is currently gaining a lot of traction in the business world, particularly among banks, government agencies, non-governmental organizations, and others. It is emerging as a key component of business philosophy that prioritizes accountability to all parties involved (suppliers, government, workers, creditors, shareholders, and the community) as opposed to just maximizing profit for shareholders (Elifneh, Y. W., Goulap, J. B., & Solomon, D., 2021). Since companies now have obligations to all of their stakeholders in addition to their own shareholders, the idea of business has evolved from profit-making to social welfare activities (Elifneh, Y. W., Goulap, J. B., & Solomon, D., 2021, Al-Ghamdi, S. A. A., & Badawi, N. S., 2019, Shah, S. S. A., & Khan, Z., 2020).

A variety of actions fall under the umbrella of corporate social responsibility, including as working in conjunction with nearby communities, making social investments, and cultivating positive connections with all tiers of staff members, clients, and their families. Participating in various efforts to preserve the environment is another aspect of it. Financial institutions, such as banks, have an obligation to the community



to provide them with satisfactory service, just like other businesses do. As a result, banks engage in CSR initiatives as part of their ongoing operations in the nation in an attempt to uphold social responsibility. Long-term growth and sustainability are impossible for any business to achieve without caring for the community in which it operates.

CSR matters because it benefits the community and affects every facet of business operations, from sourcing to reaching the final customer. The majority of customers prefer to do business with well-known businesses that they have faith in. Suppliers seek to establish business relationships with dependable companies. Workers aspire to work for organizations that treat them with dignity and respect. Reputable investors prefer to support businesses that are thought to be socially conscious. To accomplish the mutually agreed upon objective, several NGOs wish to collaborate with the businesses (Chowdhury, A. Y., & Nehal, M. N., 2020). The amount of commercial and financial activity is driving an increase in the availability of banking services.

As a result, the banking industry is seen as a significant contributor to business investments. It often provides a broad range of services that may be critically important for facilitating quick access to financial information and corporate records. This study (Alhaleh, S. E. A., Saleh, M. A. A., & Liu, C., 2019) has primarily concentrated on using the ideas of CSR and sustainability to improve and reinforce the quality and performance of the banking industry.

Thus, the goal of this article review is to provide answers to the following three questions: what is the scope of corporate social responsibility (CSR) in the banking industry? How has CSR research been done in relation to the industry? And how important is it to implement CSR in the banking industry?

## 2. OBJECTIVES OF THE STUDY

It is imperative that scholars, practitioners, and researchers devote greater attention to the topic of Corporate Social Responsibility as it relates to the banking industry. Since the banking industry is one of those that is expanding the fastest in the globe and one that greatly contributes to the social and economic advancement of a nation. Spending money on CSR should not be viewed as an expense, but rather as a way to fortify ties with stakeholders and increase the likelihood that one will profit greatly from these investments. Banks and other financial institutions should be regarded as model businesses that participate in social initiatives that improve the economy, environment, and society.

For the following four reasons, then, this study aims to create a literature review on CSR in the banking sector:

- To look into the idea of CSR in the banking industry.
- To determine the aspects of CSR that the banking industry needs to take into account
- To determine the advantages of CSR implementation in the banking industry
- To determine the methodology used in the study of the topic of corporate social responsibility in connection to the banking industry

## 3. METHODOLOGY OF THE LITERATURE REVIEW

### 3.1 Search Procedure/Method

Twenty peer-reviewed articles about CSR in the banking industry were examined and analyzed for this review project. This means that the researcher solely used secondary data that was gathered from the publications that were selected for examination and analysis in accordance with the goals of this review in the banking sector. Through a thorough examination and analysis of the selected publications, the researcher provided a



detailed overview of all covered concerns and identified a number of critical issues that warrant further investigation.

### 3.2 Inclusion and Exclusion Criteria

The researcher collected numerous published articles pertaining to the idea of corporate social responsibility (CSR) in the banking industry for this article review project. Nevertheless, the following inclusion and exclusion criteria were inferred in order to choose just twenty articles from all of the discovered potential articles due to time constraints. These were the criteria for inclusion and exclusion:

First and foremost, the banking industry and Corporate Social Responsibility (CSR) required to be the main topics of the articles. These stories addressed CSR, however they did not specifically address the banking industry. Second, the articles must be published between 2018 and 2022; those that were published prior to 2018 are not included. Third, the reviewer further chose only English-language publications because it is challenging to perform an exhaustive manual study of papers written in languages other than English. Thus, only twenty relevant papers were taken into consideration for this study based on the aforementioned inclusion and exclusion criteria.

