

**STAKEHOLDER PERCEPTION AND CORPORATE SOCIAL RESPONSIBILITY  
ACTIVITIES IN THE BANKING SECTOR: A CASE STUDY OF STANBIC BANK  
UGANDA LIMITED**

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**UGANDA CHRISTIAN  
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## DECLARATION

I hereby declare that this research report titled “Stakeholder Perception and Corporate Social Responsibility Activities in the Banking Sector: A Case Study of Stanbic Bank Uganda Limited” is my original work and has never been presented to any university or academic institution for any award, except where due acknowledgment has been made.



Signed.....

SHALON MBABAZI

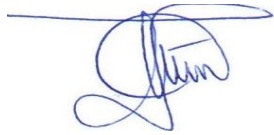
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Date.....

## APPROVAL

This is to certify that this research report titled: “Stakeholder Perception and Corporate Social Responsibility Activities in The Banking Sector: A Case Study of Stanbic Bank Uganda Limited”, has been done under the supervision of Godwin Kwemarira, PhD and Prof. This research report is ready for submission to Uganda Christian University for examination.



Signature: .....

Prof GODWIN KWEMARIRA (PhD)

(Academic Supervisor)

Mon 11<sup>th</sup> MAY 2026

Date: .....

## DEDICATION

I dedicate this work to the individuals who have played an instrumental role in my academic and professional journey.

First and foremost, I extend my deepest gratitude to my bosses, Brig Gen (r'td) Damian de Lange and Mr. Andre Mouton, for their unwavering support, guidance, and encouragement throughout this endeavor. Your leadership and belief in my potential have been instrumental.

To Impala Services & Logistics Limited, I am sincerely grateful for the opportunities, resources and professional environment that have contributed to my growth. This work is an evidence to the knowledge and experience I have gained here.

Lastly, to my dear friends and loved ones, thank you for your patience, motivation and endless encouragement. Your presence has been my anchor during challenging times, and I share this achievement with you.

This research report is a culmination of collective effort and I am forever indebted to all who have supported me along the way.



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## **LIST OF ACRONYMS AND ABBREVIATIONS**

|       |                                           |
|-------|-------------------------------------------|
| ATS:  | African Traditional Society               |
| CSI:  | Corporate Social Investment               |
| CSR:  | Corporate Social Responsibility           |
| CVI:  | Content Validity Index                    |
| ECI:  | Employee Community Involvement            |
| NEMA: | National Environment Management Authority |
| NGOs: | Non-Governmental Organizations            |
| ROOT: | Running out of Trees                      |
| SBU:  | Stanbic Bank Uganda                       |
| SEE:  | Social, Economic and Environment          |



## ABSTRACT

The study investigated stakeholder perception and corporate social responsibility activities in commercial banks, with specific reference to Stanbic Bank Uganda. The specific focus was on stakeholder attitude towards CSR activities, stakeholder perceived benefits of CSR activities and stakeholder perceived motives of CSR activities. A case study research design was used with qualitative and quantitative research approaches. Accordingly, data was collected from six key stakeholder clusters with a total population (N) of 180 individuals and a stratified sample of 130 participants was drawn from this population for the research. The final data collection yielded 82 total responses from respondents, resulting in an overall response rate of 70%. This response rate (70%) includes the 9 key informant interviews that were also conducted. Data was analysed using Pearson's Correlation Coefficient and linear regression analysis. The findings revealed positive correlations between stakeholder perception and CSR activities of the bank. Specifically, stakeholder attitude ( $r = 0.429$ ,  $p < 0.01$ ); stakeholder perceived benefits ( $r = 0.811$ ,  $p < 0.01$ ); and stakeholder perceived motives ( $r = 0.807$ ,  $p < 0.01$ ), all showed a positive association with the bank's CSR activities. Regression results also indicated that stakeholder attitude ( $B = 0.135$ ,  $P < 0.05$ ), stakeholder perceived benefits ( $B = 0.418$ ,  $P < 0.01$ ), and stakeholder perceived motives ( $B = 0.399$ ,  $P < 0.05$ ), significantly influence CSR activities and combined, account for 70.8% of the variation in CSR activities at Stanbic bank Uganda limited ( $\text{Adj } R^2 = 0.708$ ). In conclusion, the study emphasized the importance of stakeholder perception in shaping the CSR activities of the bank. To improve stakeholder perception of CSR activities, it is recommended that banks should: provide detailed information to stakeholders about their CSR goals, activities, and the impact they are making to the society; make use of compelling stories to illustrate the impact of CSR initiatives to the stakeholders; establish meaningful stakeholder engagements in the planning and implementation of CSR activities; build trust and credibility; and prioritize CSR initiatives that have a tangible and positive impact on stakeholders and society.

# CHAPTER ONE

## INTRODUCTION

### 1.0 Introduction

Traditionally, financial institutions' major responsibility within the business world has been the maximisation of profits and increasing shareholder value, with corporate financial performance being the sole bottom line of success (Sahu & Panigrahy, 2016). However, the global business landscape has undergone a significant transformation; with increased globalization, businesses are now seen as integral parts of society, both influencing and being influenced by it (Tran & Pham, 2015). This paradigm shift has catalysed the evolution of Corporate Social Responsibility (CSR) beyond peripheral philanthropy, embedding concerns for the environment, societal well-being, ethical workplace practices, and robust governance into core business strategy (Blowfield & Murray, 2014).

The period from 2020 to the present has further accelerated this shift, propelled by the COVID-19 pandemic, the escalating climate crisis, and rising social imperatives. Contemporary research underscores that CSR has matured into a strategic imperative for risk management, long-term value creation, and securing a social license to operate (Van der Waal & Thijssens, 2023).

This is increasingly framed within the formal structures of Environmental, Social, and Governance (ESG) criteria, with stakeholders particularly; investors, regulators, and consumers demanding greater transparency and tangible impact (KPMG, 2022). Accordingly, for a company to be truly socially responsible, it must first be accountable to itself and its shareholders; indeed, companies that strategically

adopt CSR and ESG programs often fortify their business models, enabling them to give back to society more sustainably (Fernando, 2023).

In the Ugandan, the socio-economic drivers of CSR have historically emphasized product safety, supplier relations, community development, and contributing to national goals (Katamba & Nkiko, 2016). Recent analyses, such as by Okello (2021), suggest that the pandemic has prompted a more strategic approach to corporate citizenship within the banking sector, aligning CSR activities with national recovery efforts. Despite this evolution, a discernible gap remains: CSR motivation in Uganda continues to be heavily influenced by external pressures such as attracting customers and enhancing reputation rather than being driven by deeply internalized policies, genuine employee welfare, and comprehensive reporting (Katamba & Nkiko, 2016).

Therefore, this study sought to examine the relationship between stakeholder perception and corporate social responsibility activities in the banking sector, using a case of Stanbic Bank Uganda (SBU). This chapter details the background, statement of the problem, the purpose, objectives, research questions, significance, scope, and chapter summary.

### **1.1 Background to the study**

The motivation to this study is informed by a critical and unresolved disconnect within Uganda's banking sector: the gap between the globally recognized, strategic imperative of Corporate Social Responsibility (CSR) and the protracted, externally-motivated application of these practices locally. In the post-2020 global landscape, CSR and Environmental, Social, and Governance (ESG) structures have become central to long-term business resilience, risk management, and building authentic

stakeholder trust, moving far beyond mere compassion or reputation management (Van der Waal & Thijssens, 2023).

This stands in plain comparison to the Ugandan banking backdrop, where researchers have reported that CSR implementation is still largely a reactive response to external pressures for competitive advantage, lacking a foundational, strategic ethos centered on stakeholder engagement (Nkiko & Katamba, 2010). Such a strategic level of disconnect continues to carry profound implications, exposing the sector's societal legitimacy, fostering stakeholder mistrust, and limiting its capacity to align with the evolving benchmarks of a globalized economy. It is this critical gap that the present study seeks to address, by undertaking a systematic examination of the link between stakeholder perception and CSR, with Stanbic Bank Uganda serving as a central case to derive actionable business intelligence for sustainable sectoral development.

To thoroughly appreciate stakeholder perception and CSR in the banking sector, the background to the study is presented in four critical areas being; historical viewpoint, theoretical orientation, conceptual perspective and contextual theme with an intention to appreciate stakeholder perception and corporate social responsibility in the Banking sector. The historical viewpoint assesses information from multiple angles paying attention to the unique circumstances of the past to present and from international to local level (Coussement & BerckelSmith, 2022), theoretical orientation is the foundation from which research tests the existing assumptions about the research problem (USC Libraries, 2023), conceptual perspective presents the description of the study variables (Bhat, 2023) and contextual theme provides an understanding of the interactions, in-depth thoughts

and underlying structure of activities of Stanbic Bank in regard to this research (Salazar, 2020).

### **1.1.1 Historical Viewpoint**

The historic days of corporate social responsibility - CSR as an action has a long history dating back to the beginning of civilization and has been defined in several ways in the past four centuries following a process of analysis, debate and scholarly confrontation around the theme (Tripathi & Bains, 2013). CSR can be found in the actual business practices of successful companies in the eighteenth century for instance Cadbury chocolate makers family introduced social responsibility practice for the benefit of its workforce which included scientifically managed analytical laboratories, medical department, pension fund education and employee training (Tripathi & Bains, 2013).

In addition, the Bible as an ancient text has numerous examples of CSR. In the Old Testament, God gave commandments to Moses and some of them foster the sense of community responsibility (Leviticus 23:22), “When you reap the harvest of your land, do not reap to the very edges of your field or gather the gleanings of your harvest. Leave them for the poor and for the foreigner residing among you. I am the Lord your God” and this act is pragmatic in the book of Ruth 2:2-23. The parable of the Good Samaritan (Luke 10:25-37) is one where communal ownership of wealth is encouraged (Valli, 2015). In the New Testament, Jesus exemplifies the sharing of wealth, “loving your neighbor as yourself” and gives a commandment to go out and do the same as the Samaritan. Indeed, CSR can be seen as a very Christian concept, where many of the social teachings of the Catholic Church support CSR (Asongu, 2007).

In 1810, the time when Robert Owen was in charge of the Lanark Mill factory in the United Kingdom, where he reduced employee working hours to ten from thirteen and increased their productivity by 50% (Husted, 2015) with industrialization, the impacts of business on society and the environment assumed an entirely new dimension. The “corporate paternalists” of the late 19th and early 20th centuries used some of their wealth to support philanthropic ventures. As early as the 1920s, discussions about the social responsibilities of business had evolved into what could be recognized as the beginnings of the “modern” CSR movement (Asongu, 2007). However, the use of the term CSR began in the early 1950s, with earliest scholar Bowen who in his book “Social Responsibility of the Businessmen” in 1953 emphasized on the need for businesses to factor in the needs of the society (Rhou, Singal, & Koh, 2016).

From 1960s to 1990s, CSR emphasis was put on the charitable responsibility of businesses in the society (Rahman, 2016), until 1991 when Carroll developed a CSR pyramid framework that comprised of Economic, Legal, Ethical and Philanthropic dimensions, economic being the foundation of all (Carroll, 1991). In the last decade, due to globalization and liberalization, there has been an increase in the business growth and complex business environments that affect the people and community in a long run. This has led to increased society demands of good governance, corruption free environment, businesses giving back to communities, employment opportunities and environmental protection, from companies and this has thus put pressure on companies to fully engage in CSR (Abudullah, Ashraf, & Sarfraz, 2017).

Nowadays, in Europe, the economic contributions of corporations embrace more development-focused admission to CSR that emphasizes making a supportive

environment for responsible companies (Asamoah, 2021). Crane and Matten (2013) advances that in Europe, philanthropic responsibility tends to be obligatory by law than optional acts of prosperous companies or rich entrepreneurs unlike in the United States. The increasing CSR initiatives in Western countries has been attributed to several drivers such as globalization, environmental difficulties facing the earth, the intercontinental initiatives taken by the business community to address sustainability issues, political actions of governments which influence sustainability and management guidelines, and pressures from the investment community as well as from non-governmental organizations (NGOs) and the media (Loimi, 2002).

In Africa, the nature of CSR is somewhat different from its distinctive expression in the West (Europe and America). According to Visser (2005) CSR in African nations, tends to be less formalized or institutionalized in terms of the CSR benchmarks commonly used in developed states, that is, there are rarely CSR codes, standards, management systems, and reports in many African countries (Visser, 2005). Where formal CSR is practiced, this is usually by high profile national and transnational companies, particularly those with recognized international brands or those aspiring to global status (Asamoah, 2021). Nevertheless, in developing countries, making an economic contribution is often seen as the most important and effective way for businesses to make a social impact (Hevi, Mantey, Nkrumah, & Ketemepi, 2018).

In Uganda, Corporate social responsibility is an old concept and practice whose origin rests in the African culture, notably the African Traditional Society (ATS) and largely tilted to the community dimension which later modified and the focus extended to businesses. Societal concerns saw Uganda's forefathers (in the ATS) forming the

famous '*muno mukabi*' (loosely meaning, a friend in need) (Nkiko & Katamba, 2010). Most organizations are engaged in CSR owing to the fact that CSR influences performance along with managerial discretion, competencies, efficiency and learning (Nkundabanyanga & Okwee, 2011). Corporate social responsibility provides the link between the business and the social values by considering the interests of the company stakeholders and focusing these on the social, environmental and financial success of the company (Amita, 2009). Companies have set up entire foundations to manage their social responsibilities while others have set up departments to handle CSR-related issues, and others have integrated it within their existing management functions—especially Marketing, Public Relations and Human Resources (Katamba, 2012).

