

Economics and Ethics

Corporate Social Responsibility Orientation: A Case Study

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Abstract

The study on “Corporate Social Responsibility Orientation: A Case of Mutual Trust Bank Ltd.(MTBL)” consists of the literature review and interpretation of results found from the survey. MTB is definitely not one of the pioneers among the private commercial banks. MTB has spreaded its business in the fields of Corporate, Retail and Investment Banking. So far, the performance of MTB in these fields has been good enough and the business is growing successfully. 2008 has been quite a successful year for MTB as the organization did much better from the previous years. This proves that the organization is on the right path to becoming the benchmark in the banking industry. MTB wants to be famous for its retail banking facilities. It is continuously coming up with new deposit schemes to attract clients. Customers are regularly coming to deposit their funds in different schemes like Savings, Fixed deposit and Deposit Pension Schemes. MTB is continuously promising the clients with attractive rate and return policy on such schemes and the demand of MTB is increasing day by day. To attract more clients MTB has come up with the facilities of locker system. MTB is also earning more revenue, thanks to its investment banking policy. Clients of MTB are extremely happy with the investment banking system of MTB. Since MTB's EPS price is raising in the stock market that has further increased the Investment banking popularity. MTB has an efficient human resource department which is continuously working to encourage the employees and make them more efficient and productive. One of the main factors behind the success of MTB is its employees. MTB has created training facilities for such employees and because of that they are getting highly trained. Besides the foreign exchange branches of MTB are open on Saturday (Holiday), customers appreciate it a lot and as a result of that the operating profit of MTB is increasing day by day.

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1.1 Background of the study

This paper is entitled ‘Corporate Social Responsibility (CSR) orientation for the Mutual Trust Bank limited (MTB) Gulshan Branch . The reason for choosing CSR as research topic was that

CSR is directly linked with Marketing. CSR can help a company to create brand image through social awareness and also through advertising of that company. The actual purpose of CSR is to create positive characteristics of that company through socially responsibility.

1.1.1 Significance and importance of this study:

This study would be significant in a sense that it will be a practical example regarding the CSR for MTBL. This study will be helpful in realizing the MTBL current status regarding CSR, which will be helpful in attaining more profitability customer in context of CSR. This study will also be an encouraging issue to the banking sector and also students, in providing useful guidelines for the further study. Through this study the company will also get beneficiary message in arising and improve their CSR activities.

1.2 Concepts and Types of CSR:

The idea behind corporate social responsibility is that companies have multiple responsibilities to maintain. These responsibilities can be arranged in a pyramid, with basic responsibilities closer to the bottom. As a business meets lower-level responsibilities that obligate it to shareholders and the law, it can move on to the higher level responsibilities that benefit society. In summary, the total corporate social responsibility of business entails the simultaneous fulfillment of the firm's economic, legal, ethical, and philanthropic responsibilities. Stated in more pragmatic and managerial terms, the CSR firm should strive to make a profit, obey the law, be ethical, and be a good corporate citizen.

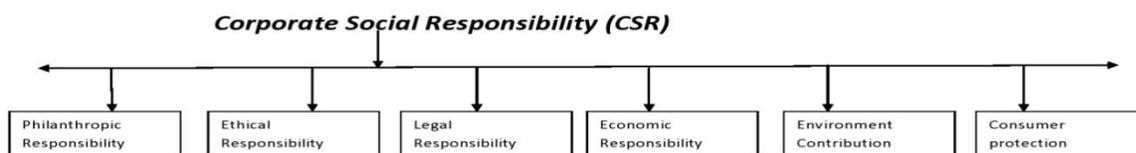


Figure 01: A chart consists of most commonly used CSR activities

This model is partially used or sourced from a previously done researched. This model was first made by Carroll & Shabana (2010), Kapoor & Sandhu (2010).

CSR consists of several responsibilities but among them these 6 carries most important and well known to the corporate sector around all over the world. Detail and explanation are given bellow, of this Six CSR.

