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EXPLORING THE IMPACT AND INTERVENTION OF GOVERNANCE CULTURE ON CSR PRACTICES OF SELECTED INDIAN BANKS

Dr. Shivangee Tiwari*
Prof. RC Dangwal**

ABSTRACT

Purpose

The paper aims to explore the impact of governance attributes and cultural commitment on CSR reporting practices of public, private and foreign banks in India.

Design/Methodology/Approach

Sample 15 (public, private and foreign) banks were selected using market capitalisation. CSRRP index is prepared using content analysis. Kuruskall-Wallis and Mann Whitney U test has been applied to test the significance between governance attributes (GA), corporate culture (CC) and corporate financial performance (CFP) with respect to level of corporate social responsibility reporting practices (CSRRP). Multi-collinearity test was used to test the collinearity between independent variables and multiple regression was employed to test the relationship between independent and dependent variables.

Findings

Governance attributes have a strong predicting power on CSRRP due to increased ratio of non-executive director and presence of women on bank board. However, there is a significant negative relation between employee turnovers as a proxy of cultural commitment on CSRRP. Further, the finding reveals significant difference between GA, CC and CFP with respect to level of CSRRP in private and foreign sector banks.

Research Limitations/Implications

The data covers a five-year period of 2014-15 to 2018-19. The paper deals with secondary reports as it brings more accuracy than primary research.

Practical Implications

The paper indicates governance attributes are responsible for greater CSRRP. However, financial figures are not always the reason for good CSRRP. Bank with low financial performance also performs good reporting practices.

Originality

Distinct from the previous empirical research as the impact of employee turnover rate as a proxy of cultural commitment has never been checked in previous literature with governance attributes and financial figures on CSRRP of Indian public, private and foreign banks.

Keywords: *Governance, Culture, CSR Reporting Practices Index, Public, Private & Foreign Banks*.

Introduction

Corporate social responsibility has captured a convincing agenda among different business communities. The new philosophy of CSR leaves the ground of philanthropy and charity; now check in with corporate responsiveness and sustainability. In order to built consolidated prospective response for allocating sustainable business policy for its stakeholders and good governance the CSR turns into corporate citizenship. The day to day scams and corporate crisis made alterations not in the life of non-

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* Assistant Professor, Babu Banarasi Das Institute of Technology and Management, Lucknow, U.P., India.
** Dean, School of Commerce, HNBGU, Srinagar Garhwal, Uttarakhand, India.

financial companies but social performance of financial corporations are also affected with these scandals. So, there is an immediate requirement to explore national attributes of CSRRP in banking industries, including the innovations which cook under such circumstances. The concept of CSR has been developed in 1917 by Henry Ford. Then, in 1953 Davis developed the concept of CSR with his first scientific paper known as "social responsibility of a businessman" (Falck & Heblick, 2007). After that many prominent authors (Bomen, 1953; Davis, 1960; Friedman, 1970; Davis & Blumstrom, 1975 and Epstein, 2002) defines CSR with different concepts and themes. Since then, CSR has become the subject of substantial inspection and debate among researchers, academicians and practitioners (Ibrahim & Angelidis, 1993). Moreover, the question of CSR further argued that corporations are not only having economic responsibility to maximise its profit or legal regulations to follow the rules and postulates, but they also have ethical responsibility that include a variety of cultural norms and standards (Caroll, 2000).This was the period when the controversies on CSR touch the sky with increasing globalisation and international trade practices. The term concluded with increased business trouble and new petition for accountability and corporate citizenship (Jamali & Mirshak, 2007).

Many authors termed CSR initiatives are like an insurance guard against business uncertainty (Godfrey etal. 2009). CSR principles not only grease sales growth but also effect the investment and employment segment of the corporation (Sen et al., 2006). Companies where the CSR ratings are high are the principal gainer of sustainable competitive advantage developed in human capital. The advanced CSR ratings attract more and better employees than corporations with poor CSR rating (Carmeli, 2005; Turban& Greenings, 1997). In addition, the prime aim of CSR is to guarantee that corporations are liable to all internal and external stakeholders. Accordingly, in order to chase significant development and to achieve a good corporate standing in a viable market companies are tying knots with more CSR disclosures and reporting practices. Many practitioners defined CSR is about following some strict rules with voluntary social responsibilities which returned with high stature and performance. They define CG as a weapon which prevents illegal actions of companies' stakeholders. Where by corporate social responsibilities prevent actions which are legal but inappropriate (Beltratti, 2005; Winberge & Randolph, 2004). Although, CSR is related to corporate governance and corporate culture on some aspects it is nevertheless distinct (Winberge & Randolph, 2004).It is more extended in a view that culture is a dilemma of CSR where the issues of organisational commitment provide channels for employee's turnover (Schwepher, 2001). In addition, if the governance is strict then CSR shows wonder. If the CSR flourish wonder, then culture of that corporation defines purity.