At Stanbic Bank Uganda (SBU), CSR is committed to supporting and uplifting the communities in which it operates through Corporate Social Investment (CSI) and Employee Community Involvement (ECI) programs which is in line with their purpose statement "*Transforming lives for a better Uganda*" (Stanbic B. , 2023). Stanbic Bank's CSI programmes are primarily focused on the "Education" sector, as it believes that the performance of Uganda's future economy depends on the quality of education provided to young people today (Stanbic B. , 2023). Stanbic Bank has carried out a number of CSR activities such as the National quiz competition to stimulate secondary students to sharpen their critical thinking while creating problem solving skills, fundraising for scholastic materials, Stationary, Uniforms, Painting classrooms, Planting trees in schools, Volunteering time in orphanages, Mentoring children and young people, Marathon for maternal health and Rotary cancer run (Stanbic, 2023).



### **1.1.2 Theoretical Orientation**

The study is guided by the stakeholder theory that highlights the need for managers to be accountable to stakeholders (Freeman, 1984). According to the theory, stakeholders refer to groups or individuals involved in the company and influenced by their actions; such stakeholders include consumers, staff, vendors, and shareholders who are listed as primary stakeholders while government, rivals, trade, and labor unions, regulatory bodies, political activists, and Non - Governmental Organizations are secondary stakeholder groups (Freeman & McVea, 2001). The stakeholders are found to have a significant impact on an organization's life and successful organisations need to satisfy the various levels of interest of these elements for the organization's profitability and sustainability (Idowu, 2019). Edward Freeman's (1984) contribution to this theory is very important, arguing that directors and executives have an ethical duty to consider and ensure that all the interests of the stakeholders are put into proper considerations and attended to promptly.

The stakeholder theory is applicable to this study because it supports corporate entities needing to perform an important obligation in the community wherein they work. The theory emphasizes the value of all participants directly or indirectly affected by a company's business activities, hence considering the interests of all stakeholders not just shareholders when making decisions (Wearing, 2005). In other words, the theory puts it that organizations are to respond to stakeholders who are economically interested in and able to affect, the activities of the company and those that are not specifically involved in the economic activities (O'Dwyer, 2003).

Stakeholder theory is closely related to CSR in a manner that requires the organisations to operate in an ethical and social manner. Therefore, the stakeholder theory of CSR advocates for more comprehensive and inclusive approach to business which acknowledge that a company's success depends not only on its financial performance but also on the positive impact of all stakeholders (Aldunce, Beilin, Handmer, & Howden, 2016). In the context of this study, Stakeholder theory posits that the bank must create value for all stakeholders such as customers, employees, communities, and shareholders, rather than just maximizing profit. Corporate Social Responsibility (CSR) acts as the strategic tool to meet these multi-stakeholder expectations, strengthening reputation, trust, and long-term financial stability (Chedrawi & Osta, 2017).

### **1.1.3 Conceptual Perspective**

In this study the dependent variable is corporate social responsibility while the independent variable is stakeholder perception. Corporate social responsibility (CSR) is an organization's voluntary exercise of integrating environmental, social, and economic concerns into a firm's activities, thereby strengthening the relationship with the firm's stakeholders (Hernandez, Cecilia, & Ravina, 2020). Corporate social responsibility is a strategic concept describing the firm's social, ethical, and environmental commitments that ought to maximize stakeholders' interest by satisfying the needs of the global society (Svensson & Ferro, 2018).

CSR rotates on the sense of responsibility of the firms towards the global communities while accelerating the firm's performance (Long, Li, Wu, & Song, 2020). And the real importance of CSR is the mutual benefit whereby businesses operate in societies and societies need these businesses (Asongu, 2007). According to Moon

(2011), CSR is the act of a firm balancing between making profits and contributing towards the societies in which they operate while meeting the stakeholders' expectations (Moon, Kang, & Gond, 2011).

This study adopts the definition of CSR by Hernandez et al., (2020), and conceptualizes it as economic responsibility, social responsibility and environment responsibility. Economic responsibility refers to the fundamental responsibility of business to produce goods and services that the society wants and which it sells at a profit (Blowfield & Murray, 2014). Economic responsibility of the company relates with sustainable development that is, how the company activities lead to economic development and sustainability (Oginni & Omojowo, 2016). Social dimension of CSR is about having improved standards of living for the citizens and overall improved economic welfare of the country (Serban, 2013). Environmental aspect of CSR aims at safeguarding the environment from the effects of the company's operations by eliminating waste and emissions; efficient and productive use of resources; and reduction of practices that might affect the sustainability of resources (Mazurkiewicz, 2014).

Besides social, economic, and environmental responsibilities, there are additional types of responsibilities that encompass the different actions implemented to manage a business's connection with society and these include legal responsibility, ethical responsibility and philanthropy responsibility;

Legal responsibility refers to the obligation of business to fulfil its economic mission within the confines of the law (Blowfield & Murray, 2014). Businesses must adhere to the law, provided that it is fair and just. Local, national, and international laws establish the guidelines under which corporations operate and have gradually

defined what companies are permitted and prohibited to do concerning matters such as employment, environmental safeguards, corruption, human rights, and product safety (Blowfield & Murray, 2014).

Ethical responsibility means ensuring a business engages in fair business practices across the board from the supply chain to the boardroom and treat all employees, stakeholders, and customers ethically with fairness and respect, examples of ethical responsibility may include setting a higher minimum wage, guaranteeing all materials are ethically sourced, and ensuring that all employees receive competitive pay and comprehensive benefits as well as being treated with respect (Voices, 2021). Philanthropic Responsibility is where companies with social responsibility don't merely exist to profit but rather also serve and give back to the communities in which they operate and donate to causes that align with their company mission (Voices, 2021). Philanthropic responsibility can be as small as sponsoring a local nonprofit's annual fundraiser or as large as donating a percentage of a business's annual earnings to a prominent cause (Voices, 2021)

The independent variable stakeholder perception refers to how individuals organize and interpret their sensory impressions, in order to give meaning to their environment. It means assigning interpretations from collecting and organizing of information, whether related to people, facts or situations (Robbins, Judge, & Sobral, 2010). It is the way stakeholders perceive and evaluate the actions and behavior of a company or organization. When applied to CSR, stakeholder perception refers to a sense of observation and analysis of the organization's obligation to Corporate Social Responsibility (Barroso, Mimo, & Filho, 2018).

According to Freeman (1984), stakeholders are any group or individuals who can affect or is affected by the achievement of an organization's objectives and they play vital roles in the survival and development of a company, having formal, official and contractual commitments to companies which need to comply with the CSR requirements (Khuong, Truong an, & Thanh Hang, 2021).

From the contextual view point of this study, stakeholder perception is conceptualized in terms of stakeholder attitude towards CSR, perceived benefits and perceived motives. Attitudes towards CSR are either individuals' or groups beliefs, feelings or tendencies of how a company should operate ethically and responsibly towards the society and the environment (Grzegorzek, 2021). Perceived benefits of CSR activities include improved company image, better employee engagement and loyalty, enhanced community affiliation, attract investors and more customers as well as enhance financial performance (Refiana & Anisah, 2022). Perceived motives of CSR activities can be categorized as public serving for purposes of improved brand image, customer attraction, risk mitigation, public relations and attracting investment and firm-serving, motives include ethical responsibility, motivate employees, positive impact on society and securing long-term sustainability of the business (Jeon & An, 2019).

#### **1.1.4 Contextual Theme**

Stanbic Bank Uganda Limited is a subsidiary of Standard Bank group limited which traces its history in Uganda as a commercial bank called the National Bank of India (NBI) in 1906. After several name changes, NBI rebranded to Grindlays Bank. In 1991, Standard Bank Group (SBG) acquired Grindlays Bank and the new owners renamed the Ugandan subsidiary, Stanbic Bank Uganda Limited (SBUL). In February 2002, SBG

acquired 90% of the shareholding in Uganda Commercial Bank Limited, a Government-owned bank with sixty-five branches. SBG merged their new acquisition with the existing SBUL, to form Uganda's largest commercial bank by assets and branch network. It is headquartered at Crested Towers, Plot 17 Hannington Road, Kampala (Stanbic U. , 2021).

Stanbic Bank Uganda limited practices of corporate social responsibility (CSR) are guided by the principles of shared values and partnerships. The banking sector is highly regulated and under constant scrutiny from stakeholders including government agencies, customers, investors and civil society, however it has been noted that a financial institution that demonstrate a commitment to ethical practices, community development and environmental sustainability tend to foster greater public trust which is integral to business success (Musiimenta & Kobusingye, 2024). Stanbic Bank CSR initiatives focus on the environment, health and education all with attention to the community in which they operate; an initiative such as maternal health with an awareness campaign under the theme "*Every Mother Counts*" is where they intend to ensure that government hospitals have proper lifesaving equipment, mother-baby care, doctors and midwives appreciation (Stanbic U. , 2021).

While staying within the three pillars that drive CSR investment that is: Education, Health and Environmental conservation that encompasses the bank's Social, Economic and Environment (SEE) strategy, in the education sector, SBUL has a national Schools Championship that has exhibited resilience, giving students and schools access to knowledge and education through innovative educational programmes (SBUL, 2021). In its drive to reduce the environmental impact, SBUL has

been involved in tree planting where at least 150,000 trees were planted in 2020, in a bid to redevelop Uganda's receding forest cover under the ROOT (*Running out of Trees*) campaign in partnership with National Environment Management Authority (NEMA) and various private sector players (Stanbic U. , 2021). SBUL also launched a plastics recycling awareness campaign themed "*Taasa Obutonde*" (Save the environment) campaign, which was implemented in partnership with other companies. The company has also reduced its electricity consumption by 4%, fuel consumption by 6.3% and paper consumption by 17% in 2021 as part of the company's drive to manage its direct impacts on the environment (SBUL Sustainability Report, 2021).

SBUL believes that through CSR investment, they protect the people who can or are affected by the business operations in form of economic, social and environmental dimensions, create harmony in the society thus, achieve organisational competitiveness (Grigoris, 2016). Grigoris (2016) argued that any business organisation owes a responsibility to protect the people who can or are affected by the business operations in form of economic, social and environmental dimensions, thus, it should strike a balance between financial performance and stakeholders' needs. Despite the company's involvement in CSR activities, just like any other organisation, SBUL still faces challenges of balancing the financial objectives and CSR activities which are associated with costs that consequently drain on the financials of the company (SBUL Annual Report, 2021) thus, affecting its competitiveness.

## 1.2 Problem Statement

Stanbic Bank Uganda Limited (SBUL) through its Corporate Social Investment (CSI) is committed to supporting and uplifting the communities in which it operates. The bank through its share values is cognizant of the duty to achieve a net positive Social, Economic and Environmental impact for all the activities conducted for present and future generations (SBUL Sustainability Report, 2021). Stanbic Bank's CSI programmes are primarily focused on the "Education" sector, because they believe that the performance of the future economy depends on the quality of education provided to young people today. Other CSR programs included raising support and awareness for maternal health, providing hospital equipment to select health facilities, donating mama kits for the welfare of mothers in underserved hospitals and environmental conservation programs that include tree planting initiatives and a plastic recycling awareness campaign (SBUL Annual Report, 2021).

Despite the bank's involvement in CSR activities, it still faces constraints that continue to curtail its involvement in CSR. There is a problem of balancing the financial objectives and CSR activities. For instance, there was a decline in average return on assets to 3.1% in 2021 from 3.2% in 2020. The company continues to face high cost of doing business which ultimately affects their market share in the industry (SBUL Annual Report, 2021). Management is thus caught up in a dilemma of balancing stakeholder interest and the need to make profits. Whereas the company needs to make profits, it has a moral obligation of making positive contributions within the communities. Thus, the need to operationalize CSR activities with positivity from the community, generate revenue and the notion of perceiving CSR activities as a business and profiting opportunity comes with associated costs that consequently drain on the finances of the company (SBUL ANNUAL report, 2018).



Yet, there is no comprehensive study done to establish the connection between stakeholder perception and CSR activities at SBUL. Alluding to this, the current study sought to examine the relationship between stakeholder perception and corporate social responsibility at Stanbic Bank Uganda Limited.

### **1.3 General Objective**

To investigate stakeholder perception and corporate social responsibility activities in commercial banks, with specific reference to Stanbic Bank Uganda.

### **1.4 Objectives of the Study**

- i. To examine the relationship between stakeholder attitude and CSR activities at Stanbic Bank Uganda
- ii. To assess the relationship between stakeholder perceived benefits and CSR activities at Stanbic Bank Uganda
- iii. To explore the relationship between stakeholder perceived motives and CSR activities at Stanbic Bank Uganda

### **1.5 Research Questions**

- i. What is the relationship between stakeholder attitudes and corporate social responsibility activities at Stanbic Bank Uganda?
- ii. What is the relationship between stakeholder perceive benefits and corporate social responsibility activities at Stanbic Bank Uganda?
- iii. What is the relationship between stakeholder perceived motives and corporate social responsibility activities Stanbic bank Uganda?

## **1.6 Scope of the study**

### **1.6.1 Content Scope**

The study focused on investigating stakeholder perception and corporate social responsibility activities. Stakeholder perception was studied in terms of three variables namely: stakeholder attitudes towards CSR, perceived benefits of CSR and the motives behind CSR activities. Corporate social responsibility activities as the dependent variable was conceptualized as economic responsibility, social responsibility and environmental responsibility.

### **1.6.2 Geographical Scope**

The study covered Stanbic bank head office located at Crested Towers, Hannington road, Plot17, Central division, Kampala district. This is because previous studies have ignored the power of stakeholder perception towards CSR in the context of the banking industry.

### **1.6.3 Time Scope**

The study covered a time frame from 2020 to 2025. The period chosen was appropriate since reports of challenges in implementing CSR activities were revealed in this period.

## **1.7 Significance of the Study**

The study may be of significance to various sections of people and groups. Policy makers may benefit from the findings of this study since it provides them with a wider understanding of the role, CSR plays in an organization to ensure its competitiveness. It is important for a financial institution to have a good public image as it would exhibit commitment to customers, increased brand awareness and

an advantage over competitors as well as attracting investment opportunities (Collier, 2018).