They are:

- (a) Philanthropic Responsibility
- (b) Ethical Responsibility
- (c) Legal Responsibility
- (d) Economic Responsibility
- (e) Environment Contribution
- (f) Consumer protection

1.2.1 Philanthropic Responsibility:

Philanthropic corporate social responsibility involves donating funds, goods, or services to another organization or cause. For example, the local branch of a bank might donate money to fund the purchase of uniforms for a school sports team, or a health care company might donate to the city opera. Some critique organizational philanthropy for not being incorporated directly into an organization's core business plan. Philanthropic activity is not always tracked as part of social accounting, making it difficult for these efforts to be audited or held accountable to external benchmarks. Corporations increasingly hold charities accountable for the use of donations and for measuring performance relative to their mission. In general, philanthropy usually refers to organized donations by wealthy individuals or organizations to other charitable foundations or events, but can be used to describe any private action performed for public good. Anyone can be a philanthropist provided their actions or money are used for the good of society. Most philanthropic gestures occur over a longer period of time and are usually targeted to a specific purpose or in pursuit of a defined goal. For example, many organizations have promised specific amounts of money to organizations in Africa in order to fight the AIDS epidemic. Other large institutions, such as the Gates Foundation, have donated money to a variety of programs and organizations around the world in pursuit of furthering educational opportunities for everyone. Philanthropy encompasses those corporate actions that are in response to society's expectation that businesses be good corporate citizens. This includes actively engaging in acts or programs to promote human welfare or goodwill. Examples of philanthropy include business contributions to financial resources or executive time, such as contributions to the arts,

education, or the community. A loaned-executive program that provides leadership for a community's United Way campaign is one illustration of philanthropy. Communities desire firms to contribute their money, facilities, and employee time to humanitarian programs or purposes, but they do not regard the firms as unethical if they do not provide the desired level. Therefore, philanthropy is more discretionary or voluntary on the part of businesses even though there is always the societal expectation that businesses provide it.

1.2.2: Ethical Responsibility

Although economic and legal responsibilities embody ethical norms about fairness and justice, ethical responsibilities embrace those activities and practices that are expected or prohibited by societal members even though they are not codified into law. Ethical responsibilities embody those standards, norms, or expectations that reflect a concern for what consumers, employees, shareholders, and the community regard as fair, just, or in keeping with the respect or protection of stakeholders' moral rights.

In one sense, changing ethics or values precede the establishment of law because they become the driving force behind the very creation of laws or regulations. For example, the environmental, civil rights, and consumer movements reflected basic alterations in societal values and thus may be seen as ethical bellwethers foreshadowing and resulting in the later legislation. In another sense, ethical responsibilities may be seen as embracing newly emerging values and norms society expects business to meet, even though such values and norms may reflect a higher standard of performance than that currently required by law. Ethical responsibilities in this sense are often ill-defined or continually under public debate as to their legitimacy, and thus are frequently difficult for business to deal with. Superimposed on these ethical expectations emanating from societal groups are the implied levels of ethical performance suggested by a consideration of the great ethical principles of moral philosophy. This would include such principles as justice, rights, and utilitarianism.

The business ethics movement of the past decade has firmly established an ethical responsibility as a legitimate CSR component. Though it is depicted as the next layer of the CSR pyramid, it must be constantly recognized that it is in dynamic interplay with the legal responsibility category. That is, it is constantly pushing the legal responsibility category to broaden or expand while at the same time placing ever higher expectations on businesspersons to operate at levels above that required by law.

1.2.3: Legal Responsibility

Society has not only sanctioned business to operate according to the profit motive; at the same time business is expected to comply with the laws and regulations promulgated by federal, state, and local governments as the ground rules under which business must operate. As a partial fulfillment of the "social contract" between business and society firms are expected to pursue their economic missions within the framework of the law. Legal responsibilities reflect a view of "codified ethics" in the sense that they embody basic notions of fair operations as established by our lawmakers. They are depicted as the next layer on the pyramid to portray their historical development, but they are appropriately seen as coexisting with economic responsibilities as fundamental precepts of the free enterprise system. A company's legal responsibilities are the requirements that are placed on it by the law. Next to ensuring that company is profitable, ensuring that it obeys all laws is the most important responsibility, according to the theory of corporate social responsibility. Legal responsibilities can range from securities regulations to labor law, environmental law and even criminal law.

1.2.4: Economic Responsibility

Historically business organizations were created as economic entities designed to provide goods and services to societal members. The profit motive was established as the primary incentive for entrepreneurship. Before it was anything else, business organization was the basic economic unit in our society. As such, its principal role was to produce goods and services that consumers needed and wanted and to make an acceptable profit in the process. At some point the idea of the profit motive got transformed into a notion of maximum profits, and this has been an enduring value ever since. All other business responsibilities are predicated upon the economic responsibility of the firm, because without it the others become moot considerations.

It is subject to compliance with the law, build up a fair, safe and stable competitive industry and consistently create economic value through best professional operation for State, shareholders, employees, clients and the general public.