### 4. CONCEPT AND DEFINITION OF CSR

The concept of Corporate Social Responsibility seen and defined in various ways and angles based on the objectives of each literature. Most of the reviewed literatures of this work used the definitions provided by Mc Williams (2001) and Siegel and European commission (2001).

The definition of Mc Williams and the European commission cited in the work of Elifneh, Y. W., Goulap, J. B., & Solomon, D. (2021) are mentioned as the following respectively:

- CSR as efforts of an organization towards achieving commercial success while adopting ways that appreciate and facilitate communities, societies, people and environment at large.
- CSR as a concept whereby companies integrate voluntary, social and environmental concerns in their business operations and in their interaction with other interested parties.

### 5. FINDINGS AND DISCUSSION

The findings of this literature review work address the following four key questions:

- 1) How the concept of CSR in banking sector is investigated so far?
- 2) What are the dimensions of CSR which need to be considered in the banking sector?
- 3) How the research on the issue of CSR in relation to banking sector has been conducted?
- 4) What is the importance of implementing CSR activities in banks sector?

#### 5.1 CSR in Banking Sector

The banking sector is one of the essential or central constituents of any country's economy. Such an importance of the banking sector is inevitable because banks act as the custodians of customers' wealth and offer basic financial services to a large part of people, by providing credit and as well as liquidity to the



market. However, in many countries the banking sector faces several challenges and problems. One of the challenges is that banking firms are challenged by the increased homogeneity of banking services. The uniformity in banking services has concentrated to a minimal level. The second challenge is the advancement of technology: with the advancement in technology, the number of banking services providers is increasing, thus causes more intense competition in the banking sector. And also the other challenge is the banking sector is among the significant players contributing to social issues of a country. As it is mentioned in the work of Zhang, D., Mahmood, A., Ariza-Montes, A., Vega-Muñoz, A., Ahmad, N., Han, H., & Sial, M. S. (2021), in many countries banks are strongly involve in the CSR activities, directing their CSR investments through diverse channels such as annual or sustainability reports, social media marketing campaigns, and providing sponsorships for social causes.

According to the research work of Zhang, D., Mahmood, A., Ariza-Montes, A., Vega-Muñoz, A., Ahmad, N., Han, H., & Sial, M. S. (2021), banks also significantly influence the world's economy by significantly affecting the customers' emotional behaviour in multiple ways. Thus to survive in the market for the long run, banks must compete well with their competitors, substantially gaining a distinctive edge through integrating different CSR practices.

## 5.2 Dimensions of CSR Which Need to Be Considered in the Banking Sector

According to the reviewed literatures, though there are other more dimensions of Corporate Social Responsibility, only four dimensions are frequently mentioned in relation to the banking sector and those are: Environmental, ethical, philanthropic and economic responsibilities (Eyasu, A. M., & Arefayne, D, 2020, Elifneh, Y. W., Goulap, J. B., & Solomon, D., 2021, Hatane, S. E., Telim, J. H., Tjanlisan, R., Tandiono, G. A., & Tjandra, M, 2021, Alrowwad, A. A., Alkhalafat, F., Obeidat, B., & Abualoush, S., 2018). Each of the points are discussed below in detail:

### **Environmental Responsibility:**

Environmental responsibility is all about a firm's total commitment to carry on a sustainable and environmentally friendly activities and operations. This activity can include like practicing reduction of greenhouse gas emission, recycling of plastic materials, cleaning our area and etc. Generally, it is about taking the initiatives and responsibility of keeping the environment good and safe for the health of all creation while doing the business. The company's environmental responsibilities include not damaging the local environment and not exploiting and enforcing natural resources to leave a good impression on the community. Because many customers are sensitive to environmental issues regarding products and services, corporate social responsibility in the environmental dimension has a big impact on customers and the on the community as a whole.

### **Ethical Responsibility:**

Ethical responsibility refers to a company's commitment to operate their business in an ethical manner that upholds human rights principles, such as fair treatment of all stakeholders, fair trade practices and equal pay. And also Ethical responsibility is linked to the company's management and how to implement administrative policies of an ethical nature, which improves productivity in the company so that the company makes a positive contribution to the local community.

### **Philanthropic Responsibility:**



This is about where the firm is expected to perform in a way associated with the charitable expectations of people, help the arts, take a part in voluntary practices in the community, provide help to educational institutions, assist projects that improve quality of life and are related to the profits or the ethical culture of the company.