Governance, Culture and CSR in Banking Industry: Conceptual Intervention

Banking system in India is driven from the factors of credibility, money as a business subject and by the structure of conventional balance sheet (Belas, 2010). Banks are not just accepting deposits and lending money but with these activities they have some social responsibility and cultural commitments. In order to confirm the inclusive growth, economic and social development Government of India (GOI) provides mandatory and landmark CSR regulations for all companies. India is among one of the fast-developing county in world which u/s 135 of companies act, 2013 provides mandatory statutory provisions for CSRs pending. All the company having net worth of Rs. 500 Crore or more, a turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during any financial year check in with CSR initiatives in their business operations.

Even though, several years ago the banking corporations have no concern for environmental sustainability, variations in social principles raises questioning on the structure of banking industry as well their role in environmental protection and sustainability (Carroll, 1979).CSR is necessary for each business sectors. But the banks must be more conscious to CSR because the banking industries include a multiplebody of individuals (Achua, 2008). Banks are habitually turbid, rather than transparent, in corresponding to other financial institutions. This turbidity can easily dress the real problems (Awotundun, Kehinde, & Somoye, 2011). Further, we observed conflicting relationship between governance, culture and CSR. If we will guise at small view it concerns the relationship of company to its shareholders under some cultural phenomena and the area of wealth enlargement will derive into play. Whereas if we will look at a larger side the company is straight related to the society at large and nourishing the extensive group of stakeholders. CSR on the other hand can be regarded as increment of business moralities and values.

Nevertheless, it can be clinched that CG, Culture and CSR are interweaving, and it is highly difficult to make them separate. The corporate who have well-rounded CG agenda in place, perhaps captivating most CSR issues and vice versa. In light of the recent overhauling and amendment in the laws related to corporate governance, corporate culture and corporate social responsibility reporting practices in India, corporate governance is needed to incorporate and manage CSR in corporate policy, practices and reporting whereas culture protect legal negative actions towards its stakeholders. However, it's exciting to perceive how the communal panels are talking the issue and making the CSR expenditure in the larger interest of society, environment and economic sustainability. In addition, how the cultural commitment increases employees turnover rate and what type of association built under these phenomena. If the profitability of corporations touches the sky, then the CSR also shows unbelievable increment. Social responsibility of the banks need increased professionalism for those who are working in the financial sectors, a strong focus on compliance with the code of ethics, verification of employee's capabilities and principles of governance focus on stakeholder's interest and co-operation with social institutions (Graofland & Vande Ven, 2011).

From the above submitted arguments on Governance, Culture, CSR and banking sector there is an immediate need to explore such relationship which not only raised sustainability but enable helpful societal modification. The present study is designed to extend the earlier work on the theme and to study the influence of corporate governance, corporate culture and corporate financial performance on CSR reporting practices of selected banking companies. In addition, the paper enables the banking regulators to know the intervention of cultural commitment and governance attributes on the business of good citizenship.

Literature Review

Several studies have been carried out on the various aspect of working and implementation of corporate social responsibility reporting practices in India. A concise review of these studies is presented in the following paragraphs to identify the significance of the present study.