1.2.5: Environment Contribution:

Since the Brundtland Report was published in 1987 as a result of World Commission on Environment work, business and management scholars have been grappling with the question of how and why corporations should incorporate environmental concerns into their own strategies. Today many companies have accepted their responsibility to do no harm to the environment. An

earlier emphasis on strict governmental regulations has ceded ground to corporate self-regulation and voluntary initiatives. As a result the environmental aspect of CSR is defined as the duty to cover the environmental implications of the company's operations, products and facilities; eliminate waste and emissions; maximize the efficiency and productivity of its resources; and minimize practices that might adversely affect the enjoyment of the country's resources by future generations. In the emerging global economy, where the Internet, the news media and the information revolution shine light on business practices around the world, companies are more frequently judged on the basis of their environmental stewardship. Partners in business and consumers want to know what is inside a company. This transparency of business practices means that for many companies, CSR is no longer a luxury but a requirement. Anyone with children has a stake in future generations and the ability of the environment to support life. But environmental good practice is also about business efficiency - it's about the best use of valuable raw materials, and feeding the benefits of action straight through to the bottom line. The purpose of this CSR is mainly to support State industrial policies and environmental protection policies, conserve energy, protect and improve the natural ecological environment and support sustainable development of the society. With CSR activity, favorable changes need to be produced both within and outside the corporate environment. The favorable influence inside and outside the corporate environment means two types of performance: social performance of the CSR itself and corporate performance. A company needs to positively affect CSR activity in its core business (profit seeking business) in a broad sense, and pursue its corporate goals by attaining the social performance of CSR itself utilizing its core business resources and capabilities, and stakeholders, as well as designing CSR activity so that its resources and capabilities, and stakeholders can be expanded.

1.2.6: Consumer Protection

Customers are the lifeblood of every business, including both retail and business-to-business customers. Whether or not you think of customer satisfaction as a social responsibility issue, every business owner will think of it as a profitability issue! Time and resources put into understanding the customer perspective is always a good investment. Strong and effective customer relations can be the direct route to long term success. Listening to, and engaging, your customers are the first steps to building good customer relations. As a starting point, many businesses measure their customers' satisfaction to determine their expectations and assess their

experience, including such factors as service, price, quality, value, product or service experience, and broader social responsibility matters in order to improve their customer relations, foster goodwill and inform continuous improvement of the customer experience. Another good practice is to provide mechanisms for customer feedback via comment cards or a dedicated email address (customerservice@company.com). By effectively listening to your customers and acting upon their feedback you will get insight into customer needs and build customer loyalty. Engaged and satisfied customers are more likely to give you repeat business and recommend you to others. Customer trust is a critical success factor for any business. Research conducted by Edelman, a global public relations firm, shows that “trust and transparency are as important to corporate reputation as the quality of products and services. Building customer trust in your company and your products and services is the key route to building a successful business. Much of this trust centers on interactions with employees. Strong customer-employee relationships can build customer confidence. Companies can further nurture trust by seeking and acting on customer feedback to improve the company’s value proposition.

It bears considering general guidelines and standards which have been established for good consumer relations. For the retail customer, the UN has adopted a set of “Guidelines for Consumer Protection”, including:

- Protect consumers from hazards to their health and safety
- Promote and protect the economic interests of consumers
- Access to information to enable informed choices
- Provide consumer education, including education on the environmental, social and economic impacts of consumer choice
- Make available effective consumer redress and
- Promote sustainable consumption

1.3 Objectives of the Study:

- ✓ To give an overview of CSR in the banking sector
- ✓ To give an overview of MTBL, Gulshan branch with reference to CSR.
- ✓ To analyze the practice CSR by the branch.
- ✓ To suggest ways and means to improve the CSR at the branch level.

1.4 Methodology:

1.4.1 Variable Aspect of the Study:

In this study the Six (6) types or dimension of CSR were been discussed throughout the report.

- (a) *Philanthropic responsibility*: Most philanthropic gestures occur over a longer period of time and are usually targeted to a specific purpose or in pursuit of a defined goal.
- (b) *Ethical responsibility*: The business ethics movement of the past decade has firmly established an ethical responsibility as a legitimate CSR component. Though it is depicted as the next layer of the CSR pyramid, it must be constantly recognized that it is in dynamic interplay with the legal responsibility category.
- (c) *Legal responsibility*: Society has not only sanctioned business to operate according to the profit motive; at the same time business is expected to comply with the laws and regulations promulgated by federal, state, and local governments as the ground rules under which business must operate.
- (d) *Economic responsibility*: At some point the idea of the profit motive got transformed into a notion of maximum profits, and this has been an enduring value ever since. All other business responsibilities are predicated upon the economic responsibility of the firm, because without it the others become moot considerations.
- (e) *Environment contribution*: In the emerging global economy, where the Internet, the news media and the information revolution shine light on business practices around the world, companies are more frequently judged on the basis of their environmental stewardship. Partners in business and consumers want to know what is inside a company. This transparency of business practices means that for many companies, CSR is no longer a luxury but a requirement.
- (f) *Consumer protection*: By effectively listening to your customers and acting upon their feedback you will get insight into customer needs and build customer loyalty. Engaged and satisfied customers are more likely to give you repeat business and recommend you to others. Customer trust is a critical success factor for any business.

