Resources Affecting Banks' CSR in Sultanate of Oman: A Stakeholders' Perspective

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Abstract

Corporate social responsibility is a form of corporate self-regulation integrated into the business model. CSR functions as a built-in, self-regulating mechanism whereby business ensures its active compliance with the spirit of the law, ethical standards and international practices. This paper aims to study the resources affecting the CSR initiatives of the banks in Sultanate of Oman from the perspective of major stakeholders. This research is based on the survey conducted among the major stakeholders. The selection of the banking sector is rational as it can be considered to be representative of the financial institutions in Oman due to its majority stake. This paper contributes to the existing literature in CSR activities of the banks and stakeholders participation in CSR.

Keywords

Corporate Social Responsibility (CSR), Resources, Stakeholders, Banks, Oman

1. Introduction: CSR and its Benefits to the Corporate Sectors

Corporate Social Responsibility (CSR) has been adopted by many business organizations across the world. Business entities embrace CSR considerably and the same is evident from the recent surge in number of activities undertaken by corporates. The goal of CSR is to own the responsibility for company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities and other stakeholders (Wood, 1991). Firms are benefited by their CSR strategies by getting consumers' positive product and brand evaluations, brand choice and recommendations (Sen & Bhattacharya, 2001). It increases the customer base and their attachment to the firm (Lichtenstein, Drumwright & Braig, 2004; Maignan, Ferrell & Ferrell, 2005). CSR brings good reputation and positive purchase intentions (Mohr & Webb, 2005). It also paves the way for enhanced customer satisfaction (Luo & Bhattacharya, 2006). Bhattacharya, Sen & Korschun, 2007 indicated in their work that CSR is adopted by firms as a part of their internal marketing strategy.

Lin, Yang & Liou, (2009) examined Taiwanese firms which used R&D as a part of the business strategy. This will benefit in business sustainability and social responsibility. A positive relationship between CSR and financial performance was found in the study. It was reported that CSR offers a remarkable long-term fiscal advantage. Hassan & Latiff (2009) studied the CSR activities of Islamic financial institutions. From this study, it was found that there is need for long term cooperation among business, Islamic financial institutions and charitable organizations to achieve their common (social) objectives. It was stated that philanthropic measures help the corporate sector to increase their value. In this work, expenditure on social issues was considered as a benefit rather than a cost. It was mentioned that there is no inherent contradiction between improving competitive context of business and making a sincere commitments to the society. Bravo, Montaner & Pina, (2009)

studied the role of bank image for customer against non-customers for Spanish commercial banks. They found that corporate image helps companies to increase their success in the short and long term. It was found that corporate image of financial institutions can reflect the characteristics of service offered, accessibility, CSR and global impression. These attributes are expressed by the customers and non-customers. Kim, Lee, Lee & Kim (2010) found out that firm's CSR initiatives increase employee- company identification. This in turn, influences the employees' commitment to their organization.

It is evident that CSR provides many direct and indirect benefits to the firms operating in a competitive environment. This paper focuses on the resources affecting the bank's CSR activities based on stakeholders' perception. It is expected that the results from this study may help the firms by providing proper direction in formulating the CSR strategy and policy. It is also expected to identify the dominant variables having profound effect on the CSR pursuits. This research provides comprehensive evaluation of resources requirements from the wide base of stakeholders.

2. Oman's Financial System

The financial system in the Sultanate of Oman has its axis in the form of Central Bank of Oman(CBO). It is the lone regulatory authority of financial services sector. It is responsible for providing monetary and financial stability in the country. The other components of the financial sector in Oman includes commercial banks, non-banking finance, leasing companies, money exchange establishments, insurance companies, pension funds and capital market (Market Review, Business Today, June 2010). Banks dominate the financial sector by owning nearly ninety percent of the total assets and liabilities of the sector. A significant number of the banks are state owned i.e. government and quasi government institutions. Government's share in these banks ranges from seven percent to forty three percent. Government and quasi-government institutions own more than 26 percent of

the assets of the banking system. This practice is in line with the structure found in other GCC countries. For example, it is thirteen percent in Kuwait and fifty two percent in the United Arab Emirates (Bologna and Prasad, 2010).