## **Economic Responsibility:**

Economic responsibility is about firm's profitability, maximize the return per share and sustain a strong competitive position.

In addition to the above responsibilities, Chowdhury, A. H. M. Y., & Nehal, M. N. (2020) mentioned and identified the below areas of expenditures in CSR activities and indicators of financial performance measurement of the banking sector. These activities are for measuring the relationship between expenditures on CSR and financial performance in the banking sector:

- **Donation (DN):** Donation shows how much banks are paying for people living in society in different aspects. Donation in different areas helps banking organizations building good image in the society in an effort to become more responsible. Focused areas of donation include clothing, toys, food and vehicle elements etc.
- **Health and Hygiene (HH):** Health and Hygiene is another sector where CSR expenditures are made by banking organizations. Almost all banks in Bangladesh invest in health sector including hospital and medical institution especially for needy people of the society. Through these expenditures banks intend to increase their goodwill. When goodwill increases it means it automatically enhances the financial wealth.
- **Environment Protection (EP):** Banks operating in Bangladesh also invest in environment protection for social welfare of society. Environment protection includes different programs like: water cleaning program, cleaning the targeted area program, etc. This also influences on the financial performance of the selected banks.
- **Social welfare (SW):** SW is another area where banking companies of Bangladesh do invest for achieving trust and confidence from the general people in the society. SW includes different sports programs, national and international; sponsoring for celebration of different national days etc. Some financial indicators have been used for measuring the performance of banks in these studies which are stated below:
- **Return of Asset (ROA):** defined return on asset (ROA) as ratio between available net profits for common shareholders to total assets.  $ROA = \frac{\text{Available Net Profit for Common Shareholders}}{\text{Total Asset}}$   
**Return on Equity (ROE):** Return on equity (ROE) is the profitability ratio to measure the company ability to generate profit based on share capital owned by the company. And it can be calculated as follows:  $ROE = \frac{\text{Net Income after Tax}}{\text{Total Equity}}$   
**Earnings per Share (EPS):** EPS is a management tool to measure the amount of profit that can be shared to shareholders. This ratio is a comparison of resulted income (net profit) and the amount of circulated share. Defined EPS as ratio between net profits divided by the number of circulated share.  $EPS = \frac{\text{Net Profit after Interest and Tax}}{\text{Number of Circulated Shares}}$   
**Price Earnings Ratio (PER):** The P/E ratio explains the relationship between the market value of a firm and its net profit. The ratio is used by both investors and analysts to determine if individual stocks are reasonable priced.  $PER = \frac{\text{Market Value per Share}}{\text{Earnings per Share}}$



## 5.3 Methodologies Employed to Investigate CSR in Relation to Banking

From the reviewed literatures, three main methodologies of conducting research on the issue of CSR in relation to banking sector have been drawn:

### 5.3.1 Synthesis and analysis of information

Carrying on synthesis and analysis of information consist the following three steps:

- a. Gathering the definitions of CSR through a literature review on different topics related to management, banking industry and CSR activities.
- b. The second step is, collecting secondary information from banks to reach to a conclusion on how banks carry on their CSR.
- c. And then additional data is gathered from secondary sources, especially from the respective bank's annual report, websites, newsletters and from different journals.

### 5.3.2 Research Approach

Except one article (Alhaleh, S. E. A., Saleh, M. A. A., & Liu, C., 2019) which was followed mixed approach, the rest 19 reviewed articles used quantitative research approach to measure the relationship of Corporate Social Responsibility with other factors in the banking sector.

### 5.3.3 Data gathering tools

Data were gathered mostly via questionnaire from a wide range of workers in the bank, conducting an interview, by using secondary sources of information for example from the respective bank's annual report, websites, newsletters and from different journals.

### 5.3.4 Research design

Most of the research designs used in the reviewed literatures of this work were: Cross sectional survey design (Elifneh, Y. W., Goulap, J. B., & Solomon, D., 2021, Eyasu, A. M., & Arefayne, D, 2020, Mubushar, M., Jaafar, N. B., & Rahim, R. A, 2020) and some others were used descriptive research design (Al Hawamdeh, A. K., Padlee, S. F., Alfukaha, F. A., Al-Gasawneh, J. A., & Megdadi, Y., 2022, Subiyanto, B., Awaludin, D. T., DemolingO, R. H., Ifani, R., & Wiweka, K, 2021).