This study encourages Policy makers to further embrace corporate social responsibility as a means to attract and retain customers which is essential to an organization's long-term success such as banks that dispense loans to low-income households are suitable to see an uptick in business as a direct result (Murphy, 2022).

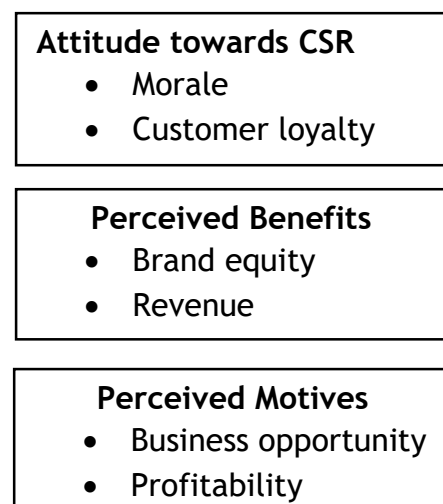
This study may be of importance to managers aiming at risk mitigation in the banking sector especially the unethical use of company funds, improve environmental sustainability of company operations, and attain employee satisfaction and retention. Managers may use the findings of this study to align business values, mission, goal and culture to the best CSR initiatives that advocate and raise awareness for social, economic and environmental causes (Reckmann, 2023).

The study may be beneficial to the Body of Academia especially, Scholars undertaking related studies, who may benefit from theories and empirical findings of this study. The information obtained may advance the body of knowledge and stimulate further discussions on the value of corporate social responsibility to companies. The study may also be valuable in expanding the body of literature in the CSR study area as well as acting as a reference point for other scholars wishing to conduct further research in this study area.

## 1.8 Conceptual Framework

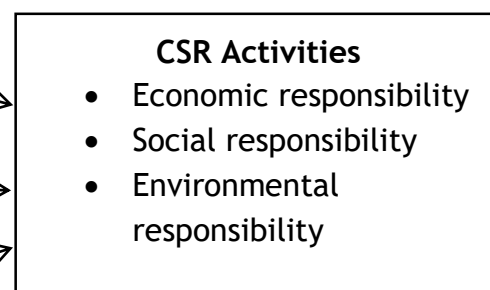
### Independent variable

#### Stakeholder Perception



### Dependent variable

#### Corporate Social Responsibility



Source: Adopted with modification from *Mehta (2010)*

**Figure 1: Conceptual Framework for Stakeholder Perception and CSR Activities**

With the conceptual framework above, Corporate Social Responsibility is the dependent variable conceptualized as economic responsibility, social responsibility and environmental responsibility. The independent variable is stakeholder perception that is measured in relation to attitude towards CSR, perceived CSR benefits and perceived CSR motives. The conceptual framework demonstrates that a positive stakeholder perception typically leads to successful implementation of CSR activities.

## 1.9 Chapter summary

This chapter has presented the background to the study detailing the historical, theoretical conceptual and contextual perspectives. This chapter has also presented the statement of problem, study purpose, objectives, research questions, scope of the study, significance and the conceptual framework. The next chapter reviews the literature related to the study and disuses the theory that guided the study.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

Chapter two is about reviewing scholars' work focusing on the study variables about investigating stakeholder perception of corporate social responsibility activities in the banking sector in Uganda. To enhance harmonization of this study, the review was based on the objectives underscored in chapter one. The purpose of the review is to highlight the works of different authors on the study area and bring out research gaps. The sources of literature used comprised of; books, journals, internet, research proposals that already exist and reports from researches and other available documents. This chapter present the theoretical review, review of related literature and summary of literature.

#### **2.1 Theoretical review**

The theoretical foundation for this study is the Stakeholder Theory advanced by Freeman's (1984) stakeholder theory, which posits that organizational managers have responsibilities that extend way beyond shareholders to all parties with an interest in the firm's broad operations. The theory refers to stakeholders as any group or individual that can affect or is affected by the achievement of the organization's objectives. Accordingly, these are categorized into: primary stakeholders such as customers, employees, suppliers, and investors; and secondary stakeholders that include governmental agencies, competitors, media, labor unions, and non-governmental organizations. The primary understanding here is that, all these groups exert considerable influence on organizational outcomes and sustainability (Murray & Vogel, 1997). Therefore, Freeman's influential work is pivotal for establishing that corporate leaders have a fundamental ethical obligation

to balance and address the concerns of all stakeholder groups in their decision-making processes.

The stakeholder theory provided a relevant framework for this study as it establishes that corporations have fundamental duties to the societies in which they operate. The perspective maintains that organizations must acknowledge all parties who experience direct or indirect consequences from their commercial operations (Wearing, 2005). This includes both entities with a direct economic stake and the capacity to influence the firm (O'Dwyer, 2003) or as well as those outside formal economic transactions (Paulina, 2016). Accordingly, Mann et al. (2013) assert, businesses are obligated to consider the effects of their strategic choices on any group possessing a legitimate interest in the organization. Furthermore, integrating a stakeholder-oriented approach into Corporate Social Responsibility (CSR) initiatives enhances their effectiveness by ensuring that such programs are aligned with and responsive to stakeholder concerns (Olya & Akhshik, 2019).

In the context of this study, Stakeholder theory posits that the bank must create value for all stakeholders such as customers, employees, communities, and shareholders, rather than just maximizing profit. Corporate Social Responsibility (CSR) acts as the strategic tool to meet these multi-stakeholder expectations, strengthening reputation, trust, and long-term financial stability (Chedrawi & Osta, 2017). Banks utilize CSR reporting to demonstrate accountability to diverse groups, which secures their social license to operate. Stakeholder engagement via CSR helps banks identify risks earlier and reduces reputational damage. While philanthropic CSR boosts reputation, ethical CSR ensures long-term stability by aligning bank activities with social expectations (Chedrawi & Osta, 2017).

## **2.2 Empirical review**

### **2.2.1 Stakeholder Attitude and CSR Activities**

Employees have a positive attitude toward corporate social responsibility in regard to their welfare (Muflih, 2021). When management of banks does carry out CSR, it promotes morale, builds self-worth, and fosters team spirit among workers. With CSR, employees feel obliged to engage in behaviors that contribute to the positive public image of the company. They further feel proud to work for the company and develop a sense of volunteerism (Shah & Hhan, 2020). This saves time and resources and employees feel valued through which management increases their productivity and achieve its corporate social responsibility goals. This resonates with Ngo and Le (2023), who investigated the role of corporate social responsibility on firm performance in emerging economy: The mediating role of access to finance and business model innovation, and found a strong positive relationship between stakeholder attitudes and corporate social responsibility (CSR) activities. When companies engage in CSR, stakeholders tend to respond positively, which can lead to increased firm value and competitive advantage.

Management of financial institutions uses CSR to shape and build customer loyalty (Narteh & Braimah, 2020). Clients value items produced in a socially and environmentally responsible manner and even pay an extra fee for the products. Clients consider service quality, price and emotional bonding all of which contribute to their loyalty to the company or bank. When making purchase decisions, many customers assess the environmental and social implications of the bank's actions. Banks with robust social responsibility plans achieve brand gain visibility, recognition and awareness among the clients (Forcadell & Aracilk, 2017). This in the end aims

to promote or reinforce the banks' image by exhibiting its support for a particular noble social responsibility activity.

Furthermore, corporate social responsibility activities improve the financial performance of the bank and reduce its operational costs (Monferre, Moliner & Estrada, 2019). CSR help employees develop a sense of duty if social responsibility is embedded across the organization. Employees working for the bank embrace it as part of the working culture and they will get involved in organizational citizenship behaviors and activities that save company resources like paper conservation, non-use of disposable plastic cups in work canteens and other initiatives. Thus, the adoption of a sensitive attitude towards the community compels banks to strive for environmental or society attention, improve on their relationship with the society in order to improve their competitiveness. Lin and Chang (2015) noted that employees with a sense of attitude help banks to keenly synthesize activities that would yield to societal attraction towards banking services hence improving on the brand image of the bank.

### **2.2.2 Stakeholder Perceived Benefits and CSR Activities**

Corporate social responsibility actions help improve the brand equity of the company. According to Ngoc (2018), CSR activities enable clients become aware of the new branded consumer products and services rolled out which increases the market share of the bank in the market and foster increased competition. According to Khan, Rahman & Fatwa (2016), spending money on visible social responsibility activities is a cost effective way to establish and build a company's reputation and image overtime. The bank yields a return on investment as clients get along with the new branded products hence expanding its market. However, creating



maintaining a positive brand image is difficult in situations where banks do not brand their products, carryout minimal diversity in product features which leads the community to develop a bad perception about the bank because of its low quality products hence affecting its public image

Corporate social responsibility activities enable managers of banks appreciate a wider picture of the bank's future revenue and cash inflow. According to Szekely and Van Brocke (2017), banks that develop close relationship with the community by developing strategies and programs on social and environmental issues through campaigns and workshops achieve their marketing and promotional plans. Such banks use CSR activities and platforms to market their new products and also attract a larger audience to their services which enables them occupy a larger market share hence resulting in better revenue from increased sales (Neitzert & Petras, 2022). However, due to increased competition, managers have to be innovative to attract a bigger market share which calls for investment of resources without expecting an immediate gain.

CSR activities enable banks boost their reputational capital through building relationships and expand their businesses. In the banking sector, reputation reduces customers' worries and doubts about the quality of the bank's services (Muflihi, 2021). CSR for social public welfare is implemented through by banks through charitable endeavors that have a positive impact on society. Scholars have noted that banks reputations are impacted by CSR for social and public welfare and scholars have noted a strong connection in various trends (Zhang, 2020). When CSR activities are visible and relevant to interested parties, they impact positively on

reputation. On the other hand, there is research showing that correlation between reputation results the effect of CSR activities on the bank's reputation is ambiguous.

### **2.2.3 Stakeholder Perceived Motives and CSR Activities**

CSR is perceived as a multidimensional perception that imitates a firm's response to the expectations along with the needs of its various stakeholders with respect to the environment, society, and individuals (Yuan et al., 2020). Firms tend to increase by applying CSR principles for various reasons that may come from external pressure, internal motivation, or both, in such a way that CSR is seen as the focal point of sustainability (Soojeen et al., 2019). A study by Skarmeas and Leonidou (2013) indicate that respondents' perceptions of value-driven and stakeholder-driven motives have a positive effect on CSR authenticity, while egoistic motives negatively influence authenticity.

Literature reveals that managers of banks practice CSR activities to increase their financial returns and competitiveness in the market (LumbanGaol, Firmansyah & Irawati, 2021). Most CSR activities are performance driven and look at CSR activities as business opportunities to make profits. This is because as banks do carryout CSR activities, clients get to be aware or know their existing services, new products which entice them to become active clients for such products hence increasing the financial returns of the bank. According to Zheng, Rashid, Siddik, Wei & Hossain (2022), corporate social responsibility activities are aimed at enhancing profitability since by serving the needs of the clients, the bank surely stands high chances to gain more rewards. In the recent years, a lot of companies began to see CSR activities as a marketing strategy to achieve their objectives.

Contrary to that, companies sometimes practice CSR activities since they are afraid of negative reactions of stakeholders in terms of what do they benefit from their long time financial relationship with the bank. Hence, they do so responding to external pressures rather than spontaneously offering them.

Other researchers note that corporate social responsibility enables banks to build strategic customer relationships. Osakwe et al. (2020), noted that the customer relationship can be enhanced by implementing CSR activities in the long run. When banks decide to use CSR to address customer's social concerns the bank is likely to enhance its corporate image, trust and build customer loyalty. Therefore, strengthening customer relationship can result in financial returns as these clients embrace the new financial services that come along with CSR activities.

Management of banks does participate in CSR activities to express their corporate values. The values of managers and employees are always considered (Shafique & Ahmad, 2022). Top management decides on the main stream and points out the direction of CSR activities. Since managers of banks carry the vision and mission of the bank, their personal values reflect to CSR. However, at a middle operational level, CSR activities rely on employees and the department decides which activity is to take place. Therefore, it can be argued that values of employees to some extent influence the CSR activities because their exhibition of values and willingness to participate in CSR activities.

The primary motive behind corporate social responsibility activities is to increase access to capital and shareholder value by satisfying stakeholder's expectations (Van & Ho, 2020). For the companies having key stakeholders who are keenly concerned with their financial performance such as shareholders, a current increasing trend in

social responsible investment has made banks to make important considerations about CSR activities (Zhang, Cao, Zhang, Lui & Li, 2020). Companies include their economic aspects such as their value added and its distribution to inform their stakeholders. Therefore, banks and companies look at CSR activities as an avenue of increasing their access to capital through which they are able to satisfy expectations of stakeholders.

## **2.4 Review of Variable Dimensions**

The conceptual framework that guided this study presents specific dimensions for both the independent variable (stakeholder perception) and the dependent variable (CSR activities), adopted with modifications from Mehta (2010).

### **2.4.1 Dimensions of Stakeholder Perception**

Stakeholder perception was operationalized through three key dimensions in this study. First, *attitude towards CSR* encompasses the emotional and evaluative judgments stakeholders hold regarding the bank's social initiatives, significantly influencing their support and engagement (Muflih, 2021). This dimension reveals internally through heightened *employee morale* and externally through enhanced *customer loyalty* (Narteh & Braimah, 2020).

Second, *perceived benefits* refer to the tangible and intangible advantages stakeholders associate with CSR engagements. According to Ngoc (2018), these include the enhancement of *brand equity* through improved public image and reputation (and anticipated *revenue* growth resulting from increased market share and customer attraction (Neitzert & Petras, 2022).

Third, *perceived motives* concern stakeholders' interpretations of the bank's underlying reasons for engaging in CSR. These can range from viewing CSR as a

genuine *business opportunity* for sustainable development to a more pessimistic view of it being a tool for *profitability* and competitive advantage (LumbanGaol, 2021). The validity attributed to these motives critically impacts the credibility and effectiveness of the CSR initiatives (Skarmeas & Leonidou, 2013).