2.1 Banking Industry in Oman

Banks in Oman play an important role in the economic development of the country. This is through their support to private sector activities, mobilizing the resources and extending credit to the citizens. Growth of the banking industry in Oman is due to the strong economic performance, liberalization of the economy, diversification, major infrastructure developments and accelerated privatization programs. Now there has been a gradual shift in focus of the bank financing from personal loans to industrial financing and other service sectors (Damodharan & Rengarajan, 2008). This is also supported by the in-flow of foreign direct investments, favourable demographics with strong population growth and high percentage of youth. With the outlook of Oman's economy looking bright, the banking industry in Oman will be one of the main beneficiaries through increased lending opportunities and improved asset quality (Oman Banking Sector Report, 2007). The potential for banking business opportunities are also due to government's commitment to the long term goal of economic diversification (Al-Obaidan, 2008). Thus any analysis and research for the improvement of banking sector will provide leverage on the overall economic development of the country.

As on today, nineteen banks are operating in Oman. This includes seven locally incorporated commercial banks, ten overseas branches of foreign banks and two banks specialized to cater to home and project finance requirements. Of the ten foreign banks, two each are from India, the United Kingdom and Iran, one is from Pakistan and three are from other Middle East regions. These two banks collectively control only less than ten percent of the local market. (Business Today, June 2010). The remaining 90percent credit share is accounted for by the seven local banks in the country. Hence this research focuses only on these seven banks that are locally incorporated. It is also rational as the other foreign banks can be considered as the overseas branches of their institution with policies are directed from their central offices and may be contextualized to local conditions.

3. Stakeholders Participation in CSR and its Strategic Implications

Stakeholder's participation is important for achieving a company's financial performance as well as recognition from the society. Formation of close relationships with the various kinds of stakeholders is an indispensable part of business. Miles, Munilla & Darroch (2006) explored the role of strategic conversations in CSR strategy formation. In this study, it was suggested that engaging stakeholders in the CSR strategy-making process will minimize their concerns. CSR activities have a significant influence on several consumer related outcomes such as consumer product responses and brand evaluation (Pirsch, Gupta & Grau, 2007). It was mentioned that one of the ways to build better corporate reputation of the banks is through efficient and sustainable management of stakeholders. This will help the banks to preserve market position, profit margin and organizational vitality. Corporate reputation is a broad entity that enables a bank to establish a relationship with their stakeholders and encompasses the full range of attributes associated with the underlying products and service experience. Based on the as-

sumption that consumers will reward firms for their support of social programs, many organizations have adopted CSR practices. Zappi (2007) found that Italian banks created value by listening to its stakeholders. Stakeholder engagement signifies the complex process of dialogue and interactions with stakeholders. These stakeholders have multiple, diverse interests in the enterprise, contribute towards the implementation of the mission and are capable of influencing to attain the corporate objectives through their participation.

Cuganesan & Khan (2008) studied stakeholder reciprocity in the Australian banking sector. This study indicates that there was neither consistency nor information about stakeholder involvement. Moreover these banks have identified limited key stakeholders: employees, customers and shareholders. Stakeholders' involvement helps the managers better understand the CSR investments of the company (Marin, Ruiz & Rubio, 2009). Khan, Halabi & Samy (2009) studied CSR activities of the banking companies in Bangladesh from the perceptions of stakeholders.

Kim et al. (2010) investigated about corporations based on their public relations efforts with the objective to prioritize the expectations of different stakeholders. The study identified expectation gaps between stakeholders and corporate public relations efforts. Huang & Fan (2010) investigated stakeholder expectations in relation to environmental disclosure. This research examined the influence of external, internal and intermediary stakeholder groups to learn their expectations. It was found that the level of environmental disclosure is significantly affected by the stakeholder's demands.