1.4.2 Data source of the study:

In this report the primary data were collected from two (2) sources, distinguished as part A & B.

Part A: The variable is complete census of 25 employee/people.

❖ **In part B:** The variables are 35 customers, selected using convenience sapling method.

Because $n > 30$, which is the standard in context of statistically. Reason for choosing this is mainly because of the limitation in time and financial.

Part A- Primary data: consists of the employee of MTB's only Gulshan Branch as respondent.

Census techniques were used as the respondent was 25 people which are the complete employee of that branch.

The distribution of the employee on the department basis:

- Manager: 1 employee
- Deputy Manager: 1 employee
- General Banking: 6 employee
- Cash: 4 employee
- Remittance: 3 employee
- Credit : 6 employee
- Smart Banking: 2 employee
- Internee : 2 employee

Research Method:

- ❖ Face to face interview was used in the method of data collection of Gulshan Branch employee.

Research Instrument:

- ❖ The research instrument used in the process of process was Questionnaire.
- ❖ Questionnaire was adopted from Carroll & Shabana (2010) on the topic of Philanthropic, Ethical, legal & Economic responsibilities and another from which questionnaire was adapted from *Sandhu & Kapoor (2010)* on the topic of Environment contribution.

Part B: Secondary data (Documentation analysis)

Because of all the result showed extremely positive, therefore the result arise several doubtful thought. To minimize that doubtful thought documentation were used, and therefore for reliability of data/documentation, the collection of data were collected from their Official website as a fact or supporting data to prove the result, even after discussing with the employee of that branch they also suggested that all of their CSR activities were recorded in their official website. Therefore, their official website was used in collecting the secondary data.

1.4.4: Analysis and processing of data:

1) Microsoft Office Excel analysis

2) Documentation analysis

To convert the quantitative data into quantitative form, six point Likert scale ranged from Strongly disagree to strongly agree were used. The ranges are as follows.

<i>Measuring Scale</i>					
<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Moderately Disagree</i>	<i>Moderately Agree</i>	<i>Agree</i>	<i>Strongly Agree</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>

1.5 Limitations of the Study:

There are some limitations in the study. The researcher tried to make this report as a part of the degree program and took only few customers perception because of time constraints. For financial constraints, the researcher took information only from branches of Gulshan, Dhaka city. Another limitation of this research is the inclusion of only one bank which is MTB. Different bank may have different response from the customers. As a result, the expansion of the number of the surveyed banks in any future study could improve the ability to generalize for more banks in the country. Further studies should include larger respondents because all customers are important to for realizing the perception affected by CSR.

Literature Review Related to CSR Practices

2.1 Literature review:

2.1.1 CSR and its definition:

“Everybody talks about society, but nobody does anything about it”. This very proverb has lost its cogency today. Organizations CSR approach has eradicated this making them social responsible one evolving from profit maximizing characteristics. To address the social problems or the problems of the stakeholders, the business community evolved a new approach in their business strategies named “Corporate Social Responsibilities (CSR)”. By definition, CSR is a process with the aim to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as

stakeholders. What does it mean for a corporation to be socially responsible? Academics and Practitioners have been striving to establish an agreed-upon definition of this concept for 30 years. In 1960, Keith Davis suggested that social responsibility refers to businesses' "decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest." At about the same time, Eells and Walton (1961) argued that CSR refers to the "problems that arise when corporate enterprise casts its shadow on the social scene, and the ethical principles that ought to govern the relationship between the corporation and society." Corporate social responsibility (CSR) is also known as social responsibility. Corporate Social Responsibility has gained much attention in recent years. The importance of CSR practices in sustainable business is inevitable throughout the world. CSR has been gaining its popularity throughout the world, nationally and internationally. Inter-connected events and its impact around the world are increasing the importance of Corporate Social Responsibility in order to "build sustainable business, which needs healthy economies, market and communities" (ASOCIO, 2004, p2).