#### **2.4.2 Dimensions of Corporate Social Responsibility Activities**

The dependent variable, CSR activities is conceptualized along three classical dimensions. *Economic responsibility* forms the foundational layer, referring to the bank's obligation to be profitable and efficient, thereby ensuring its long-term viability and providing a return to shareholders (Van & Ho, 2020). This includes prudent financial management and creating economic value for the community. *Social responsibility* involves the bank's duty to operate fairly and ethically, focusing on the well-being of its employees, customers, and the broader society (Osakwe, 2020). This dimension is realized through charitable endeavors, community development projects, and upholding high labor standards.

Finally, *environmental responsibility* entails the bank's commitment to minimizing its ecological footprint and promoting sustainable practices (Zheng, 2022). This can include internal policies for resource conservation, financing green projects, and advocating for environmental awareness. The interaction of these three dimensions reflects an all-inclusive approach to corporate citizenship, where stakeholder perceptions directly influence the scope, scale, and nature of the activities undertaken within each field.

## **2.5 Summary of Literature Review**

The reviewed studies indicated that stakeholder perception affects the level at which banks invest and participate in corporate social responsibility activities and any negative attitude, perceived benefits and motives, lead to failure by banks to invest and participate in corporate social responsibility activities (Molner, Monferrer & Estrada, 2020). Oginni and Omojowo (2016) studied corporate social responsibility and observed that companies that invest in corporate social responsibility activities yield a return on investment. Despite all this, a lot of research studies conducted have mainly focused on how companies benefit from corporate social responsibility and this has left a gap on what exactly is stakeholder perception of corporate social responsibility activities and how meeting stakeholder expectations affect the corporate image of the company. Therefore, this study examined the relationship between stakeholder perception and corporate social responsibility activities at Stanbic Bank Uganda Limited, addressing this vital research need.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter presents the methodological framework that was undertaken to examine stakeholder perceptions and corporate social responsibility (CSR) activities at Stanbic Bank Uganda Limited.

#### **3.1 Research Design**

Creswell & Clark (2007) argue that a research design is a sketch used to answer the questions of when, where and how data will be collected and analyzed. The study used a case study research design that entails a careful and thorough observation of a social unit, regardless of the type of unit under consideration (Daniel & Sam, 2011). A case study design was used since it is a very effective method of analysis that entails thorough and in-depth observation of a single unit and used to generalize other units (Creswell, 2014).

#### **3.2 Research Approach**

The study employed a convergent parallel mixed-methods design that combines quantitative and qualitative approaches. The quantitative component utilized structured questionnaires to measure predetermined variables related to CSR perceptions, while the qualitative component employed semi-structured interviews to explore contextual nuances and deeper insights. This hybrid approach enables methodological triangulation, enhancing the validity and reliability of the findings through complementary data sources (Creswell & Plano Clark, 2018). The study adopted a mixed-methods research approach because, it ensures comprehensive data collection while maintaining scientific consistency (Creswell, 2014).

### 3.3 Study Population

The target population comprised of six distinct stakeholder groups involved with Stanbic Bank's CSR initiatives, totaling 180 individuals. The sample size was derived from Krejcie and Morgan's (1970) table for finite populations and the resultant distribution of the sample across these groups is presented in table 1 below:

**Table 1: Sample Size Distribution**

| Stakeholder Group   | Population (N) | Sample Size(n) | Response (n) | Sampling Technique         |
|---------------------|----------------|----------------|--------------|----------------------------|
| Senior Management   | 15             | 12             | 7            | Purposive sampling         |
| Middle Management   | 30             | 25             | 17           | Stratified random sampling |
| Frontline Employees | 90             | 65             | 40           | Stratified random sampling |
| Corporate Clients   | 15             | 12             | 7            | Purposive sampling         |
| Retail Clients      | 15             | 10             | 6            | Systematic sampling        |
| Community Leaders   | 15             | 6              | 5            | Snowball sampling          |
| <b>Total</b>        | <b>180</b>     | <b>130</b>     | <b>82</b>    |                            |

Source: *Researcher 2025*

### 3.5 Sampling Techniques

The researcher employed multiple sampling strategies (probability and non-probability) to ensure representativeness across stakeholder groups to give equal opportunities to the respondents to participate in the study while limiting bias.

For senior management and corporate clients, purposive sampling was used to select participants with specialized knowledge of CSR strategy and implementation (Patton, 2002). The use of purposive sampling strategy in this study aimed at enabling the researcher to use cases in the population that have the required information about Stanbic Bank, as argued by (Mugenda & Mugenda, 2003 & Neuman, 2006). This further saved the researcher a great deal of time and resources on respondents with less/no information on the problem at hand.

Middle management and frontline employees were selected through stratified random sampling, with departments serving as strata to ensure proportional



representation across functional areas (Kothari, 2004). Retail clients were chosen through systematic sampling from customer databases at regular intervals, while community leaders were identified through snowball sampling techniques where initial contacts referred additional knowledgeable participants (Biernacki & Waldorf, 1981).

### **3.6 Unit of analysis**

The unit of analysis was Stanbic Bank Limited and the unit of inquiry were employees of Stanbic bank, corporate clients, retail clients and community leaders. Understanding the experiences and behaviours of employees of Stanbic bank, corporate clients, retail clients and community leaders was essential for assessing their perception of Corporate Social Responsibility activities of Stanbic Bank Uganda Limited.

### **3.7 Data Collection Methods**

The study implemented a multi-method data collection strategy combining quantitative surveys and qualitative interviews. The quantitative component utilized a structured questionnaire featuring a 5-point Likert scale as: 1=Strongly Disagree, 2=Disagree, 3=Not Sure, 4=Agree, and 5=Strongly Agree. This scale measured the three key dimensions of Stakeholders' perceptions as: stakeholder attitudes toward CSR, perceived benefits of CSR initiatives, and interpretations of organizational motives behind CSR activities. The scale also measured components of CSR activities that included economic responsibility, social responsibility and environmental responsibility. These targeted demographic information, data on background information and statements capturing the themes of the study.

The questionnaire was highly preferred for this study for its uniqueness to allow respondents to participate at their convenience, especially when they have busy schedules just as it is with Stanbic Bank Institution. Further to this, the self-administered format with predetermined questions ensures that participants can complete it quickly while covering a wide range of study variables. Additionally, questionnaires enable researchers to collect large amounts of data from numerous respondents efficiently, saving time and resources. Since respondents can answer at their preferred time and location, participation becomes more flexible, increasing the likelihood of higher response rates. This method also ensures standardized responses, making data analysis more systematic and reliable. Thus, a practical and scalable tool for gathering essential research insights.

The qualitative component involved semi-structured interviews lasting approximately 45-60 minutes with key informants selected from across stakeholder groups. These interviews explored themes of CSR activities and components of stakeholders' perceptions of CSR.

### **3.8 Data Processing and Analysis Plan**

#### **3.8.1 Data Processing**

Prior to analysis, all collected data underwent a systematic processing to ensure quality and consistency. Quantitative data from questionnaires was cleaned by checking for missing values, outliers, and response patterns. Following recommendations by Tabachnick and Fidell (2013), any questionnaires with more than 20% missing data was excluded from analysis, while minor missing values (less than 5%) were handled using mean substitution for scale items. The data was then coded numerically, with reverse-scored items properly accounted for in the scoring system.

Qualitative data from interviews was processed through verbatim transcription, with audio recordings carefully reviewed against transcripts for accuracy (Braun & Clarke, 2006). All transcripts were anonymized by removing identifying information and assigning unique participant codes. Processed data was stored securely in password-protected folders with access restricted to the researcher, maintaining confidentiality throughout the research process ( American Psychological Association, 2010).

### **3.8.2 Data Analysis Plan**

Quantitative data analysis was conducted using SPSS version 26, beginning with descriptive statistics including frequencies, means, and standard deviations to summarize respondent characteristics and scale responses. Inferential statistics included Pearson correlation analysis to examine relationships between variables and multiple regression analysis to predict CSR perception outcomes based on stakeholder characteristics. Qualitative data analysis followed Braun and Clarke's (2006) six-phase thematic analysis framework: familiarization with data through repeated reading of transcripts, initial code generation, theme development, theme review, theme definition and naming, and final report production. Recurrent issues from key informant interviews were presented verbatim. Mixed-methods integration occurred through joint display analysis, where quantitative and qualitative findings were presented side-by-side to demonstrate convergence or divergence of results.

### 3.9 Validity and Reliability

The study employed multiple strategies to ensure methodological rigor. To this attendant issue, content validity was established through expert review by two CSR researchers who evaluate the questionnaire items using a content validity index (CVI) with a minimum acceptable score of 0.78 per item (Polit & Beck, 2006).

#### 3.9.1 Validity of research instruments

Validity is about ensuring that the research instruments produce accurate data (Creswell, 2014). To establish validity, the researcher offered instruments to two lecturers who gave their remarks on the relevance of the items in the instruments to ensure the study's validity. Content Validity Index (CVI) was computed using the formula:

$$\text{CVI} = \frac{\text{Number of items rated right}}{\text{Total number of items in the tool}}$$

**Table 2: Results of Validity Test**

| Variable                         | CVI         | N of Items |
|----------------------------------|-------------|------------|
| Stakeholders' Attitudes          | 0.75        | 12         |
| Stakeholders' perceived benefits | 0.83        | 12         |
| Stakeholders' perceived motives  | 0.92        | 12         |
| CSR Activities                   | 0.86        | 15         |
| <b>Overall CVI</b>               | <b>0.84</b> | <b>51</b>  |

**Source:** *Researcher (2025)*

Findings from table 2 indicate a content validity index of 0.84, greater than 0.70 thus, accepted as valid for the study as suggested by Oso and Onen (2008) that a CVI that is greater or equal to 0.70 is considered valid for the study.

### 3.9.2 Reliability of research instruments

Reliability was assessed through pilot testing with 20 participants from similar banking institutions, with Cronbach's alpha coefficients calculated for each scale (target  $\alpha > 0.70$ ). The sample of 10 was selected based on the characteristics they had, similar to that of the final targeted respondents. After that, the responses were loaded into SPSS version 26 and a reliability analysis conducted. Findings are indicated in table 3.

**Table 3: Results of Reliability Test**

| Variable                         | Cronbach's Alpha | N of Items |
|----------------------------------|------------------|------------|
| Stakeholders' Attitudes          | 0.753            | 12         |
| Stakeholders' perceived benefits | 0.776            | 12         |
| Stakeholders' perceived motives  | 0.783            | 12         |
| CSR Activities                   | 0.798            | 15         |

**Source:** Filed Data (2025)

Findings from table 3 indicate Cronbach's Alpha coefficient of greater than 0.70 thus, considered reliable for the study as put forth by Mugenda and Mugenda (2007).

For qualitative components, trustworthiness was enhanced through member checking, where interview participants reviewed transcripts for accuracy, and peer debriefing with fellow researchers to examine interpretive decisions. Methodological triangulation across data sources (that is, survey and interviews) further strengthened the study's validity by providing multiple perspectives on the research questions.

### **3.10 Research Ethical Considerations**

This entire research adhered strictly to Uganda Christian University's research ethics guidelines and sought for approval from the institutional review board prior to data collection. Informed consent procedures included written consent forms detailing the study purpose, procedures, risks, benefits, and confidentiality protections. Participants were assured of their right to withdraw at any time without penalty. Data confidentiality was maintained through anonymization of survey responses and use of pseudonyms for interview participants.

Electronic data was stored on password-protected servers with access limited to the research team. The study implemented measures to minimize potential power differentials during data collection, particularly when interviewing employees about their organization's CSR practices. In cases where data collectors were employed to help in this research, all research team members completed ethics training on protecting participant rights and handling sensitive information. Findings were reported with sufficient context to enable proper interpretation while protecting participant and organizational confidentiality.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

#### **4.0 Introduction**

The study investigated stakeholder perception and corporate social responsibility activities in commercial banks, with specific reference to Stanbic Bank Uganda. This chapter presents the analysis of data in relation to the following specific objectives of the study: 1) To examine stakeholder attitude towards corporate social responsibility activities at Stanbic Bank Uganda; 2) To assess stakeholder perceived benefits of corporate social responsibility activities at Stanbic Bank Uganda; and 3) To explore stakeholder perceived motives behind corporate social responsibility activities at Stanbic Bank Uganda

It begins by providing an overview of the respondent profile, including response rate and demographic characteristics. This is followed by a presentation of the descriptive statistics for the independent study variables. The chapter concludes with an examination of the correlations and regression analyses among the study variables.

#### **4.1 Analysis of Response Rate**

The study constituted 130 as the target sample, out of which 82 questionnaires were fully completed by the respondents and 9 key informant interviews were successfully completed. This gave the total response rate of 70%, which was excellent and representative for the study population, as put forth by Mugenda and Mugenda (2009) that a response rate of 70% and over is excellent.

## 4.2 Demographic Characteristics of the Respondents

This section presents demographic characteristics of respondents such as gender, age, level of education and time spent working at Stanbic bank. Demographic characteristics of the respondents enabled the researcher to ascertain whether respondents had characteristics that would make them better participants in this study to give relevant answers for the study. The results are summarized in the tables below.

**Table 4: Respondent category by Gender**

| Characteristics | Category | Frequency | Percentage |
|-----------------|----------|-----------|------------|
| Gender          | Male     | 46        | 56.1       |
|                 | Female   | 36        | 43.9       |
| Total           |          | 82        | 100.0      |

Source: Field Data (2025)

As shown in Table 4 above, a majority of respondents 56.1% were male, while 43.9% were female. This suggests a higher representation of male staff at Stanbic bank, possibly reflecting the gender distribution in the bank which also imply that the males are more employed at Stanbic Bank than the females, and they actively participated in the responses.