Pedersen (2010) modeled CSR based on managers' perspective. It was mentioned that managerial perceptions of social responsibility differ in some aspects from the mainstream models of CSR. Manger's awareness about the role of business in society ultimately helped in bridging the gaps between firm behavior and stakeholders' expectations. A detailed study about the experiences due to inadequate stakeholder analysis and engagement was presented by Bryson, Patton & Bowmanc (2011). In this study, it was found that many of the corporate decisions are not implemented or partially attempted and thus resulted in poor performance. This was due to lack of knowledge of decision makers about the interests of key stakeholders. Works of Cousins & Whitmore (2007) and King (2007) stressed the importance of paying attention to stakeholders in problem solving, planning and decision-making. Hence there exists a need to study bank's CSR from stakeholders' perspective. This research is significant as it attempts to focus on the least studied sector i.e. banks operating in Sultanate of Oman.

4. Research Methodology

4.1 Research Aim

This paper aims to investigate the factors influencing a bank's CSR initiatives. As mentioned earlier, the banking sector contributes to 90% of the financial institutions in Oman. The banking sector in Oman is mainly dominated by the national banks. There are seven national banks in Oman: Ahli Bank, Bank Dhofar, Bank Muscat, Bank Sohar, National Bank of Oman, Oman Arab Bank and Oman International Bank. In this research, stakeholders from only these seven banks are considered for their opinion on the proposed research theme.

4.2 Survey Instrument

Freeman, 1984 in his stakeholder's theory defined stakeholders as a group or an individual who can be affected or influenced

by the firm's achievement. Connor & Spangenberg (2008) in their research devised the CSR stakeholder dialogue process with three main categories of stakeholders namely internal stakeholders, external stakeholders and broader external stakeholders. Internal stakeholders are those who are having direct financial interests such as employees, managers and shareholders. External stakeholders are those having business connection such as suppliers, customers, banks, etc. Broader external stakeholders are having indirect attention to the firms such as academicians, companies, local authorities, local community, etc. Based on this, the major stakeholders related to banks in Oman are identified in this research. They are customers, investors, local community, employees, managers, academicians/ management thinkers and regulators.

4.2.1 Pilot Study

A pilot study was conducted among the major stakeholder groups. The authors found it difficult to register the opinion of the regulators as it requires lot of formalities to be completed. Meanwhile, a detailed survey of the literature and research works revealed that the regulators do not play a significant role in determining the CSR activities of the banks. Dusuki and Dar (2005) found that the regulators' response was ranked the lowest in perceiving CSR as an important banking patronage factor. It was indicated that even though the commitment towards social responsibility is encouraged, there is no specific requirement by law or any official guidelines from the regulating authorities. Regulators are more concerned with compliance and adherence to the prescribed standard operating procedure rather than intervening in ethical aspects. So regulators are excluded from the survey and the research carried out with the remaining major stakeholder groups.

4.2.2 Sample Size Estimation

The formula employed for estimating sample size for unknown population is:

$$n = \frac{X^2 Z^2}{D^2}$$

Where D is level of precision (acceptable error); Z is the value associated with confidence level; X is the standard deviation; n is estimated sample size. Based on a pilot study with 30 respondents, the sample parameters are determined and presented in Table 1.

The opinion of the stakeholders about the resources affecting banks' CSR is recorded through a structured questionnaire. This questionnaire was designed to seek general information of the respondents, resources affecting CSR activities along with other metrics related to the research. The questionnaire consists of mainly close-ended type of questions and a few open-ended questions. Respondents were asked to rate on a 5-point Likert scale a list of statements such as (a) Appointment of dedicated team for CSR greatly influence the quantum of projects involved; (b)Budgetary allocation/planning is paramount importance to CSR; (c) Readiness of the local community to understand and accept the need for change is vital for the success of the CSR activities; (d) Higher representation of women in top management drives towards CSR; (e) Suggestion box kept in the bank directs the management towards CSR; (f) Bank's frequent interactions with local community helps to formulate better CSR practices; (g) Longevity of the bank has direct influence on the quantum of CSR; (h) Stable economic conditions prevailing in the country helps the bank to invest more on CSR; (i) Business collaboration give more direction for CSR activities

and (j) Bank with better market segmentation is more towards CSR.