2.1.2 Current trend of CSR in the literature review:

The role of business worldwide and specifically in the developed economies has evolved over the last few decades from classical „profit maximizing approach to a social responsibility approach, where businesses are not only responsible to its stockholders but also to all of its stakeholders in a broader inclusive sense. Because of global competitiveness and demand, the CSR practices and standards are being implemented in Bangladesh (Alimullah, 2006). Wise and Ali (2009) pointed out that CSR is still an evolving concept that enables corporate executives to create and apply self-determined policies to best meet the needs and demands of its stakeholders. Hackston and Milne (1996) used six categories: environment, energy, human resources, product and safety, community involvement, and other. A technique commonly used in social responsibility research to measure the significance of content is to count the number of words used to describe a particular issue (Hackston and Milne 1996). Wartick and Cochran (1985) depicted the evolution of the corporate social performance model by focusing on three challenges to the concept of corporate social responsibility: economic responsibility, public responsibility, and social responsiveness.

The issue of Corporate Social Responsibility had been addressed during recent several decades by the scholars from all over the world. It's specifics in Banks as they are active players on the

CSR field attracted particular interest of the researchers. So many authors as Melsa Ararat (2006), Amirul Afif Muhamat (2010), Zahidul Md. Islam (2012), Ismail A. Adelopo(2010) paid attention to some regional financial markets and their specifics of the CSR. On the other hand such scholars as Simona Mihai Yiannaki (2013), Emrah Arbak (2009), Allen Goss (2011), Gordon S. Roberts (2011), May Seitanidi (2008), & Andrew Crane (2008) addressed their research to some particular issues concerning implementation and functioning of the CSR in banking. Ukrainian researchers had not paid attention to this problem at all. To our point of view it would be interesting to analyze development and specifics of the CSR in banks globally, within the groups of countries different in geographical position, culture, traditions and level of economic development.

2.1.3 The issue and the prospective of CSR:

Corporate Social Responsibility was first noticed in the Anglo-Saxon world in 1950s with the idea of contributing societal welfare and environmental responsibility. As this management tool was very successful the message has spread around the world and is now a global business concept. Thus, the idea of corporate social responsibility is not new for these countries.

In all of these CSR journal is common in one thing that is, CSR. All of these journals show the importance and significance of CSR. The purpose of selecting these journals is mainly because these journals followed the purpose and theme same as the topic and dimension used in this report. The previous research done by several researchers helped me in preparing this report. All previously done report/journal is used as guidelines.

2.2 Geneses of the MTBL, an overall perspective of MTBL:

Registered Name of the Company Mutual Trust Bank Limited

Legal Form

The Company was incorporated on September 29, 1999 under the Companies Act 1994 as public company limited by shares for carrying out all kinds of banking activities with Authorized Capital of Tk. 38,00,000,000 divided into 38,000,000 ordinary shares of Tk.100 each.

Company Registration No: c38707(665)/99 on September 29, 1999

Bangladesh Bank Permission No. BRPD (P)744(78)/99-3081 on October 5, 1999

Registered Office: MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan 1, Dhaka 1212

SWIFT CODE: MTBL BD DH

Corporate Website: www.mutualtrustbank.com

2.3 Historical background:

The Company was incorporated on September 29, 1999 under the Companies Act 1994 as a public company limited by shares for carrying out all kinds of banking activities with Authorised Capital of Tk. 38,00,000,000 divided into 38,000,000 ordinary shares of Tk.100 each.

The Company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999. As envisaged in the Memorandum of Association and as licensed by Bangladesh Bank under the provisions of the Banking Companies Act 1991, the Company started its banking operation and entitled to carry out the following types of banking business:

- (i) All types of commercial banking activities including Money Market operations.
- (ii) Investment in Merchant Banking activities.
- (iii) Investment in Company activities.
- (iv) Financiers, Promoters, Capitalists etc.
- (v) Financial Intermediary Services.
- (vii) Any related Financial Services.

MTB Retail Savings Products

Product Name	Deposit Slab (If any)	Rate
MTB Inspire	Below BDT 0.1 million	6.00%
	BDT 0.1 million to less than BDT 0.5 million	6.50%
	BDT 0.5 million to less than BDT 1.0 million	7.50%
	BDT 1.0 million and above	8.50%
MTB Ruby	Day End Balance	Interest Rate
	Up to BDT 5 lac	5.50%
	Above BDT 5 lac and up to BDT 20 lac	5.75%
	Above BDT 20 lac	6.00%
MTB Senior	Below BDT 0.1 million	6.00%
	BDT 0.1 million to less than BDT 0.5 million	6.50%
	BDT 0.5 million to less than BDT 1.0 million	7.50%
	BDT 1.0 million and above	8.50%
MTB Junior	Day End Balance	Interest Rate
	Up to BDT 20,000	5.00%
	Above BDT 20,000 and up to BDT 50,000	5.50%