**Table 5: Respondent category by Age of respondents**

| Characteristics    | Category        | Frequency | Percentage |
|--------------------|-----------------|-----------|------------|
| Age of Respondents | Between 21 - 30 | 20        | 24.4       |
|                    | Between 31 - 40 | 36        | 43.9       |
|                    | Between 41 - 50 | 19        | 23.2       |
|                    | Above 50 years  | 7         | 8.5        |
| Total              |                 | 82        | 100.0      |

Source: Field Data (2025)



The table 5 above shows that the largest group of respondents (43.9%) was aged between 31 and 40 years, followed by 24.4% in the age of 21 - 30 years range. Only 8.5% were aged above 50 years, and 23.2% were between 41 and 50 years. This indicates that Stanbic bank predominantly employs younger individuals, possibly to maintain a dynamic and energetic workforce.

**Table 6: Respondent Category by Education Level**

| Characteristics | Category                    | Frequency | Percentage   |
|-----------------|-----------------------------|-----------|--------------|
| Education Level | Bachelors' Degree           | 56        | 68.3         |
|                 | Post Graduate qualification | 18        | 22.0         |
|                 | Other qualification         | 8         | 9.8          |
| <b>Total</b>    |                             | <b>82</b> | <b>100.0</b> |

**Source: Field Data (2025)**

In terms of educational qualifications, Table 6 above indicates most respondents (68.3%) held a bachelor's degree, while 22% had a post graduate qualification. Smaller percentages 9.8% possessed other qualifications such as Association of Chartered Certified Accountants (ACCA) certification. This distribution demonstrates that Stanbic bank employs a highly educated workforce, to drive productivity.

**Table 7: Respondent category by Time spent working with Stanbic Bank**

| Characteristics                      | Category    | Frequency | Percentage   |
|--------------------------------------|-------------|-----------|--------------|
| Time spent working With Stanbic Bank | 1 - 3 years | 25        | 30.5         |
|                                      | 4 - 6 years | 48        | 58.5         |
|                                      | 7 - 9 years | 9         | 11.0         |
| <b>Total</b>                         |             | <b>82</b> | <b>100.0</b> |

**Source: Field Data (2025)**

The results in Table 7 above show the length of time spent working with the bank, the majority of respondents (58.5%) had been working with the bank for the period between 4-6 years, followed by 30.5% who had been working with the bank for the period between 1-3 years and only 11% had been working with the bank for the period between 7-9 years. These results suggest that most employees have substantial work experience at the company, which likely enables them to provide meaningful insights for the study.

### 4.3 Descriptive Statistics of the study variables

This section presents the descriptive statistics based on the views of respondents regarding stakeholder perception and corporate social responsibility activities. Respondents were asked to show the extent to which they strongly agree or disagree with the factors affecting stakeholder perception. Respondents were subjected to a five-point likert-scale ranging from 1=Strongly Disagree (SD), 2=Disagree (D), 3=Not sure (NS), 4=Agree (A), to 5=Strongly Agree (SA). The results are interpreted using frequency counts, and percentages.

#### 4.3.1 Stakeholder attitude toward CSR Activities

Results on stakeholder attitude towards Corporate Social Responsibility Activities at Stanbic bank Uganda Limited are presented in table 8.

**Table 8: Descriptive statistics for stakeholder attitude towards CSR activities**

| Items under stakeholder attitude towards CSR                   | SD<br>Freq(%) | D<br>Freq(%) | NS<br>Freq(%) | A<br>Freq(%) | SA<br>Freq(%) | MEAN | STD<br>DEV |
|----------------------------------------------------------------|---------------|--------------|---------------|--------------|---------------|------|------------|
| Employees actively participate in CSR initiatives.             | 0(0.0)        | 4(4.9)       | 3(3.7)        | 41(50.0)     | 34(41.5)      | 4.28 | 0.758      |
| Employees feel more motivated knowing the bank engages in CSR. | 1(1.2)        | 2(2.4)       | 6(7.3)        | 46(56.1)     | 27(32.9)      | 4.17 | 0.767      |
| CSR initiatives contribute to a positive workplace culture.    | 0(0.0)        | 0(0.0)       | 3(3.7)        | 42(51.2)     | 37(45.1)      | 4.41 | 0.565      |
| CSR initiatives improve employee morale                        | 0(0.0)        | 2(2.4)       | 3(3.7)        | 41(50.0)     | 36(43.9)      | 4.35 | 0.674      |

|                                                                                                |        |        |        |          |          |      |       |
|------------------------------------------------------------------------------------------------|--------|--------|--------|----------|----------|------|-------|
| CSR initiatives create a sense of belonging                                                    | 0(0.0) | 3(3.7) | 8(9.8) | 52(63.4) | 19(23.2) | 4.06 | 0.691 |
| CSR policies encourage ethical decision-making among employees.                                | 0(0.0) | 3(3.7) | 6(7.3) | 47(57.3) | 26(31.7) | 4.17 | 0.717 |
| CSR initiatives make customers feel more connected to the bank.                                | 0(0.0) | 1(1.2) | 3(3.7) | 33(40.2) | 45(54.9) | 4.49 | 0.633 |
| Due to the CSR activities, customers are more likely to recommend the bank to other people     | 0(0.0) | 3(3.7) | 4(4.9) | 48(58.5) | 27(32.9) | 4.21 | 0.698 |
| CSR activities make customers feel valued                                                      | 0(0.0) | 0(0.0) | 3(3.7) | 42(51.2) | 37(45.1) | 4.41 | 0.565 |
| CSR initiatives make customers feel proud to be associated with the bank.                      | 0(0.0) | 2(2.4) | 3(3.7) | 41(50.0) | 36(43.9) | 4.35 | 0.674 |
| Customers are more likely to continue using the bank's services, as a result of CSR activities | 0(0.0) | 3(3.7) | 6(7.3) | 47(57.3) | 26(31.7) | 4.17 | 0.717 |
| CSR initiatives demonstrate the bank's commitment to societal well-being.                      | 0(0.0) | 1(1.2) | 3(3.7) | 33(40.2) | 45(54.9) | 4.49 | 0.633 |

Source: **Survey Data (2025)**

The findings presented in Table 8 above reveal that respondents largely recognized the positive role of stakeholders' attitude in influencing CSR activities of the bank. In that, regarding employee engagement, 50% of respondents agreed and 41.5% strongly agreed that employees actively participated in CSR initiatives (Mean=4.28, SD=0.758), indicating a high level of consensus with low variability in responses. Similarly, a majority of respondents (56.1% agreed and 32.9% strongly agreed) confirmed that employees feel more motivated knowing the bank engages in CSR (Mean=4.17, SD=0.767). This strong consensus indicates widespread employee belief in the bank's active CSR engagement.

Further analysis showed that 51.2% of respondents agreed and 45.1% strongly agreed that CSR initiatives contribute to a positive workplace culture (Mean=4.41, SD=0.565), reflecting one of the highest levels of agreement with very little disagreement. However, parallel findings emerged regarding employee morale, with 50% agreement and 43.9% strong agreement (Mean=4.35, SD=0.674). The sense of

belonging generated by CSR initiatives was acknowledged by 63.4% in agreement and 23.2% in strong agreement (Mean=4.06, SD=0.691), showing relatively positive reception though with slightly more varied opinions. To this note, ethical dimensions were also prominent, as 57.3% agreed and 31.7% strongly agreed that CSR policies encourage ethical decision-making among employees (Mean=4.17, SD=0.717).

This overwhelming positive response, with all means exceeding 4.0 on a 5-point scale, confirmed that employees view CSR as a moral obligation that enhances workplace culture, morale, belonging, and ethical conduct. These quantitative findings were qualitatively reinforced by 4 out of 9 key informants who held a common view and pointed out that:

*"SBUL puts into consideration the values of the society in which it operates and it is contributing to the society for example, through supporting programs that preserve the environment such as tree planting."*

Another revealed that:

*"SBUL through its CSI contributes to the well-being of the people, for example, the bank contributed UGX 140 million in relief food during the Covid-19 pandemic in 2020."*

Customer perceptions showed equally positive trends, with 54.9% agreeing and 45.1% strongly agreeing that CSR activities make customers feel valued (Mean=4.41, SD=0.565). Customer connection to the bank through CSR was strongly affirmed, with 40.2% agreement and 54.9% strong agreement that CSR initiatives make customers feel more connected (Mean=4.49, SD=0.633). Similarly, customer pride in bank association was demonstrated by 53.7% agreement and 43.9% strong agreement (Mean=4.35, SD=0.674). This pattern, supported by high mean scores and low

standard deviations, indicate that CSR activities significantly enhance customer motivation and brand pride. This finding was supported by 2 key informants who noted that:

*"..... the perception of both employees and the public about the SBUL has changed and they are proud to associate with the bank as it contributes to the livelihood of the people in the society."*

Equivocally, the business impact of CSR was particularly evident in customer loyalty metrics, where 58.5% agreed and 32.9% strongly agreed that customers are more likely to recommend the bank due to CSR activities (Mean=4.21, SD=0.698). Service continuity also received strong support, with 48.8% agreement and 40.2% strong agreement that customers are more likely to continue using bank services because of CSR initiatives (Mean=4.17, SD=0.717).

Furthermore, 40.2% agreed and 54.9% strongly agreed that CSR initiatives demonstrate the bank's commitment to societal well-being (Mean=4.49, SD=0.633), recording the highest mean score in the survey. These results, with consistently high means above 4.0 and moderate standard deviations, collectively confirmed that CSR activities serve as a powerful tool for customer attraction, loyalty enhancement, and retention improvement in the banking sector.

### 4.3.2 Stakeholder Perceived Benefits towards CSR Activities

Results on stakeholder perceived benefits of Corporate Social Responsibility activities at Stanbic bank Uganda Limited are presented in table 4.3.

**Table 9: Descriptive statistics for stakeholder perceived benefits of CSR activities**

| Items under stakeholder perceived benefits                | SD Freq(%) | D Freq(%) | NS Freq(%) | A Freq(%) | SA Freq(%) | MEAN | STD DEV |
|-----------------------------------------------------------|------------|-----------|------------|-----------|------------|------|---------|
| CSR initiatives enhance the bank's reputation             | 3(3.7)     | 14(17.1)  | 3(3.7)     | 39(47.6)  | 23(28.0)   | 3.79 | 1.14    |
| CSR leads to greater public trust in the bank             | 6(7.3)     | 12(14.6)  | 9(11.0)    | 34(41.5)  | 21(25.6)   | 3.63 | 1.22    |
| CSR efforts improve the bank's competitive advantage.     | 0(0.0)     | 2(2.4)    | 3(3.7)     | 39(47.6)  | 38(46.3)   | 4.38 | 0.68    |
| CSR initiatives differentiate the bank from competitors.  | 1(1.2)     | 8(9.8)    | 8(9.8)     | 28(34.1)  | 37(45.1)   | 4.12 | 1.02    |
| Ethical CSR practices reinforce brand loyalty.            | 8(9.8)     | 9(11.0)   | 14(17.1)   | 29(35.4)  | 22(26.8)   | 3.59 | 1.27    |
| CSR enhances media and public relations                   | 6(7.3)     | 7(8.5)    | 10(12.2)   | 32(39.0)  | 27(32.9)   | 3.82 | 1.20    |
| CSR initiatives attract high-value customers              | 4(4.9)     | 15(18.3)  | 10(12.2)   | 32(39.0)  | 21(25.6)   | 3.62 | 1.2     |
| CSR initiatives contribute to increased customer spending | 6(7.3)     | 11(13.4)  | 11(13.4)   | 29(35.4)  | 25(30.5)   | 3.68 | 1.25    |
| CSR activities enhance the bank's profitability           | 3(3.7)     | 14(17.1)  | 3(3.7)     | 39(47.6)  | 23(28.0)   | 3.79 | 1.14    |
| CSR activities improve the bank's market share            | 6(7.3)     | 12(14.6)  | 9(11.0)    | 34(41.5)  | 21(25.6)   | 3.63 | 1.22    |
| CSR programs improve the bank's financial sustainability. | 0(0.0)     | 2(2.4)    | 3(3.7)     | 39(47.6)  | 38(46.3)   | 4.38 | 0.678   |
| CSR initiatives contribute to long-term financial growth  | 1(1.2)     | 8(9.8)    | 8(9.8)     | 28(34.1)  | 37(45.1)   | 4.12 | 1.023   |

Source: *Survey Data (2025)*

The analysis of stakeholder perceptions, as presented in Table 9, demonstrates compelling evidence regarding the strategic value of Corporate Social Responsibility initiatives at Stanbic Bank Uganda. The data revealed consistently positive assessments across multiple dimensions, with particularly strong consensus on strategic positioning and long-term financial benefits.

The most outstanding findings emerge in the realm of competitive positioning and financial sustainability where, an overwhelming 93.9% of respondents endorsed the

statements that "CSR efforts improve the bank's competitive advantage" ( $M=4.38$ ,  $SD=0.68$ ) and "CSR programs improve the bank's financial sustainability" ( $M=4.38$ ,  $SD=0.68$ ). The exceptional consistency in these responses, evidenced by the minimal standard deviations, underscores the depth of stakeholder opinion regarding CSR's strategic importance. This sentiment extended to market differentiation and growth prospects, with 79.2% of stakeholders affirming that "CSR initiatives differentiate the bank from competitors" ( $M=4.12$ ,  $SD=1.02$ ) and "CSR initiatives contribute to long-term financial growth" ( $M=4.12$ ,  $SD=1.02$ ).

Regarding reputational capital, the data indicated strong positive perceptions, though with somewhat greater variation in response patterns. Three-quarters of respondents (75.6%) agreed that "CSR initiatives enhance the bank's reputation" ( $M=3.79$ ,  $SD=1.14$ ), while 67.1% supported the statement that "CSR leads to greater public trust in the bank" ( $M=3.63$ ,  $SD=1.22$ ). These quantitative findings found robust support in the qualitative data, where a majority of key informants (5 of 9 interviewees) emphasized the relational benefits of CSR engagement. As one manager articulated that:

*".....by involvement in CSR, SBUL has built a cordial relationship with the society in which it operates, the government and all regulatory agencies in the banking sector. The bank's involvement in CSR activities has positively changed the perception of the society about the bank."*

The analysis revealed more compelling perspectives when examining direct commercial outcomes just as, while majority support existed for statements linking CSR to customer attraction (64.6%,  $M=3.62$ ,  $SD=1.20$ ) and brand loyalty reinforcement (62.2%,  $M=3.59$ ,  $SD=1.27$ ), the elevated standard deviations for these

items signaled greater divergence in stakeholder views. This variation suggested that the mechanisms through CSR influenced customer behavior and loyalty are perceived with less uniformity than its strategic and reputational benefits.