### 5.3.5 Sample Size Selection method

Samples were selected by using convenience sampling method (Zainab Al Mubarak, Anji Ben Hamed and Muneer Al Mubarak, 2019, Sarfraz, M., Abdullah, M. I., Arif, S., Tariq, J., & Ozturk, I, 2022), simple random sampling method (Alrowwad, A. A., Alkhalafat, F., Obeidat, B., & Abualoush, S., 2018), and stratified sampling methods (Ahmed, N., & Abedin, M. J, 2019).

### 5.3.6 Data Analysis tools

To analyse the gathered data, multiple tools were used by different authors: Confirmatory factor analysis and structural equation model (Eyasu, A. M., & Arefayne, D, 2020, Sarfraz, M., Abdullah, M. I., Arif, S., Tariq, J., & Ozturk, I, 2022, Alrowwad, A. A., Alkhalafat, F., Obeidat, B., & Abualoush, S., 2018, Shah, S. S. A., & Khan, Z., 2020, Mubushar, M., Jaafar, N. B., & Rahim, R. A., 2020, Sang, N. M., 2022, Hatane, S. E., Telim, J. H., Tjanlisan, R., Tandiono, G. A., & Tjandra, M, 2021 and Ramzan, M., Amin, M., & Abbas, M, 2021), multiple linear regression analysis and simultaneous significance analysis (Subiyanto, B., Awaludin, D. T., DemolingO, R. H., Ifani, R., & Wiweka, K, 2021), Correlation and regression analysis (Chowdhury, A. Y., & Nehal, M. N, 2020 and Siueia, T. T., Wang, J., & Deladem, T. G, 2019) and a binary scoring approach (Trpeska, M., Tocev, T., Dionisijev, I., & Malcev, B., 2021).

## 6. THE IMPORTANCE OF IMPLEMENTING CSR ACTIVITIES IN BANKS SECTOR

Though there are multiple importance of implementing CSR, the following importance are mainly given attention and mentioned in the reviewed articles and these importance are especially related to the banking sector:

**Table -1:**

<b>Authors</b>	<b>Importance of implementing CSR in banking sector</b>
Anteneh Mulugeta Eyasu & Demoz Arefayne	A high impact on the firm's competitive advantage
Yohannes Workeferahu Elifneh, Jagadish Brahma Goulap and Dagmawi Solomon	Increases and sustains the profitability of the bank
Nguyen Minh Sang	Increase customer loyalty to the bank
Bambang Subiyanto, Dipa Teruna Awaludin, Ramang H. Demolingo, Risca Ifani, Kadek Wiweka	Increases Financial performance of the banking sector
E., Telim, J. H., Tjanlisan, R., Tandiono, G. A., & Tjandra, M	Adds Value to the Banking Sector
Shumookh Abdul Aziz Al-Ghamdi & Nada Saleh Badawi	Increases customer satisfaction and loyalty
Ahmad Kamal Al Hawamde, Siti Falindah Padlee, Feras Ahmad Alfukaha, Jassim Ahmad AlGasawneh, Younes Megdadi	Increase customer loyalty to the bank
Dr. Nisar Ahmed	CSR improve the sustainable practice of banking sector
A H M Yeaseen Chowdhury and Md. Nader Nehal	Increases Financial performance of the banking sector
A H M Yeaseen Chowdhury and Md. Nader Nehal	Practicing CSR activities enhances bank's image.
Sarfraz, M., Abdullah, M. I., Arif, S., Tariq, J., & Ozturk, I	Strengthening CSR programs leads to an improvement in customer loyalty behaviour
Shah, S. S. A., & Khan, Z.	To achieve sustainable competitive advantage
Ra'ed Masa'deh, Ala'aldin Alrowwad, Forat Alkhalafat, Bader Obeidat & Shadi Abualoush	Enhancing Firm Performance
Ramzan, M., Amin, M., & Abbas, M.	Enhancing Firm's financial Performance