The questionnaire was originally prepared in English and then translated into Arabic. Before the final version of the questionnaire used, it was pilot tested to determine the appropriateness and relevance of the questions in the instrument. This early draft was circulated and piloted among the sample stakeholders that include business people, customers, local community and bank employees to receive their feedback. Based on the feedback from these respondents, modifications were made to the wording of few questions to increase its clarity. The final version of the questionnaire was then distributed to six stakeholder groups of national banks in Oman. Table 2 shows the profile of the stakeholders participated in this research. Table 3 presents the details about target group, response rate and methodology adapted to distributing the questionnaire. Table 3 shows the response rate is found to be 78.09%. This is a good response rate to validate the sample used for the research.

4.3 Hypothesis Development

The following are the hypotheses framed to study the resources influencing the CSR initiatives of the banks:

H1: There is no significant difference among the stakeholders on the degree of agreement that appointment of dedicated team and budgetary planning greatly influence the CSR activities of the banks.

H2: Stakeholders of banks in Oman have no significant difference on the degree of agreement that a higher representation of women in top management helps the banks to go for more CSR.

H3: Stakeholders have no difference in the opinion that suggestion boxes kept in the bank helps the bank in its direction towards CSR.

H4: Bank's frequent interaction with the local community and cooperation of the local community are important resources that affect bank's societal quest.

H5: Longevity of the bank and stable economic conditions prevailing in the country creates a healthy atmosphere for banks to spend more on CSR.

H6: Business collaboration and market segmentation direct the bank towards its CSR pursuits.

H7: Stakeholders in Oman give equal weightage to various resources affecting the bank's CSR.

5 Results

Statistical analysis of the survey instrument is carried out using SPSS17. Reliability analysis of the sample is carried out and the results are presented in Table 4. Descriptive analysis of the stakeholders' views is given in Table 5 for all the hypotheses. Table 6 gives the results of the nonparametric test i.e. Kruskal Wallis test.

Statement 1 is posted to determine the role of a dedicated team for CSR. It is found that majority of the stakeholders (69.5%) agreed to this statement but 3.2% disagree and rest are indecisive. Mean value is 3.90 with median 4 and standard deviation of 0.801. Chi square value is 6.132 which is lower than the tabulated value for five degrees of freedom. Statistical significance (Sig.) value is 0.370. Statement 2 examines the importance of budgetary allocation/planning to the bank's CSR pursuits. It is found that 71.5% of the stakeholders agree, indicating a stronger positive judgment from the stakeholders. Standard deviation is 1.027. 19.5 % are neutral and 8.8 % disagreed to this statement. Chi square value is 7.378, sig. value is 0.194 and

infers that no significant difference among the stakeholders. Hence H1 is accepted due to agreement and absence of significant difference among the stakeholders.

79.7% of the stakeholders agree that higher representation of women in the top management as a factor that influences CSR contributions of the system (statement 4). 7.1% disagree and 13.1% are indifferent to this opinion with mean value of 4.15 and standard deviation of 0.985. Chi square value is 29.947 with sig. value of 0.000 indicates that there is significant difference among the stakeholders. Hence H2 is rejected due to significant difference among the stakeholders. Customers and investors differ considerably compared to other stakeholders about the role of women representation in top management. Interestingly this is supported by the internal stakeholders.

Majority of the stakeholders (80.7%) judged that the suggestion boxes kept in the banks are not useful in directing the banks towards CSR activities (statement 5). 7.1% agreed and 12.3 % are neutral about the role of suggestion boxes. Chi square value is 21.760, sig. value is 0.001 and infers that significant difference among the stakeholders. Mean value for this statement is 1.86. Hence H3 is rejected due to disagreement on the usefulness of the suggestion box. Investors, local community and management thinkers differ considerably on this. This may be due to the fact they are not making frequent visits to banks.

Regarding statement 3, readiness of the local community to understand and accept the need for change is vital for the success of the CSR activities, 87.7% of the stakeholders agreed with 1.6% disagree and 10.7% remained neutral. Chi square value for this statement is 4.912 with five degrees of freedom and sig. value is 0.427. Similarly for the statement 6, bank's frequent interactions with local community helps to formulate better CSR practices, 7.6% disagree, 11.4% neutral and 81% agreed to the statement. Chi square is 5.603 and sig. value is 0.347 with mean value of 4.35 and standard deviation of 0.740. Hence H4 is accepted as there is not much of deviation in the degree of agreement among the respondents.