	Above BDT 50,000	6.00%
MTB Graduate	Day End Balance	Interest Rate
	Up to BDT 20,000	5.25%
	Above BDT 20,000 and up to BDT 50,000	5.75%
Privilege Savings	Above BDT 50,000	6.00%
	Day End Balance	Interest Rate
	Up to BDT 5 lac	5.50%
	Above BDT 5 lac and up to BDT 15 lac	6.00%
	Above BDT 15 lac and up to BDT 25 lac	6.25%
	Above BDT 25 lac	6.75%

Table OP2: MTB Retail Savings Product

MTB Loan Products

	Categories	Rates
1	Agriculture	13.00% (Highest) *
2	Term loan	a) Industrial
		b) Non-Industrial
3	Working Capital	14.00% (Mid Rate)
4	Export Finance (PC, ECC)	7.00% (Highest)*
5	Commercial Lending	16.50% (Mid Rate)
6.	Import finance	a) General
		b) Essential Goods (rice, wheat, edible oil, lentils, chickpeas, onion, date and sugar)
7.	Housing Loan:	a) Commercial
		b) Residential
8.	Consumer Credit	16.50% (Mid Rate)
9.	Lease Finance	18.00% (Mid Rate)
10.	Loan to Non-Banking Financial Institutions	16.50% (Mid Rate)
11.	Loan/ SOD against FDR of MTB 13	17.00% (Mid Rate)
		3.00% above FDR interest rate but not less than 14.00% P.A.
12.	SOD against FDR of other Banks	17.00% (Mid Rate)
13.	Loan/SOD against other Special Deposit Products of MTB	3.00% above deposit product interest rate but not less than 14.00% P.A.
14.	Auto Loan	16.50% (Mid Rate)
15.	Small Business Loan under SME	16.50% (Mid Rate)
16.	Others	17.00% (Mid Rate)

Table OP3: MTB Loan Products

2.4 Practice of CSR in Different Dimensions:

MTB is definitely not one of the pioneers among the private commercial banks. It has been in this industry for 12 years now and during these years MTB has spread its business in the fields of Corporate, Retail and Investment Banking. So far the performance of MTB in these fields has been good enough and the business is growing successfully. 2008 has been quite a successful year for MTB as the organization did much better from the previous years. This proves that the organization is on the right path to becoming the benchmark in the banking industry. MTB wants to be famous for its retail banking facilities. In its 12 years it contributed itself onto several Corporate Social Responsibility (CSR) activities. As being one of the reputed banks in Dhaka city means a lot, therefore contributing in CSR will help any bank to incise its reputation. MTB is no less, in its 12 years life its contributed mostly in Philanthropic responsibility which is indirectly related with Ethical, Legal & Economic responsibility, Environment contribution and the most important constraints Consumer protection.

Consumer protection is mainly the safety and security of its customer, MTB successfully maintained its consumer protection, keeping all confidential documents secret.

MTB even observes World Environment Day 2014, as CSR activities.

MTB decided to create a different department with other department in their head office for conducting CSR activities, showing how series they are towards CSR. For this reason CSR activities is calculated mainly on a overall basis rather than at a particular or branch. Only the legal responsibility can be followed or carried in the branch level. MTB is doing great and may be best in providing Legal responsibility, because they are keeping it secret by maintaining it as a confidential document.

3.0 Result and their interpretation

3.1 Data Analysis:

This chapter shows the result and interpretation of the survey data collected form primary source. From Table (3.1 to 3.5) are the results from the orientation of MTBL Gulshan Branch at the census respondent of 25.

Philanthropic responsibility:

Table 3.1 constraint of Philanthropic responsibility

Measurement Items	Mean/ Average	Standard deviation
This Bank supports art & cultural activities	6	0
Managers & Employee Support & participate In charitable activities	6	0
This Bank supports the activities regarding education	6	0
This Bank assists to enhance quality of life for other	6	0

In this table it can be observed that the employee/staff of MTB Gulshan branch thinks that MTB is strongly preferable on the Philanthropic responsibility of CSR. It shows to have an average of 6 and standard deviation of 0.

Ethical responsibility:

Table 3.2 Constraint of Ethical responsibility

Measurement Items	Mean/ Average	Standard deviation
This Bank operates in a manner consistent with expectation of societal and ethical norms	6	0
This Bank recognize and respect new ethical & societal norms	6	0
This Bank prevents unethical behavior in their organizational goal	6	0
This Bank make efforts to maintain the ethical & societal norms	6	0

In this table it can be observed that the employee/staff of MTB Gulshan branch thinks that GMTB is strongly preferable on the Ethical responsibility of CSR. It shows to have an average of 6 and standard deviation of 0.