## 7. SUMMARY OF REVIEW RESULT OF SELECTED ARTICLES

**Table -2:**

No	Author/s	Year	Title	Methodology	Findings
1	Eyasu, A. M., & Arefayne, D	2020	The effect of CSR on banks' competitive advantage: Evidence from Ethiopian lion international bank S.C	-Quantitative approach -Cross sectional design -analysed using confirmatory factor analysis and structural equation model.	The banks are more concerned about customer-based CSR and are considered the most vital factor for their competitive advantage.
2	Elifneh, Y. W., Goulap, J. B., & Solomon, D.	2021	CSR and Profitability in the Banking Sector: The Case of Selected Private Banks in Ethiopia	Deductive cross sectional survey that adopt quantitative approach	The overall finding of the study suggested that CSR practice of banks has a significant impact on the level of their profitability. The study recommends that banks should improve their efforts exerted towards their CSR practice in order to enhance their profitability.
3	Sang, N. M	2022	CSR, electronic word-of-mouth and customer loyalty in Vietnam's banking sector"	-Quantitative PLS-SEM is used to estimate both the measurement model and the research framework of the proposed model at the same time	corporate social responsibility has direct and positive impact on customer loyalty; corporate social responsibility has a direct and positive impact on customer's word-of-mouth; corporate social responsibility has an indirect impact on customer loyalty through customer's electronic word-of-mouth
4	Chowdhury, A. Y., & Nehal, M. N.	2020	Effect of corporate social responsibility expenditures on financial performance in banking sector of Bangladesh		
5	Subiyanto, B., Awaludin, D. T., DemolingO, R. H., Ifani, R., & Wiweka, K	2021	Exploring the effect of CSR, leverage, and intellectual capital on financial performance (empirical evidence from banking sector	The approach adopted in this study is descriptive statistics. While the hypothesis	The results indicate that CSR has a positive effect on Financial Performance of the banking sector



			companies period 2015-2019)	test using multiple linear regression analysis and simultaneous significance analysis.	
6	Hatane, S. E., Telim, J. H., Tjanlisan, R., Tandiono, G. A., & Tjandra, M	2021	CSR Performance and Ownership Structures adding Value to Indonesia's Banking Sector	-Quantitative -The research model employed weighted least square panel tests.	CSR can be a means of communication and can form a part of a bank's strategy to enhance value, especially the elements of diversity, environment, and products.
7	Al-Ghamdi, S. A. A., & Badawi, N. S	2019	Do corporate social responsibility activities enhance customer satisfaction and customer loyalty? Evidence from the Saudi banking sector	-A deductive methodological approach (Quantitative approach)	The empirical findings of the study show that corporate social responsibility activities have a strong and positive impact on customer satisfaction and loyalty.
8	Al Hawamdeh, A. K., Padlee, S. F., Alfukaha, F. A., Al-Gasawneh, J. A., & Megdadi, Y.	2022	The impact of Corporate Social Responsibility on the customers' loyalty in the Jordanian banking sector: the mediating role of customer satisfaction	-Quantitative and descriptive-analytical method was used	The research results indicated a significant impact of corporate social responsibility (CSR) on customer loyalty
9	Ahmed, N., & Abedin, M. J	2019	The Effects of Corporate Governance, CSR, and Intellectual Capital Disclosure on the Sustainability of Banking Sector in Bangladesh	-Quantitative -Based on stratified sampling methods	CSR improve the sustainable practice of banking sector
10					
11	Zainab Al Mubarak, Anji Ben Hamed and Muneer Al Mubarak	2019	Impact of corporate social responsibility on bank's corporate image	-Quantitative -A convenience sampling method was used to select	Practicing CSR activities brings customer loyalty and enhances bank's image. A positive image creates good relationships between the bank and stakeholders

				the sample size	and attracts investors to the bank
12	Sarfraz, M., Abdullah, M. I., Arif, S., Tariq, J., & Ozturk, I	2022	How CSR Enhance Banking Sector Customer Loyalty in Digital Environment? An Empirical Study	-Used quantitative approach -Used convenience sampling the analysis was performed by using SEM approach	The study results show that CSR positively influences customer loyalty in the banking sector, while customer satisfaction, corporate image, and service quality affect the customer-business relationship
13	Alrowwad, A. A., Alkhalafat, F., Obeidat, B., & Abualoush, S.	2018	The Role of CSR in Enhancing Firm Performance from the Perspective of IT Employees in Jordanian Banking Sector: The Mediating Effect of Transformational Leadership	-Quantitative -simple random sampling method was used -SEM was used for analysis	This research finds that CSR has a significant influence on firm performance and three of its dimensions, namely, economic responsibility, ethical responsibility, and discretionary responsibility have a significant effect on firm performance, whereas legal responsibility has no remarkable effect
14	Shah, S. S. A., & Khan, Z.	2020	CSR: A pathway to sustainable competitive advantage?	-Quantitative -Partial least squares based structural equation modeling was used	The study explicitly indicates that maintaining long-term customers' base through CSR activities helps the marketers in achieving sustainable competitive advantage
15	Mubushar, M., Jaafar, N. B., & Rahim, R. A	2020	The influence of CSR activities on customer value co-creation: The mediating role of relationship marketing orientation	-Quantitative -cross-sectional survey design - To analyse the data, Smart PLS and SEM were used	The present study found that both local community-related and supplier-related CSR activities have a positive impact on customer value co-creation behavior
16	Ramzan, M., Amin, M., & Abbas, M.	2021	How does CSR affect financial performance, financial stability, and financial inclusion in the banking sector? Evidence	-Quantitative -The data are analysed through pooled ordinary least	Their findings suggest a significant positive relationship between the CSR and FP of banks, which indicates that CSR