Statement 7 is posted to determine the stakeholders view on the relationship between longevity of the banks to its CSR projects. 78.7 % agreed that longevity and quantum of CSR projects are related to each other with a mean value of 4.10 and standard deviation of 1.038. 9.7 % stakeholders disagree and 11.5 % remain neutral. Chi square value is 8.418, sig. value is 0.174 and infers no significant difference among the stakeholders. Majority of the stakeholders (83.4%) agree that stable economic conditions prevailing in the country is important factor to determine the CSR activities of the banks (statement 8). Only 2% disagree while the remaining 14.6% stakeholders are indecisive. Hence H5 is accepted due to agreement and absence of significant difference among the stakeholders.

There is difference to some degree among the ratings given by the stakeholders in agreeing to the statement that there is relationship between business collaboration and CSR activities. Table 5 indicates that 73.2% agree that there exists relationship between business collaboration and CSR. Chi square value is 51.360 which is well above the tabulated value of 10.967 for five degrees of freedom. Sig. value is 0.000. Mean value is 3.94, indicates that stakeholders agree to this statement but some differences in their perception. Bank's internal stakeholders and management thinkers rate the statement comparatively higher compared to other stakeholders. Bank with better market segmentation is inclined more towards CSR is posted as statement 10. It is found that there is difference among the stakeholders in agreeing to this statement but 75.3% agree that market segmentation shows the ability of the company to respond to the needs

of the customers. Hence this directs the company to move towards CSR. Chi square value for statement 10 is 31.780 is higher than the tabulated value. Sig. value is 0.000. Mean value is 4.00 with 1.085 standard deviation, indicating stakeholder's agreement to this statement but considerable difference in perception among the various stakeholders' groups. Hence H6 is rejected due to significant variation in the degree of agreement among the stakeholders.

From Table 7, it is found that stakeholders are not giving equal importance to various factors influencing CSR activities. There are three major factors that are classified to influence the CSR activities. Corporate governance that includes appointment of dedicated team, budgetary allocation and higher representation of women in the top policy making body. The factor of stakeholders' involvement includes use of suggestion box to get inputs from the stakeholders, readiness of the local community in adapting to CSR and frequent interactions with stakeholders. Economic and market conditions factor includes longevity of the bank, stable economic conditions prevailing in the country; business collaboration and market segmentation. There is significant difference among the stakeholders in patronizing three major factors that influence CSR activities of the banks in Oman. It was found that readiness of the local community, bank's frequent interactions with local community, stable economic conditions of the country, higher representation of women in top management and longevity of the bank are attached with more significance when compared to other factors. According to the respondents, suggestion box kept in the banks are not useful in influencing the CSR pursuits of the banks. Hence H7 is rejected due to significant differences among the rating given by the stakeholders. Table 8 shows the consolidated results of the stakeholders' nature of response, consensus and hypotheses results.

6. Discussion and Conclusion

The aim of this research work is to study the resources that affect the bank's CSR initiatives from stakeholders' perspective as business sustainability is related to stakeholder's participation in strategy formulation of the firms. Stakeholders of banks in Oman believe that appointment of team to implement the CSR policies is an important resource for the active involvement of banks in their social activities. It is evident from the recent organization structure of major firms that there is a separate department/ team to plan and execute the CSR activities. It is found that allocation of exclusive budget for CSR efforts is also an important resource affecting CSR pursuits. Hence these two factors are the two important internal resources influencing the social pursuits of the banks, according to its major stakeholders.

CSR contributions of a bank are positively related to the readiness of the local community to adopt to the changes and also their involvement increases the effectiveness of the CSR programmes. This view is in agreement with that of Frynas (2005) who indicated that failure or lack of success of the CSR projects is not only attributed to that of the firm but is also equally due to lack commitment from NGOs, social organizations, etc. There is significant difference in the degree of agreement on the role of women in top management for bank's CSR activities. This view is not supported by customers and investors adequately when compared to the other stakeholders. Barako & Brown (2008) studied the corporate social reporting and board representation of the Kenyan banking sector. They had examined the influence of gender and board representation. It was inferred that higher

level of women representation and independent directors were found to improve the corporate disclosure.