The longitudinal perspective on CSR value emerged as a particularly insightful finding; the strong consensus around long-term financial growth (79.2%, M=4.12) was conceptually elaborated by key informants, with 3 of 9 interviewees explicitly characterizing CSR as a deferred-return investment. As one executive framed it:

*"CSR is seen as a long-term investment with a positive outlook on returns after a long period of time. Return on investment in CSR is not immediate but certainly realized in the future."*

#### 4.3.3 Stakeholder Perceived Motives of CSR Activities

Results on stakeholder perceived motives of Corporate Social Responsibility activities at Stanbic bank Uganda Limited are presented in table 10 below.

**Table 10: Descriptive statistics on stakeholder perceived motives of CSR activities**

| Items under stakeholder perceived benefits                             | SD Freq(%) | D Freq(%) | NS Freq(%) | A Freq(%) | SA Freq(%) | MEAN | STD DEV |
|------------------------------------------------------------------------|------------|-----------|------------|-----------|------------|------|---------|
| CSR initiatives are primarily driven by business opportunities.        | 2(2.4)     | 9(11.0)   | 11(13.4)   | 35(42.7)  | 25(30.5)   | 3.88 | 1.05    |
| CSR activities help the bank expand its market presence                | 0(0.0)     | 6(7.3)    | 7(8.5)     | 36(43.9)  | 33(40.2)   | 4.17 | 0.87    |
| CSR activities are used to attract new customers                       | 3(3.7)     | 11(13.4)  | 15(18.3)   | 37(45.1)  | 16(19.5)   | 3.63 | 1.06    |
| CSR initiatives are designed to enhance the bank's competitive edge    | 3(3.7)     | 9(11.0)   | 11(13.4)   | 41(50.0)  | 18(22.0)   | 3.76 | 1.04    |
| CSR activities are used to build partnerships with other organizations | 2(2.4)     | 10(12.2)  | 10(12.2)   | 42(51.2)  | 18(22.0)   | 3.78 | 1.01    |
| CSR initiatives are aligned with global business trends                | 2(2.4)     | 4(4.9)    | 6(7.3)     | 39(47.6)  | 31(37.8)   | 4.13 | 0.93    |
| CSR initiatives are primarily driven by profitability goals            | 5(6.1)     | 7(8.5)    | 14(17.1)   | 39(47.6)  | 17(20.7)   | 3.68 | 1.08    |
| CSR activities contribute to the bank's financial performance          | 4(4.9)     | 8(9.8)    | 11(13.4)   | 36(43.9)  | 23(28.0)   | 3.80 | 1.12    |



|                                                           |        |         |          |          |          |      |      |
|-----------------------------------------------------------|--------|---------|----------|----------|----------|------|------|
| CSR programs are designed to increase shareholder value   | 2(2.4) | 9(11.0) | 11(13.4) | 35(42.7) | 25(30.5) | 3.88 | 1.05 |
| CSR activities are driven by the need to maximize profits | 0(0.0) | 6(7.3)  | 7(8.5)   | 36(43.9) | 33(40.2) | 4.17 | 0.87 |
| CSR programs are driven by the need to increase revenue   | 2(2.4) | 4(4.9)  | 6(7.3)   | 39(47.6) | 31(37.8) | 4.13 | 0.93 |
| CSR initiatives are used to enhance financial stability   | 5(6.1) | 7(8.5)  | 14(17.1) | 39(47.6) | 17(20.7) | 3.68 | 1.09 |

Source: **Survey Data (2025)**

Analysis of stakeholder perceptions regarding CSR motives revealed a strong unanimity that strategic business objectives drive the bank's corporate social responsibility agenda. The data from Table 10 is a clear demonstration that stakeholders predominantly view CSR as a strategic tool for market expansion and competitive positioning rather than purely charitable activities.

The most strongly recommended motives centered on market presence and financial optimization and indeed we can openly observe that, an overwhelming 84.1% of respondents agreed (Strongly Agree +Agree) that "CSR activities help the bank expand its market presence" and, this was supported by a higher Mean ( $M=4.17$ ) and low standard deviation, ( $SD=0.87$ ), while a nearly identical percentage of 84.1% supported the statement that "CSR activities are driven by the need to maximize profits" bearing a mean( $M=4.17$ ) and a low standard deviation( $SD=0.87$ ).

This pattern was further observed to continue with "CSR initiatives are aligned with global business trends" (85.4% of respondents,  $M=4.13$ ,  $SD=0.93$ ) and "CSR programs are driven by the need to increase revenue" (85.4% of respondents,  $M=4.13$ ,  $SD=0.93$ ). The consistently high means and low standard deviations across these items indicated a uniform agreement about CSR's role in market positioning and financial performance.

Conversely, Stakeholders also strongly perceived business development opportunities as central to CSR strategy; whereby, a significant majority (73.2% of respondents,  $M=3.88$ ,  $SD=1.05$ ) agreed that "CSR initiatives are primarily driven by business opportunities", with an identical percentage (73.2% of respondents,  $M=3.88$ ,  $SD=1.05$ ) endorsing that "CSR programs are designed to increase shareholder value". Partnership building emerged as another key motive, with (73.2% of respondents,  $M=3.78$ ,  $SD=1.01$ ) respondents supporting the statement that "CSR activities are used to build partnerships with other organizations".

The competitive dimension of CSR was equally prominent in stakeholder perceptions with nearly three-quarters of respondents (72.0%) agreeing that "CSR initiatives are designed to enhance the bank's competitive edge", and having mean ( $M=3.76$ ) and standard deviation ( $SD=1.04$ ); while 71.9% endorsed the view that "CSR activities contribute to the bank's financial performance" ( $M=3.80$ ,  $SD=1.12$ ). Customer acquisition motives received somewhat more moderate support, with 64.6% agreement that "CSR activities are used to attract new customers" ( $M=3.63$ ,  $SD=1.06$ ).

These quantitative findings were corroborated by qualitative insights from key informants and truly, one executive explicitly connected CSR to business outcomes, stating that:

*"The motive behind involvement in Corporate Social Responsibility initiatives is to enable the bank to have a good outstanding reputation with the public, win their hearts and turn them into customers leading to increased sales and profitability."*

Analytically, this statement directly reflected the profit-oriented motives evident in the study data, particularly the strong agreement that CSR drives market expansion and revenue growth. This anchored by the convergence of high agreement percentages, strong mean (M) scores, and relatively low standard deviations (SD) across multiple business-oriented motives presented a coherent picture: stakeholders perceive CSR at Stanbic Bank Uganda as fundamentally strategic, with clear objectives centered on market positioning, competitive advantage, and financial performance rather than humane purposes alone.

#### 4.4 Corporate Social Responsibility Activities

Results on Corporate Social Responsibility activities at Stanbic bank Uganda Limited are presented in table 11 below.

**Table 11: Descriptive statistics for CSR activities**

| Items under CSR Activities                                                                     | SD<br>Freq(%) | D<br>Freq(%) | NS<br>Freq(%) | A<br>Freq(%) | SA<br>Freq(%) | MEAN | STD<br>DEV |
|------------------------------------------------------------------------------------------------|---------------|--------------|---------------|--------------|---------------|------|------------|
| <b>Economic Responsibility</b>                                                                 |               |              |               |              |               |      |            |
| CSR activities contribute to job creation and employment                                       | 6(7.3)        | 11(13.4)     | 10(12.2)      | 30(36.6)     | 25(30.5)      | 3.7  | 1.24       |
| The bank supports local businesses and entrepreneurship                                        | 6(7.3)        | 15(18.3)     | 8(9.8)        | 32(39.0)     | 21(25.6)      | 3.6  | 1.26       |
| The bank provides financial aid to underserved communities                                     | 2(2.4)        | 8(9.8)       | 7(8.5)        | 42(51.2)     | 23(28.0)      | 3.9  | 0.99       |
| CSR activities create new business opportunities                                               | 9(11.0)       | 20(24.4)     | 10(12.2)      | 28(34.1)     | 15(18.3)      | 3.2  | 1.31       |
| CSR programs improve the bank's financial sustainability                                       | 1(1.2)        | 12(14.6)     | 8(9.8)        | 36(43.9)     | 25(30.5)      | 3.9  | 1.05       |
| <b>Social Responsibility</b>                                                                   |               |              |               |              |               |      |            |
| CSR initiatives reflect the needs and concerns of local communities                            | 5(6.1)        | 13(16.9)     | 6(7.3)        | 33(40.2)     | 25(30.5)      | 3.7  | 1.23       |
| The bank's CSR programs support education and skill development of the people in the community | 3(3.7)        | 12(14.6)     | 5(6.1)        | 44(53.7)     | 18(22.0)      | 3.8  | 1.07       |
| The bank contributes to healthcare initiatives in the community                                | 1(1.2)        | 5(6.1)       | 7(8.5)        | 42(51.2)     | 27(32.9)      | 4.1  | 0.88       |
| The bank supports disaster relief and emergency response efforts                               | 4(4.9)        | 16(19.5)     | 7(8.5)        | 33(40.2)     | 22(26.8)      | 3.7  | 1.21       |
| CSR initiatives address poverty and inequality in the community                                | 1(1.2)        | 10(12.2)     | 7(8.5)        | 39(47.6)     | 25(30.5)      | 3.9  | 1.00       |
| <b>Environmental Responsibility</b>                                                            |               |              |               |              |               |      |            |

|                                                                 |          |          |          |          |          |     |      |
|-----------------------------------------------------------------|----------|----------|----------|----------|----------|-----|------|
| The bank's CSR initiatives promote environmental sustainability | 0(0.0)   | 3(3.7)   | 4(4.9)   | 48(58.5) | 27(32.9) | 4.2 | 0.7  |
| CSR activities encourage sustainable resource use               | 1(1.2)   | 5(6.1)   | 8(9.8)   | 44(53.7) | 24(29.3) | 4.0 | 0.87 |
| The bank invests in renewable energy and eco-friendly projects  | 0(0.0)   | 1(1.2)   | 1(1.2)   | 43(52.4) | 37(45.1) | 4.4 | 0.59 |
| CSR initiatives promote waste reduction and recycling           | 11(13.4) | 19(23.2) | 15(18.3) | 26(31.7) | 11(13.4) | 3.1 | 1.28 |
| The bank supports environmental conservation programs           | 4(4.9)   | 12(14.6) | 4(4.9)   | 45(54.9) | 17(20.7) | 3.7 | 1.10 |

Source: **Survey Data (2025)**

From table 11, various statements were presented to the respondents to get their opinions on the state of CSR activities at Stanbic bank Uganda, in terms of economic, social and environmental responsibility.

The analysis output of Corporate Social Responsibility activities at Stanbic Bank Uganda revealed distinct patterns across economic, social, and environmental dimensions where; Stakeholders acknowledged the bank's economic contributions, with 79.2% of respondents agreeing that the bank provides financial aid to underserved communities ( $M=3.9$ ,  $SD=0.99$ ) and 74.4% affirming that CSR programs improve the bank's financial sustainability ( $M=3.9$ ,  $SD=1.05$ ). Accordingly, support for job creation initiatives was acknowledged by 67.1% of respondents ( $M=3.7$ ,  $SD=1.24$ ), while local business support garnered agreement from 64.6% of respondents ( $M=3.6$ ,  $SD=1.26$ ).

In the social dimension metrics, healthcare initiatives received the strongest endorsement with 84.1% of respondents expressing agreement ( $M=4.1$ ,  $SD=0.88$ ). Programs addressing poverty and inequality were supported by 78.1% of stakeholders ( $M=3.9$ ,  $SD=1.00$ ), while educational initiatives garnered agreement from 75.7% of respondents ( $M=3.8$ ,  $SD=1.07$ ). Both community needs assessment and disaster relief efforts each recorded agreement from 67.1% of stakeholders ( $M=3.7$ ,  $SD=1.23$  and  $M=3.7$ ,  $SD=1.21$  respectively).

Environmental initiatives demonstrated the strongest consensus among stakeholders where, Investment in renewable energy and eco-friendly projects received nearly unanimous endorsement from 97.5% of respondents ( $M=4.4$ ,  $SD=0.59$ ), representing the highest agreement level across all CSR dimensions. Environmental sustainability promotion was supported by 91.4% of stakeholders ( $M=4.2$ ,  $SD=0.70$ ), while sustainable resource use initiatives garnered agreement from 83.0% of respondents ( $M=4.0$ ,  $SD=0.87$ ). Environmental conservation programs recorded agreement from 75.6% of stakeholders ( $M=3.7$ ,  $SD=1.10$ ), though waste reduction and recycling showed more moderate support at 45.1% agreement ( $M=3.1$ ,  $SD=1.28$ ).

The progressive strengthening of agreement percentages from economic to social to environmental dimensions, coupled with generally decreasing standard deviations, was a clear indication of a strategic emphasis within the bank's CSR portfolio. Environmental leadership also appeared to represent a particularly well-established commitment, while economic initiatives showed more varied stakeholder perceptions as evidenced by higher standard deviations across most economic responsibility items.

#### **4.5 Inferential Statistics**

The inferential statistics used are Pearson's Correlation Coefficient to show the relationship between the study variables, and multiple regression analysis to establish the effect of each of the independent variables on the dependent variable.