			from Pakistan	squares regression analysis.	activities create a positive perception in the minds of potential customers, which helps to attract them, ultimately leading to an increase in the banks' FP
17	Trpeska, M., Tocev, T., Dionisijev, I., & Malcev, B.	2021	Banks' CSR disclosure and their role in the betterment of society in the republic of north Macedonia	-Quantitative -used a binary scoring approach of the CSR disclosures	The results of this research show that the size of banks has a positive effect on CSR reporting, while on the other hand, profit does not affect it.
18	Siueia, T. T., Wang, J., & Deladem, T. G	2019	CSR and financial performance: A comparative study in the Sub-Saharan Africa banking sector	-Quantitative -Used regression model	the influence of the positive CSR disclosure index is much stronger than that of the negative CSR disclosure index on improving FP
19	Alhaleh, S. E. A., Saleh, M. A. A., & Liu, C.	2019	Research on: Analysing the impact of CSR disclosures and sustainability on operating banking sector in Palestine. managers' perspective empirical and theoretical investigation	mixed approaches	The findings of this study indicate that there is a significant positive relationship between CSR disclosure and operating banking sector.
20	Dutt, R., &Grewal, H	2018	CSR in Indian banking sector: An impirical study on State Bank of India Limited	Both Quantitative and qualitative approach	SBI is trying its best to benefit the society in every manner it can. The bank's major focus area under CSR is healthcare and sanitation, skill development, livelihood creation sector, education sector, sports, environment protection and other sector as well

## 8. LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

This review work has certain limitations which are explained to provide opportunities for future research studies. One of the limitations is the number of articles incorporated for this review work. This review work only focused on twenty articles which were published in between 2018-2022. Which means those articles published before 2018 and after 2022 were excluded from this review work. This may limit the broad dimensions of



understanding CSR activities and related issues focused in this review work. Additionally, in this review work, only articles which were studied quantitatively, and mixed method were given attention and those articles which were studied qualitatively were excluded. So, for future review of literature it is recommended to include qualitatively done articles as well as those articles published before 2018 and after 2022.

## 9. CONCLUSION

The findings of this analysis indicate that the banking industry must take into account many aspects of Corporate Social Responsibility. While there are more aspects of corporate social responsibility, the following four are particularly discussed when discussing the banking industry: environmental, ethical, charitable, and economic duties. As the examined publications pointed out, there are several reasons why the banking industry should adopt corporate social responsibility. Implementing CSR initiatives will have a significant impact on the competitive advantage of the company; it will boost and maintain the bank's profitability; it will increase and sustain the bank's customer loyalty; it will increase the banking sector's financial performance; it adds value to the banking industry; it will increase customer satisfaction and loyalty; it will improve the banking sector's sustainable practices; it will improve the bank's reputation; and implementing CSR initiatives will improve customer loyalty.

For banks, CSR may be a useful marketing tactic to draw in and keep employees as well as consumers. Banking professionals should place a strong emphasis on embracing and putting CSR initiatives into practice in order to boost client loyalty and satisfaction. Given that consumers are becoming more aware of their social responsibilities, corporate social responsibility (CSR) can be viewed as a successful means of enhancing customer satisfaction and loyalty in addition to the conventional marketing techniques of price, publicity, and advertising. Consumer perception of banks that engage in CSR efforts is expected to be favorable.

As a result, this can improve the rapport between banks and their clients, encourage contentment and fidelity, and offer a number of advantages. Given the competitive nature of the banking sector in many nations, acquiring new customers seems to be more expensive than keeping existing ones. Therefore, in order to foster customer pleasure and loyalty as well as reap the rewards of putting CSR initiatives into action, bank directors, CEOs, shareholders, and other interested parties must invest in CSR practices. Furthermore, it is strongly advocated that effective satisfaction programs and strategies be designed in order to maximize the degree of customer happiness and retention by top and line bank managers as well as other relevant bodies. By doing this, banks may increase and maintain their client base while reaping the rewards of putting CSR initiatives into practice.

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