Stakeholders of the banks in Oman negated the role of suggestion boxes kept in the banks as a medium to learn the stakeholder's expectations. This may be due to the fact that such suggestion boxes are only accessible to customers and investors. Other stakeholders are not making regular visits as they are external to bank. There is considerable uniformity in stakeholders of banks in Oman about the need for bank's frequent interactions with local community as a factor to influence their CSR initiatives. The rationale behind this idea is that CSR activities are aimed to serve the local community. So interaction between the corporate and local community is important to learn the needs of the society. Occurrence of such interactions should be more frequent to analyse the strategy, its implications, target and issues arising in its implementation.

Long term operation of the bank in a country makes its amenable for it to learn better about the people, culture, requirements and expectations. Moreover by their long term presence, economic viability of such firms is also proved. This view is well supported by the stakeholders. A stable economic condition is a paramount factor for survival and stable operation of any business organization. This provides a suitable platform for the corporate to sustain and grow. This view is in line with that of stakeholders as they rate stable economic conditions of the country as the factor to reckon with for CSR activities of the banks.

Business collaboration is an important factor for the growth and nourishment of business in an era of stiff competition. Banks through their business collaborations with their partners may operate in tandem with each other to achieve common organizational goals, share resources and expertise. Interactions with multinational companies, suppliers and associates benefit the firm with social activities of their collaborators. This introduces the element of workforce diversity. Business collaboration helps to identify the company among the mass. This is also agreed by stakeholders but significant differences in the degree of agreement. Market segmentation allows the firms to operate and target wide variety of stakeholders. This allows the firms to have closer interaction and better understanding of various stakeholders in different categories. In banking sector, market segmentation involves adoption of financial products and services to the different sections of the society. This paves the banks to understand and adopt to the needs of the society. This will increase their CSR role and contributions. This view is supported by the stakeholders but not uniformly mainly due to difference in ratings of customers and investors.

It can concluded that stakeholders' believe that appointment of dedicated team for CSR, budgetary allocation/planning, co-operation of the local community and their involvement in CSR initiatives, bank's interaction with local community, longevity of the bank and economic stability of the country are the primary resources that affects CSR activities of banks in Oman. It is also found that the stakeholders are not giving equal weightage to all resources of CSR but prefer more representation of women in top management, local community interaction, longevity of the bank and stable economic conditions as the dominating factors. The results of the study indicate that stakeholders attach comparatively higher weightage to women representation as it reflects the social development taking place in the country with more women are working in all levels at various organizations in this country. Moreover the people wish to have stable conditions prevailing in the country wherein corporate plays their role in shaping the economy and contribute their part in the national development process. Service to the human beings are emphasized in their culture, this might be the reasons for stakeholders vouch for better and frequent interactions with local community in determining the CSR initiatives of the banks. This research provides an insight into the stakeholders' views and identifies the various resources affecting the CSR of the banks. This research also gives an opportunity for the management to revisit their strategy in terms of identifying the key resources in line with the stakeholders' opinions and chalk out strategy in accordance to their views in the pursuit towards the serving the society in a better and befitting way.

Acknowledgement

Table 1 Sample Parameters & Size

Sl. No.	Parameter	Values
1	D	+ or -3
2	D2	9
3	CL	95%
4	z	1.96
5	z2	3.8416
6	x	35.40
7	x2	1267.36
9	n	535

Table 2 Profile of the Stakeholders

Gender	Male/Female
Age Group (Years)	Below 20; 21-30; 31-40; 41-50; Above 50
Marital Status	Single/Married
Highest Educational Qualification	Primary school; Secondary school; Diploma; Bachelors; Masters; Ph.D
Professional Affiliation	Unemployed/Student; Working in government/ministry; Private sector; Business
Monthly Income in RO	Below 100 ; 100-200; 201-500; 501-800; 801-1000; Above 1000
Native Region/Wilayat	Al Batinah (North/ South); Dhofar; Dhakiliya; Dhahirah; Al Wusta; Muscat (South / Central /North); Sharqiya
Stakeholder Relationship	Customer; Investor; Local Community; Employee; Manager; Management thinker/Academician
Bank	Ahli Bank; Bank Dhofar; Bank Muscat; Bank Sohar; National Bank of Oman; Oman Arab Bank; Oman International Bank
Years of Association	Less than one year; 2-5; 6-10; 11-20; Above 20 years
Nationality	Omani/Expatriate