Legal responsibility:

Table 3.3 constraint of Legal responsibility

Measurement Items	Mean/ Average	Standard deviation
This Bank operates in a manner consistent with expectation of government and law	6	0
This Bank obeys the rules & regulation of Bangladesh Bank	6	0
This Bank successfully performs the legal rules & regulation	6	0
The Bank meet up with the legal rules & regulation	6	0

In this table it can be observed that the employee/staff of MTB Gulshan branch thinks that MTB is strongly preferable on the Philanthropic responsibility of CSR. It shows to have an average of 6 and standard deviation of 0.

Economic Responsibility:

Table 3.4 constraint of Economic responsibility

Measurement Items	Mean/ Average	Standard deviation
This Bank mostly focus on maximizing the earning	6	0
This Bank is committed to profitability	6	0
This Bank has a strong competitive position	6	0
This Bank seeks a profitability business	6	0

In this table it can be observed that the employee/staff of MTB Gulshan branch thinks that MTB is strongly preferable on the Philanthropic responsibility of CSR. It shows to have an average of 6 and standard deviation of 0.

Environmental Contribution:

Table3.5 Constraint of Environmental contribution

Measurement Items	Mean/ Average	Standard deviation
This Bank practices recycle products like paper	4.88	0.27
This Bank invest in energy conservation	6	0.27

In this table it can be observed that the employee/staff of MTB Gulshan branch thinks that MTB is strongly preferable on the Philanthropic responsibility of CSR. It shows to have an average of 6 and standard deviation of 0.

Part B:

Because of all the result showed extremely positive, therefore the result arise several doubtful thought. To minimize that doubtful thought documentation were used, and therefore for reliability of data/documentation, the collection of data were collected from their Official website as a fact or supporting data to prove the result, even after discussing with the employee of that branch they also suggested that all of their CSR activities were recorded in their official website. Therefore, their official website was used in collecting the secondary data.

(a) Philanthropic Responsibility:

1. MTB signs MoU with Action Aid for building a school at Char Montaz in Patuakhali

2. MTB Bravery award for Late LIACOT ALI
3. MTB Contributes BDT 1 core to PM's Relief Fund for supporting the Families Affected by Savar Tragedy
4. MTB Donates House Building Material for rebuilding of Damaged Houses of the Families affected by the Tornado at Brahmanbaria.
5. MTB Honors the wife and children of late Hazrat Ali
6. MTB provides Yearly Contribution to 2 Families affected by the BDR Carnage.
7. MTB signs MoU with The Daily Star to distribute 1000 copies complimentary for 1-year to meritorious students of University of Dhaka
8. MTB distributes Clothes to Orphans in Dhaka
9. MTB made yearly contribution to two families affected BDR Carnage.
10. MTB distributes Winter clothes to poor Madrasa Student of Rampura, Dhaka
11. MTB distributes winter clothes to cold Hit people of Remote Village of Jessore.
12. MTB distributes winter clothes to cold Hit people of Remote Village of North Bengal.
13. MTB extends Financial Grants to Underprivileged Children.
14. MTB distributes Blankets to cold Hit People.
15. MTB distributes Blankets to cold Hit People in North Bengal.
16. MTB Co-Sponsors 11th South Asian Games Dhaka 2010
17. MTB celebrates 10th Founding Day with Blood Donation program.
18. MTB Distributed Iftar among Orphan and Disadvantaged people
19. MTB donates TK 1.00 Million To Prime Minister's Relief & Welfare Fund for the Victims of Cyclone Alia.
20. MTB donates folio of paintings titled "Our Liberation War: Down the Path of History" to Liberation War Museum
21. MTB donates 10,000 books on moral values to the school wing students of Viqarunnisa Noon School & College

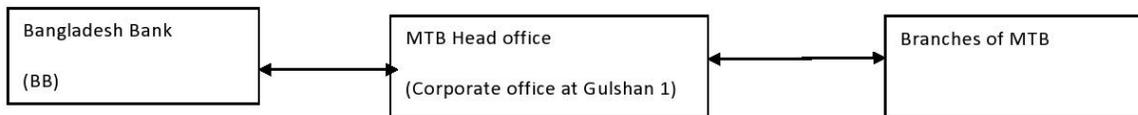
(Source: MTB website)

(b) Ethical Responsibility

1. MTB Contributes BDT 1 Core to "Prime Minister's Relief Fund
2. MTB donates Tk. 25.00 lac to Prime Minister's Relief Fund. (Source: MTB website)

(c) Legal Responsibility:

As MTB consider rules and regulations to be very important and protection of the confidential information is very strict. The safety of all the confidential document are considered to be their rules and regulation. Therefore the observation techniques were used in the analysis process.