##### **4.5.1 Correlation Analysis**

Correlation matrix indicates the relationship between the study variables and how one variable is related to another. Pearson's Correlation Coefficient ( $r$ ) was used to show the relationship between stakeholders' perception and CSR activities at

Stanbic bank Uganda limited. The findings are summarized in the correlation matrix in table 12.

**Table 12: Correlation Matrix showing relationship among the study variables**

|                       | Attitude<br>Towards<br>CSR | Perceived<br>CSR<br>Benefit | Perceived<br>CSR Motives | CSR<br>Activities |
|-----------------------|----------------------------|-----------------------------|--------------------------|-------------------|
| Attitude Towards CSR  | 1                          |                             |                          |                   |
| Perceived CSR Benefit | .366**                     | 1                           |                          |                   |
| Perceived CSR Motives | .355**                     | .860**                      | 1                        |                   |
| CSR Activities        | .429**                     | .811**                      | .807**                   | 1                 |

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

**Source:** Primary Data (2025).

Table 12 presents the correlation matrix for the key study variables: Stakeholder attitude, perceived benefits, perceive motives and CSR activities. The correlations indicate the relationships between these variables and offer insights into the direction of these relationships. The correlation between stakeholders' attitude and CSR activities is 0.429 ( $p < 0.01$ ), which is statistically significant and suggests a moderate positive relationship. The correlation between stakeholder perceived benefits and CSR activities is 0.811 ( $p < 0.01$ ), which is a strong positive relationship. The correlation between stakeholder perceived motives and CSR activities is 0.807 ( $p < 0.01$ ), which is a strong positive relationship. This implied that stakeholders' attitude, perceived benefit and perceived motives are statistically significant and positively correlated with CSR activities. Thus, a positive change in any of these independent variables leads to a positive improvement in CSR activities at Stanbic bank Uganda limited.

#### 4.5.2 Multiple regression Analysis

This section presents the multivariate results for the joint effect of stakeholders' attitude, perceived benefits and perceived motives on CSR activities at Stanbic bank Uganda limited. Results of the regression analysis are presented in the sub - sequent tables.

**Table 13: Model Summary**

| Model                                                                                         | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-----------------------------------------------------------------------------------------------|-------------------|----------|-------------------|----------------------------|
| 1                                                                                             | .848 <sup>a</sup> | .719     | .708              | .36458                     |
| a. Predictors: (Constant), Perceived CSR Motives, Attitude Towards CSR, Perceived CSR Benefit |                   |          |                   |                            |

**Source:** Primary Data (2025).

Findings from Table 13 indicate that stakeholders' attitude, perceived benefits and perceived motives, jointly account for 70.8% of the variation in CSR activities at Stanbic bank Uganda limited (Adj R<sup>2</sup> = 0.708), reinforcing the importance of stakeholders' perceptions in influencing CSR activities of the bank.

**Table 14: ANOVA Values**

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.              |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1     | Regression | 26.471         | 3  | 8.824       | 66.384 | .000 <sup>b</sup> |
|       | Residual   | 10.368         | 78 | .133        |        |                   |
|       | Total      | 36.839         | 81 |             |        |                   |

a. Dependent Variable: CSR Activities

b. Predictors: (Constant), Perceived CSR Motives, Attitude Towards CSR, Perceived CSR Benefit

**Source:** Primary Data (2025).

Findings from Analysis of Variance (ANOVA) in Table 14 show the p-value of 0.000 is < 0.05, which indicates that the model is statistically significant in predicting how stakeholders' perceptions (attitude, perceived benefits and perceived motives), affect CSR activities at Stanbic bank Uganda Limited.

**Table 15: Multiple Regression coefficients results**

| Model |                       | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|-------|-----------------------|-----------------------------|------------|---------------------------|-------|------|
|       |                       | B                           | Std. Error | Beta                      |       |      |
| 1     | (Constant)            | .343                        | .395       |                           | .868  | .388 |
|       | Attitude Towards CSR  | .203                        | .098       | .135                      | 2.080 | .041 |
|       | Perceived CSR Benefit | .341                        | .097       | .418                      | 3.516 | .001 |
|       | Perceived CSR Motive  | .322                        | .096       | .399                      | 3.374 | .001 |

**a. Dependent Variable: CSR Activities**

**Source: Survey Data (2025).**

Results from table 15, indicate that: stakeholder attitude ( $\beta = 0.135$ ,  $P < 0.05$ ); stakeholder perceived benefits ( $\beta = 0.418$ ,  $P < 0.01$ ); and stakeholder perceived motives ( $\beta = 0.399$ ,  $P < 0.05$ ), have a statistically significant positive effect on CSR activities of Stanbic bank Uganda Limited. This suggests that a unit increase in stakeholders' attitude, perceived benefits and perceived motives, is associated with a unit improvement in CSR activities of Stanbic bank Uganda, holding other predictor variables constant.

In terms of strength, findings indicate stakeholders' perceived benefits as the biggest predictor of CSR activities at Stanbic bank Uganda by 41.8%, followed by perceived motives at 39.9% and lastly, stakeholders' attitude by 13.5%, according to this study. The implication of the regression findings is that stakeholders' attitude, perceived benefits and perceived motives, are critical factors that affect CSR activities at Stanbic bank Uganda, highlighting the crucial role of stakeholders' perceptions, in enhancing CSR activities of the bank.



## CHAPTER FIVE

### SUMMARY AND DISCUSSION OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter presents a summary and discussion of the study findings, draws conclusions and recommendations in accordance with the study objectives and suggests areas for further research.

#### 5.1 Summary of Findings

The study investigated stakeholder perception and corporate social responsibility activities in commercial banks, with specific reference to Stanbic Bank Uganda, with specific focus on stakeholder attitude towards CSR activities, stakeholder perceived benefits of CSR activities and stakeholder perceived motives of CSR activities. The results reveal a significant positive correlation between: stakeholder attitude and CSR activities ( $r = 0.429$ ,  $p < 0.01$ ); stakeholder perceived benefits and CSR activities ( $r = 0.811$ ,  $p < 0.01$ ); stakeholder perceived motives and CSR activities ( $r = 0.807$ ,  $p < 0.01$ ). Regression results show that: stakeholder attitude ( $\beta = 0.135$ ,  $P < 0.05$ ); stakeholder perceived benefits ( $\beta = 0.418$ ,  $P < 0.01$ ); and stakeholder perceived motives ( $\beta = 0.399$ ,  $P < 0.05$ ), significantly and positively influence CSR activities of Stanbic bank Uganda Limited, and combined, account for 70.8% of the variation in CSR activities at Stanbic bank Uganda limited ( $\text{Adj } R^2 = 0.708$ ), reinforcing the importance of stakeholders' perceptions in influencing CSR activities of the bank.

## **5.2 Discussion of Findings**

### **5.2.1 Stakeholder attitude and CSR Activities**

Study findings within the contemporary banking sector indicate that Corporate Social Responsibility has transitioned from discretionary benevolence to an integral component of strategic governance. Accordingly, for a financial institution such as Stanbic Bank Uganda Limited, CSR represents a critical mechanism for sustaining stakeholder confidence and reinforcing institutional legitimacy in a highly regulated industry. The banking sector's unique position as a custodian of public trust and an engine of economic development necessitates a robust CSR background that addresses many-sided stakeholder expectations, ranging from ethical investment practices to community development initiatives.

The present study established a statistically significant positive relationship between stakeholder attitudes and CSR activities at Stanbic Bank Uganda Limited. Regression analyses further confirmed that stakeholder attitudes exert a significant influence on the bank's CSR implementation. This empirical evidence indicates that the effectiveness and scope of the bank's CSR activities are substantially enhanced when stakeholders maintain favorable perceptions of corporate social responsibility. Correspondingly, these findings align with extant literature particularly the work of Ngo & Le (2023), who revealed that a strong, positive relationship exists between stakeholder attitudes and corporate social responsibility (CSR) activities. When companies engage in CSR, stakeholders tend to respond positively, which can lead to increased firm value and competitive advantage.

The convergence of these findings with international scholars suggests that the relationship between stakeholder attitudes and CSR activities transcends

geographical and institutional contexts. For Stanbic Bank Uganda Limited, this implies that strategic investments in stakeholder engagement and CSR communication may yield substantial returns in terms of social performance and institutional reputation. Therefore, this demonstrated relationship underscores the importance of cultivating positive stakeholder perceptions as a strategic imperative rather than a secondary consideration in the bank's corporate citizenship framework. This alignment between stakeholder attitudes and CSR outcomes creates a virtuous cycle wherein positive perceptions reinforce CSR effectiveness, thereby generating further improvements in stakeholder relations and institutional standing within Uganda's competitive financial services sector.

This dynamic is fundamentally rooted in stakeholder theory, which posits that stakeholders including; customers, employees, investors, and communities actively shape corporate strategy through their expectations and evaluations of social and environmental performance. In the contemporary business environment, stakeholders increasingly demand corporate accountability, manifesting as consumer preference for ethical products, investor focus on sustainable practices, and community advocacy for environmental protection. These stakeholder attitudes directly influence a company's reputation, brand loyalty, and long-term viability. Therefore, for a company like Stanbic Bank to maintain its societal license to operate, it must remain responsive to these stakeholder influences. This observation resonates with Lin and Chang (2015), who noted that stakeholders with a sense of positive attitude help banks to keenly synthesize activities that would yield to societal attraction towards banking services hence improving on the brand image of the bank.

The study's findings further indicate that employees view the bank's engagement in CSR activities as a moral obligation, which creates a positive workplace culture, improves their morale, sense of belonging and encourages ethical decision making. Arguably, Companies have a responsibility to operate ethically and contribute to the well-being of society, not just to maximize profits. Thus, CSR activities can be viewed as both a moral obligation and a strategic tool for companies. While it can be argued that businesses have a duty to contribute positively to society, it can as well be a way to enhance their reputation and long-term sustainability. Ultimately, the extent to which CSR is seen as a moral obligation can vary based on individual perspectives and organizational values. The findings agree with the stakeholder theory that assumes that companies have a social responsibility that requires them to consider the interests of all parties affected by their actions (Freeman, 1984).

#### **5.2.2 Stakeholder Perceived Benefits and CSR Activities**

The study findings reveal that the relationship between stakeholders perceived benefits and CSR activities is significantly positive. This correlation indicates that stakeholders' recognition of tangible advantages derived from CSR initiatives serves as a critical catalyst for the implementation and enhancement of these activities. For instance, Stanbic Bank Uganda's "Youth Leadership Programme" and "Stanbic Incubator" initiatives demonstrate how targeted CSR programs generate measurable benefits that reinforce stakeholder support. These programs provide Ugandan youth with entrepreneurship training, mentorship, and seed funding, creating concrete benefits such as employment opportunities and small business growth that stakeholders directly associate with the bank's CSR commitment.

The regression analysis further confirms the significant predictive influence of stakeholder perceived benefits on CSR activities, demonstrating that the bank's social performance can be substantially improved by strategically emphasizing the measurable value that stakeholders derive from these initiatives. This practical evidence suggests that CSR effectiveness is not merely a function of budgetary allocation but is fundamentally contingent on how stakeholders cognitively process and value the outcomes. A compelling example is Stanbic's partnership with the Uganda Cancer Institute, where the bank's substantial investments in cancer treatment facilities are perceived by stakeholders as addressing a critical healthcare gap while simultaneously enhancing the bank's reputation as a socially responsible corporate citizen. Similarly, the bank's "Face the Farmer" initiative, which connects agricultural producers directly to markets and financing, demonstrates how stakeholders perceive dual benefits of community economic empowerment and sustainable business development for the bank.

This benefit-driven approach to CSR management reflects a broader paradigm shift in corporate citizenship within Uganda, wherein stakeholder perceptions of value creation have become central to strategic decision-making. The success of Stanbic's annual "National Schools Championship" program illustrates this dynamic perfectly; by promoting financial literacy and entrepreneurship among secondary school students across Uganda, the bank simultaneously addresses educational needs while cultivating future banking relationships.

When diverse stakeholder groups including; customers, employees, and local communities recognize that these CSR initiatives produce substantive benefits that align with their values and interests, they are more likely to respond with increased

trust, enhanced loyalty, and strengthened advocacy. Ultimately, this creates a sustainable foundation for the bank's social license to operate while simultaneously strengthening its competitive positioning within Uganda's financial services sector, as evidenced by the bank's consistently high rankings in corporate reputation surveys conducted by the Uganda Investment Authority and other regulatory bodies. This aligns with Narteh and Braimah (2020), who argued that management of financial institutions uses CSR to shape and build customer loyalty. Clients value items produced in a socially and environmentally responsible manner and even pay an extra fee for the products. Conversely, if stakeholders perceive CSR efforts as ineffective, it can negatively impact the company's image and hinder the success of its CSR programs.

The study reveals that bank staff view involvement in CSR activities as a strategy to enhance the bank's public reputation through building trust with the public. It can be true that a company's CSR initiatives can significantly influence its reputation. Positive stakeholder attitudes can enhance a company's image, while negative attitudes can damage its reputation. Thus, companies engage in CSR activities to create a positive attitude among the stakeholders about the company, and gain public trust and acceptance. This resonates with Forcadell and Aracilk (2017), who opined that banks with robust social responsibility plans achieve brand visibility, recognition and awareness among the clients, which in the end promotes or reinforces the banks' image by exhibiting its support for a particular noble social responsibility activity.

The study further reveals that CSR activities contribute to expansion of the bank's market share, attract high valued customer and contribute to increased customer

spending. It is revealed that the bank's CSR activities act as a tool to attract customers, increase their loyalty and retention. This could be true because, stakeholders, particularly customers, are more likely to support and remain loyal to companies that demonstrate a commitment to CSR. This can translate into increased sales and market share. An increase in market share and sales contributes to increased profitability, financial sustainability and long term financial growth of the bank. The findings agree with Monferre, Moliner and Estrada (2019), who purported that corporate social responsibility activities improve the financial performance of the bank and reduce its operational costs.