Table 3 Target Groups, Methodology Used and Response Rate in the Sampling

Target Group	Questionnaire		Response Rate %	Methodology in Distributing Questionnaire
	Distributed	Returned		
Customer	155	123	79.35	Hard copy (field work)
Investor	127	103	81.10	Hard copy (field work)
Local Community	150	124	82.67	Hard copy (field work)
Employee	139	103	74.10	Soft & Hard copies (field work & email)
Manager	70	43	61.43	Soft & Hard copies (field work & email)
Management thinkers/ Academicians	80	67	83.75	Soft & Hard copies (field work & email)
Total	721	563	78.09	

Table 4 Reliability Analysis of Stakeholders' Reponses on Resources influencing CSR

	Scale Mean	Scale Variance	Corrected Item-Total Correlation	Alpha
Appointment of dedicated team for CSR	34.99	33.286	.193	.848
Budgetary allocation/ planning	34.93	29.847	.429	.832
Cooperation of the local community	34.54	28.630	.825	.799
Higher representation of women	34.74	28.220	.624	.811
Suggestion boxes kept in banks	37.03	35.108	-.028	.871
Frequent interactions with local community	34.54	28.630	.825	.799
Longevity of the bank	34.79	28.049	.599	.814
Stable economic conditions	34.62	28.026	.842	.795
Business collaboration	34.94	27.422	.595	.815
Market segmentation	34.88	27.341	.634	.810

Table 5 Descriptive Analysis of Stakeholders' Responses

		Percentage of Stakeholders									
Statement		1	2	3	4	5	6	7	8	9	10
Rating scale	Value										
Strongly Disagree	1	.2	2.8	.2	2.5	42.5	4.2	2.8	.4	3.4	3.0
Disagree	2	3.0	6.0	1.4	4.6	38.2	3.4	6.9	1.6	11.4	9.4
Subtotal %			3.2	8.8	1.6	7.1	80.7	7.6	9.7	2.0	14.8	12.4
Neutral	3	27.4	19.5	10.7	13.1	12.3	11.4	11.5	14.6	12.1	12.3
Agree	4	45.5	35.3	38.7	34.6	5.0	35.9	35.0	37.8	33.9	34.8
Strongly Agree	5	24.0	36.2	49.0	45.1	2.1	45.1	43.7	45.6	39.3	40.5
Subtotal %			69.5	71.5	87.7	79.7	7.1	81	78.7	83.4	73.2	75.3
Mean Value			3.90	3.96	4.35	4.15	1.86	4.35	4.10	4.27	3.94	4.00
Median Value			4.00	4.00	4.00	4.00	2.00	4.00	4.00	4.00	4.00	4.00
Mode Value			4	5	5	5	1	5	5	5	5	5
Standard Deviation			.801	1.027	.740	.985	.959	.740	1.038	.792	1.127	1.085

Table 6 Nonparametric Test on Resources Affecting CSR Initiatives

	Relationship with Bank	N	Mean Rating	Chi	df	Sig.
Statement 1	Customer	123	271.73	6.132	5	0.370
	Investor	103	284.33			
	Local Community	124	269.60			
	Employee	103	309.13			
	Manager	43	316.48			
	Management Thinker/Academician	67	317.58			
Statement 2	Customer	123	287.47	7.378	5	0.194
	Investor	103	300.27			
	Local Community	124	250.66			
	Employee	103	282.53			
	Manager	43	289.67			
	Management Thinker/Academician	67	296.14			
Statement 3	Customer	123	278.81	4.912	5	0.427
	Investor	103	260.86			
	Local Community	124	303.06			
	Employee	103	286.32			
	Manager	43	280.45			
	Management Thinker/Academician	67	275.72			
Statement 4	Customer	123	238.29	29.947	5	0.000
	Investor	103	242.23			
	Local Community	124	319.40			
	Employee	103	308.65			
	Manager	43	303.91			
	Management Thinker/Academician	67	299.15			