Only the Bangladesh Bank (BB) has the right in creating or making a new rules or modification of the existing rules. Whenever a new rules were issued by the Bangladesh Bank (BB), BB sent a letter or confirmation with all the related necessary document or paper for the new expanded or revised rules and regulation to the corporate or head office of Mutual Trust Bank (MTB) situated at Gulshan-1, Then the MTB Head office management team processed it into the form of circular.

(Circular is a paper or page where all the update were shown for the easiness to access, Internal circular are something that only the employee can view as they need to view through her RM code only). That circular paper were sent or publish to the website of MTB, which can only be view through the RM code given by Bank, as like a Personal Home page. Then the employee strictly follows it, as their duty.

(d) Economic Responsibility:

The Company was incorporated as a Public Limited Company in 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the Authorized Share Capital of the company is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each.

The Company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999. As envisaged in the Memorandum of Association and as licensed by Bangladesh Bank under the provisions of the Banking

Companies Act 1991, the Company started its banking operation and entitled to carry out the following types of banking business. (Source: MTB website)

d)Environmental Contribution:

1. MTB observes World Environment Day 2014

(Source: MTB website)

(e) Consumer Protection:

At MTB, we believe in providing the best of services to our customers. We provide customers with easy access to information, products and services, as well as the means to get their grievances redressed. If you have a grievance, please feel free to contact to our Complaint Cells:

Part B: Primary Data

A short questionnaire was used to draw out the perception of the customer, regarding the consumer protection performed by the MTB. Where a 4 question were used, with the sample size of 35 customers, selected on the basis of convenience sampling method.

Consumer contribution:

Table 3.6 Constraint of Consumer Protection

Measurement Items	Mean/ Average	Standard deviation
This Bank make efforts to improve product quality	4.97	0.91
This Bank settles customer’s complaints quickly	5.25	0.77
This Bank practices product improvement by customers requirements	5.27	0.77
This Bank make efforts to improve customer service	5.34	0.79

In this table it can be observed that the customer of MTB gulshan branch thinks that MTB has an average of 5.34 maximum and minimum of 4.97 of CSR and has a standard deviation of maximum 0.97 and a minimum of 0.77 of CSR. In this table it’s a positive sign of between

moderately agree and agree (4: Moderately agree, 5: Agree and as its 4.97), and a maximum, which is between agree and strongly agree (5: Agree, 6: Strongly agree and its 5.34)

4.0 Summary of findings, Recommendation s and Conclusion

4.1 Summary of Findings:

After analyzing on chapter 3, it could be said that MTBL performs CSR well; their employee thinks this bank's performs CSR pretty good. According to the orientation result all the employee are happy as their bank's CSR performance. This is a good thinks as they will be motivated on providing better and best service to the customer.

MTB is one of the reputed bank in Dhaka city, it kept it reputation while incising the number of the branch and ATM booth, which is lot to manage.

But the MTB is still kept its promise on providing better banking service to the people.

4.2 Recommendation:

After doing the Internship on MTB, the attention i gather, the information and the place or work, that was observed on my three months there could suggest about their performance. MTB is one of the reputed banks in Dhaka city; it's already opened 104 Branch, which is a lot for a bank to operate keeping its reputation intact. The Company was incorporated as a Public Limited Company in 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the Authorized Share Capital of the company is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each.

There are a few suggestions which gave to MTB.

They are:

- (i) The MTB could do some advertising on the CSR awareness,
- (ii) To aware the customer as CSR is very important to both the Customer and the Bank,
- (iii) To increase the CSR activities in the lowest expenditure as much as possible

4.3 Conclusion:

According to the result, it could be said that MTB is successfully performing the activities of Corporate Social Responsibility (CSR) according to the rules and monitoring system of Bangladeshi Government. Therefore, according to the documentation, it could be said that MTB performs mostly Philanthropic Responsibility which is indirectly related with other CSR responsibility like Ethical, Legal, Economic, Environmental contribution & Consumer protection. The MTB has a particular special department of CSR, performing various CSR every year.

. On the documentation, it showed MTB performed of 24 CSR activities on the field of Philanthropic, Environmental, and Economic responsibility. & Ethical responsibility, other two responsibilities consisted of Consumer Protection & Legal responsibility which failed to show any document ..& by observation techniques it was found that MTB follows a strict rules and regulation, where the distribution of Legal regulation is strict,.

According to all the result anticipated and seeing the documentation it could be said it's proven that MTB performs the attributes related with CSR. Dividing all its types discussed in this report. Even MTB contributes a high amount of expenses every year on the CSR activities.

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