### **5.2.3 Stakeholder Perceived Motives and CSR Activities**

Stakeholder perceived motive was found to be significant and positively correlated with CSR activities. This finding carries particular significance in the Ugandan context, where corporate legitimacy is often scrutinized. For instance, when Stanbic Bank Uganda launches high-visibility CSR programs such as its "Mama Kwanjula" small business financing initiative or its support for the Kampala City Festival, stakeholders continually evaluate whether these activities reflect a sincere commitment to community development or merely represent sophisticated marketing. The perception of motive becomes a critical filter through which CSR impact is judged. When stakeholders interpret these actions as primarily driven by community welfare rather than corporate aggrandizement, they demonstrate greater willingness to participate in and advocate for the bank's CSR programs.

This was further collaborated by findings from the regression model, which showed that stakeholder perceived motives significantly influences CSR activities, while holding other factors constant. This means that stakeholders' perception of a

company's reasons for engaging in CSR directly influences the extent to which they view the company's CSR efforts as genuine and impactful. The findings agree with previous studies that highlighted the importance of stakeholder perceived motives in influencing the company's CSR activities and postulated that the effectiveness of CSR activities depends on the degree to which stakeholders associate them with either egoistic or altruistic motives (Menon & Kahn, 2003, Skarmeas & Leonidou, 2013).

This may be true because, when stakeholders perceive CSR initiatives as genuinely motivated by a desire to benefit society (for example, community service), they are more likely to respond positively, leading to increased company loyalty, positive brand perception, and even purchase intentions. For instance, when stakeholders perceive that a company is genuinely committed to social and environmental issues, they are more likely to trust the company and develop a sense of loyalty. On the other hand, if stakeholders perceive CSR motives as self-serving or insincere (for example, if used as a marketing strategy), it can lead to negative attitudes, skepticism, and even backlash. This aligns with Skarmeas and Leonidou (2013), who indicated that stakeholder positive-driven motives have a positive effect on CSR activities, while negative motives negatively influence CSR activities of a company.

Study results indicate that bank perceives CSR activities as strategies for exploring business opportunities, build partnerships with other organizations and expand the market. This may be true because, CSR activities can foster stronger relationships with stakeholders by demonstrating a commitment to shared values and mutual benefit. For instance, investors are increasingly considering CSR when making investment decisions and partnerships. Companies with strong CSR track records



may be more attractive to socially responsible investors and other organisations that seek for business partnerships. This resonates with previous researchers, who argued that corporate social responsibility enables banks to build strategic customer relationships and partnerships, through implementing CSR activities (Osakwe et al., 2020).

### **5.3 Conclusions**

Based on the study findings and in tandem with the study objectives, the study concludes as follows.

#### **5.3.1 Stakeholder attitude and CSR Activities**

The study findings indicate a significant positive relationship between stakeholder attitude and CSR activities. Accordingly, the study concludes that stakeholder attitude as a component of stakeholder perception, plays a significant positive role in influencing CSR activities of a bank. Positive stakeholder attitudes can enhance a company's image, while negative attitudes can damage its reputation. Thus, companies engage in CSR activities to create a positive attitude among the stakeholders about the company, and gain public trust and acceptance.

#### **5.3.2 Stakeholder Perceived Benefits and CSR Activities**

The study findings indicated a significant positive relationship between stakeholders perceived benefits and CSR activities. Consequently, the study concludes that stakeholder perceived benefits significantly influence CSR activities of the bank. When stakeholders perceive that a company's CSR initiatives are beneficial to them, they are more likely to support the company, leading to positive outcomes like increased trust, loyalty, and a stronger reputation.

### **5.3.3 Stakeholder Perceived Motives and CSR Activities**

The study findings on stakeholder perceived motives and CSR activities show a positive relationship between the two. Thus, the study concludes that the stakeholder perceived motives play a significant positive role in shaping the CSR activities of the bank. Stakeholders are more likely to respond positively, when they perceive CSR initiatives as genuinely motivated by a desire to benefit society, and negatively, when they perceive CSR motives as self-serving.

### **5.4 Recommendations**

Based on the study findings and in tandem with the study objectives, the study has made recommendations for improving stakeholder perception and CSR activities of the bank. The study recommends that banks should:

Provide detailed information to stakeholders about their CSR goals, activities, and the impact they are making to the society.

Use compelling stories to illustrate the impact of CSR initiatives to the stakeholders and connect with stakeholders on an emotional level.

Establish meaningful stakeholder engagements that involve stakeholders in the planning and implementation of CSR activities.

Building trust and credibility, by ensuring that CSR efforts are consistent with the company's values and actions.

Prioritize CSR initiatives that have a tangible and positive impact on stakeholders and society.

### **5.5 Areas for Further Study**

The results and limitations from this study could be used to conduct further research, enabling a more profound understanding of the role of stakeholder perception in shaping CSR activities in the banking sector. The study used a case study research design, making it difficult to capture data over a long span of time, considering changes over time. Future researchers should conduct longitudinal studies that track the changes in stakeholder perception and its effect on CSR activities in the banking sector over time. This will provide a better insight into the long-term effect of different stakeholder perceptions on CSR activities in the banking sector.

The study was limited to Stanbic bank Uganda, which reveals a limitation in the contextual scope. Based on this, the study suggests that further study be done to include other banks, in order to get a comprehensive understanding of how stakeholder perception affects CSR activities of commercial banks in Uganda.

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## APPENDICES

### Appendix 1: Questionnaire for the bank staff

Dear Respondent,

My name is Shalon Mbabazi a student of Uganda Christian University pursuing a Masters of Business Administration. In partial fulfilment of the requirements for the award of this degree, I am conducting a study titled "**Stakeholder Perception and Corporate Social Responsibility Activities in the Banking Sector**," with Stanbic Bank". As a valued stakeholder, you have been selected to actively participate in this study. Your cooperation will provide data for use in this study and will be treated with utmost confidentiality and your identity given anonymity deserved. Your cooperation will be highly appreciated.

#### Section A: Background Information (Please tick where appropriate)

1. What is your gender?

|   |        |  |
|---|--------|--|
| A | Male   |  |
| B | Female |  |

2. What is your age bracket?

|   |                       |  |
|---|-----------------------|--|
| A | Between 20-29 years   |  |
| B | Between 30-39 years   |  |
| C | Between 40 - 49 years |  |
| D | 50 years and above    |  |

3. What is your highest education level

|   |                                     |  |
|---|-------------------------------------|--|
| A | Diploma                             |  |
| B | Bachelors' degree                   |  |
| C | Master's Degree                     |  |
| D | Other Qualifications, Specify ..... |  |

4. For how long have you worked with Stanbic bank Uganda?

|   |                  |  |
|---|------------------|--|
| A | Less than 1 year |  |
| B | 1 - 5 Years      |  |
| C | 6 - 10 years     |  |
| D | Above 10 years   |  |

## SECTION B: STAKEHOLDER PERCEPTION OF CSR

For the questions below, indicate your level of agreement or disagreement to the statements regarding stakeholder perception of CSR, by ticking the best option, using a likert scale below:

| Strongly Disagree | Disagree | Not Sure | Agree | Strongly Agree |
|-------------------|----------|----------|-------|----------------|
| 1                 | 2        | 3        | 4     | 5              |

### ATTITUDE TOWARDS CSR

| Code | Statement                                                                                      | 1 | 2 | 3 | 4 | 5 |
|------|------------------------------------------------------------------------------------------------|---|---|---|---|---|
|      | <b>a) Moral</b>                                                                                |   |   |   |   |   |
| MO1  | Employees actively participate in CSR initiatives.                                             |   |   |   |   |   |
| MO2  | Employees feel more motivated knowing the bank engages in CSR.                                 |   |   |   |   |   |
| MO3  | CSR initiatives contribute to a positive workplace culture.                                    |   |   |   |   |   |
| MO4  | CSR initiatives improve employee morale                                                        |   |   |   |   |   |
| MO5  | CSR initiatives create a sense of belonging                                                    |   |   |   |   |   |
| MO6  | CSR policies encourage ethical decision-making among employees.                                |   |   |   |   |   |
|      | <b>b) Customer Loyalty</b>                                                                     |   |   |   |   |   |
| CL1  | CSR initiatives make customers feel more connected to the bank.                                |   |   |   |   |   |
| CL2  | Due to the CSR activities, customers are more likely to recommend the bank to other people     |   |   |   |   |   |
| CL3  | CSR activities make customers feel valued                                                      |   |   |   |   |   |
| CL4  | CSR initiatives make customers feel proud to be associated with the bank.                      |   |   |   |   |   |
| CL5  | Customers are more likely to continue using the bank's services, as a result of CSR activities |   |   |   |   |   |
| CL6  | CSR initiatives demonstrate the bank's commitment to societal well-being.                      |   |   |   |   |   |

### PERCEIVED CSR BENEFITS

| Code | Statement                                     | 1 | 2 | 3 | 4 | 5 |
|------|-----------------------------------------------|---|---|---|---|---|
|      | <b>a) Brand image</b>                         |   |   |   |   |   |
| BE1  | CSR initiatives enhance the bank's reputation |   |   |   |   |   |
| BE2  | CSR leads to greater public trust in the bank |   |   |   |   |   |

|     |                                                           |  |  |  |  |  |
|-----|-----------------------------------------------------------|--|--|--|--|--|
| BE3 | CSR efforts improve the bank's competitive advantage.     |  |  |  |  |  |
| BE4 | CSR initiatives differentiate the bank from competitors.  |  |  |  |  |  |
| BE5 | Ethical CSR practices reinforce brand loyalty.            |  |  |  |  |  |
| BE6 | CSR enhances media and public relations                   |  |  |  |  |  |
|     | <b>b) Revenue</b>                                         |  |  |  |  |  |
| R1  | CSR initiatives attract high-value customers              |  |  |  |  |  |
| R2  | CSR initiatives contribute to increased customer spending |  |  |  |  |  |
| R3  | CSR activities enhance the bank's profitability           |  |  |  |  |  |
| R4  | CSR activities improve the bank's market share            |  |  |  |  |  |
| R5  | CSR programs improve the bank's financial sustainability. |  |  |  |  |  |
| R6  | CSR initiatives contribute to long-term financial growth  |  |  |  |  |  |

#### PERCEIVED CSR MOTIVES

| Code | Statement                                                              | 1 | 2 | 3 | 4 | 5 |
|------|------------------------------------------------------------------------|---|---|---|---|---|
|      | <b>a) Business Opportunity</b>                                         |   |   |   |   |   |
| BO1  | CSR initiatives are primarily driven by business opportunities.        |   |   |   |   |   |
| BO2  | CSR activities help the bank expand its market presence                |   |   |   |   |   |
| BO3  | CSR activities are used to attract new customers                       |   |   |   |   |   |
| BO4  | CSR initiatives are designed to enhance the bank's competitive edge    |   |   |   |   |   |
| BO5  | CSR activities are used to build partnerships with other organizations |   |   |   |   |   |
| BO6  | CSR initiatives are aligned with global business trends                |   |   |   |   |   |
|      | <b>b) Profitability</b>                                                |   |   |   |   |   |
| P1   | CSR initiatives are primarily driven by profitability goals            |   |   |   |   |   |
| P2   | CSR activities contribute to the bank's financial performance          |   |   |   |   |   |
| P3   | CSR programs are designed to increase shareholder value                |   |   |   |   |   |
| P4   | CSR activities are driven by the need to maximize profits              |   |   |   |   |   |
| P5   | CSR programs are driven by the need to increase revenue                |   |   |   |   |   |
| P6   | CSR initiatives are used to enhance financial stability                |   |   |   |   |   |

## SECTION C: CSR ACTIVITIES

| Code | Statement                                                                                      | 1 | 2 | 3 | 4 | 5 |
|------|------------------------------------------------------------------------------------------------|---|---|---|---|---|
|      | <b>a) Economic Responsibility</b>                                                              |   |   |   |   |   |
| ER1  | CSR activities contribute to job creation and employment                                       |   |   |   |   |   |
| ER2  | The bank supports local businesses and entrepreneurship                                        |   |   |   |   |   |
| ER3  | The bank provides financial aid to underserved communities                                     |   |   |   |   |   |
| ER4  | CSR activities create new business opportunities                                               |   |   |   |   |   |
| ER5  | CSR programs improve the bank's financial sustainability                                       |   |   |   |   |   |
|      | <b>b) Social Responsibility</b>                                                                |   |   |   |   |   |
| SR1  | CSR initiatives reflect the needs and concerns of local communities                            |   |   |   |   |   |
| SR2  | The bank's CSR programs support education and skill development of the people in the community |   |   |   |   |   |
| SR3  | The bank contributes to healthcare initiatives in the community                                |   |   |   |   |   |
| SR4  | The bank supports disaster relief and emergency response efforts                               |   |   |   |   |   |
| SR5  | CSR initiatives address poverty and inequality in the community                                |   |   |   |   |   |
|      | <b>c) Environmental Responsibility</b>                                                         |   |   |   |   |   |
| ER1  | The bank's CSR initiatives promote environmental sustainability                                |   |   |   |   |   |
| ER2  | CSR activities encourage sustainable resource use                                              |   |   |   |   |   |
| ER3  | The bank invests in renewable energy and eco-friendly projects                                 |   |   |   |   |   |
| ER4  | CSR initiatives promote waste reduction and recycling                                          |   |   |   |   |   |
| ER5  | The bank supports environmental conservation programs                                          |   |   |   |   |   |

## **Appendix 2: Interview guide**

- 1) What are some of the CSR activities that SBUL is engaged in?
- 2) Why do you think SBUL engages in CSR activities?
- 3) What do you think is the perception of the society about SBUL's CSR activities?
- 4) In your own view, how has SBUL integrated the following CSR practices?
  - (a) Economic responsibility
  - (b) Social responsibility
  - (c) Environmental responsibility
- 5) How do you think stakeholders' perception influence CSR activities of the SBUL?
- 6) What more do you think SBUL should do to improve its CSR activities?

***Thank you so much for your cooperation***