Statement 5	Customer	123	327.22	21.760	5	0.001
	Investor	103	255.67			
	Local Community	124	261.00			
	Employee	103	294.33			
	Manager	43	302.81			
	Management Thinker/Academician	67	246.02			
Statement 6	Customer	123	278.81	5.603	5	0.347
	Investor	103	260.86			
	Local Community	124	303.06			
	Employee	103	286.32			
	Manager	43	280.45			
	Management Thinker/Academician	67	275.72			
Statement 7	Customer	123	269.69	8.418	5	0.174
	Investor	103	260.14			
	Local Community	124	283.05			
	Employee	103	314.44			
	Manager	43	309.84			
	Management Thinker/Academician	67	305.24			
Statement 8	Customer	123	286.53	5.654	5	0.341
	Investor	103	256.28			
	Local Community	124	274.17			
	Employee	103	300.71			
	Manager	43	295.58			
	Management Thinker/Academician	67	290.22			
Statement 9	Customer	123	276.43	51.360	5	0.000
	Investor	103	200.51			
	Local Community	124	270.88			
	Employee	103	334.50			
	Manager	43	330.77			
	Management Thinker/Academician	67	326.06			
Statement 10	Customer	123	250.29	31.780	5	0.000
	Investor	103	233.67			
	Local Community	124	281.06			
	Employee	103	327.83			
	Manager	43	323.78			
	Management Thinker/Academician	67	318.98			

Table 7 Stakeholders Rating for Resources influencing CSR activities

Factor		Mean Score by Stakeholders						
		C	I	L	E	M	MA	Total
Corporate Governance	Dedicated team for CSR	3.67	3.71	3.84	4.10	4.09	4.30	3.90
	Budgetary allocation/planning	3.95	4.13	3.65	4.03	4.09	4.10	3.96
	Higher representation of women in top management	3.80	3.84	4.41	4.37	4.35	4.33	4.15
Stakeholders Involvement	Readiness of the local community to understand and cooperation	4.34	4.22	4.45	4.31	4.56	4.33	4.35
	Suggestion boxes in the banks	2.26	1.66	1.69	1.93	1.88	1.64	1.86
	Bank's frequent interactions with local community	4.34	4.22	4.45	4.37	4.35	4.33	4.35
Economic & Market Conditions	Longevity of the bank	3.79	3.94	4.09	4.37	4.37	4.37	4.10
	Stable economic conditions prevailing in the country	4.29	4.13	4.21	4.33	4.33	4.33	4.27
	Business collaboration	3.89	3.26	3.85	4.35	4.35	4.35	3.94
	Market segmentation	3.71	3.62	4.01	4.37	4.37	4.33	4.00

C: Customers; I: Investors; L: Local Community; E: Employees; M: managers; MA: Management thinker/ Academicians

Table 8 Hypothesis and Stakeholders Opinion

Number	Hypothesis	Nature of Response	Significant Difference	Results
H1	There is no significant difference among the stakeholders on the degree of agreement that appointment of dedicated team and budgetary planning greatly influence the CSR activities of the banks.	Agreement	No	Accepted
H2	Stakeholders of banks in Oman are having no significant difference on the degree of agreement that higher representation of women in top management	Agreement	Yes	Rejected
H3	Suggestion boxes kept in the bank helps the bank in its direction towards CSR.	Disagreement	Yes	Rejected
H4	Bank's frequent interaction with the local community and cooperation of the local community are acts as one of the resources to affect bank's societal quest.	Agreement	No	Accepted
H5	Longevity of the bank and stable economic conditions prevailing in the country acts as external resources that help the banks to spend more on CSR.	Agreement	No	Accepted
H6	Business collaboration and market segmentation directs the bank towards the CSR pursuits.	Agreement	Yes	Rejected
H7	Stakeholders in Oman give equal weightage to corporate governance, stakeholders' involvement and economic conditions as the resources affecting the CSR activities	Rating is not uniform	Yes	Rejected

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