Governance Attributes and CSRR

Governance is like a weapon in the hand of stakeholders. Some of the relevant definitions given by prominent authors on corporate governance such as " the process by which corporations are made responsive to the right and wishes of stakeholders" (Demb & Neaubauer, 1992), "the system by which companies are directed and controlled" (Cadbury &Books, 2002) and "procedure and process upon which company is directed and controlled" (OECD). The presence of women on board, non-executive directors shows some kind of association with CSRRP. Studies from previous literature and most of the CG theories give a positive hallmark on such association. (Mangel & Singh 1993, Pearce & Zahra 1991, Kalpan & Reishus 1990) suggested that non-executive directors have an active and influencing role on organisation CSR activities. The relation between CSRRP and non-executive directors has a significant relationship remarked by (Eng & Mak 2003). One of the study conducted on banking industry shows positive and significant relationship between voluntary disclosure and non-executive director on board (Hossain & Reaz 2007).Number of studies conducted to test the association between women on board and CSRRP shows positive relationship (Harjoto, Laksmana & Lee 2015). Board size and women on board shows a significant positive relationship with CSR disclosure practices of six listed food product firms in Nigeria, Aminu and Muhammad (2015) reveals these findings by using multiple regression analysis. The finding of the paper further shows that managerial ownership shows a significant negative effect on CSR. Moreover, board independence indicates an insignificant association with CSR. However, Size (control variable) reveals negative association with CSR disclosure practices. By using multiple regression analysis Majeed, Aziz and Saleem (2015) examined the impact of CG elements (board size, independent director, foreign nationalities, institutional ownership, firm size, profitability and women on board) on CSR disclosure levels of Pakistani companies for the period 2007-2011. The findings reveal that overall CSR reporting by Pakistani companies are at medium level. The study shows positive and significant impact of ownership concentration, firm, board size, institutions ownership and size on CSR reporting. The finding also denotes contrary association between the women and foreign director's representation in the board. Moreover, finding also suggests that auditing of the organisations CSR activities proves good corporate citizenship. On the other side most of the empirical papers investigated the association between presence of women in the boardroom and CSR performance. Higher CSR Performance is related with the greater presence of women on board room (Webb, 2004; Zhang, Zhu, & Ding, 2013; Bear, Rahman, & Post, 2010). Hafsi & Turgut (2013) reveals the similar findings and conclude that gender diversity stamped proficiency in social dilemmas.

Cultural Commitment and CSRR

Legitimacy theory explains the effect of culture on CSR reporting of the companies. Employee turnover has been taken one of the components from cultural issue. If the culture of the organisation is good and strong the employees of that company tries to complete more tenure with that firm instead withdrawing or leaving. Companies with highest CSR reporting practices attract their employees or let go the results on these issues is inconclusive and mixed in past. Galbreath (2015) evaluated the non-financial association of CSR with Employee turnover. On the other hand the author found positive association between CSR and FP. Comparing effect of CSR between harmful and non-harmful industry, Yoo and Chon(2015) observed the effect of CSR on employees turnover rate. The study instituted that employee turnover is the serious concern for harmful industries than non-harmful industries. The findings of the paper reveal that companies with highest ratio of CSR activities have strong bond with its employees. Afridi, Kakakhel and Qamer (2015) discovered the impact of CSR on employee turnover in the public sector University of Khyber Pukhtun Khwa. The results show that CSR and Turnover has a significant and weak correlation. The findings also bring a platform for mapping out policy for implementing CSR to achieve sustainable growth in public sector Universities with reducing employees' turnover rate. By using questionnaire as research instrument on 250 employees of the bank, the author further recommends that United Bank of Africa should take employees in decision making approaches. The finding also shows that CSR levels are directly related with employee's participation.

Financial Performance and CSRR

Financial Characteristics has been pointed out by many researchers to be another influential element in the process of corporate social responsibility reporting practices. Following the findings of previous studies Mwangi and Jerotich (2013) tries to establish the association between CSR and financial performance. The multiple regression analysis was done and CSR score has been measured by using content analysis. Capital intensity and manufacturing efficiency has been taken as control variable. The finding shows presence of association between independent and dependent variables. The result also denotes insignificant positive connection between CSR and financial performance. However, manufacturing efficiency and financial performance have a significant linear inverse relationship. Classification of countries was conducted by using cultural dimensions of GLOBE (2004). The hypothesis was tested through meta–analysis. The findings show that the home-based companies have a diminishing connotation with FP and CSR. However, the authors concluded that countries like Australia, Canada, USA and the United Kingdom the association is stark and large but in Japan, there is no relationship. By using ROA and ROE as financial indicator, EPS and stock price as shareholders wealth, Mujahid and Abdullah (2014) examined the influence of CSR on FP and Shareholders Wealth in Pakistani's Companies. Thus, the results showed positive and significant relationship between CSR and FP. The results also depict positive association of shareholders wealth with CSRR. Most of the studies was conducted to investigate the significant association between financial performance and CSR of banks. There are 122 published studies found on CSR and FP between 1971 and 2001 (Margolis & Walsh, 2002).Moreover, the empirical analysis has been performed and reported positive association of FP with CSR (Lee & Douglas, 1997; Simpson & Kohers, 2002; McWilliams &Siegel, 2000; Marc et al., 2003; Allouche & Laroche, 2005; Wu, 2006; and Margolis et al., 2007).Accordingly, the above view further extends that long term sustainability and profitability of a bank is the result of regular CSRRP (Ahmed et al., 2012).

Literature Gap

The literature denotes that large number of studies on CSR, governance, culture and financial figures carried out in developed and developing countries in different sectors. The effective results between governance, culture with CSRRP is missing in Indian banks. The paper is contribution to existing literature and helps the managers to recover its turnover rates and implement CSR under broad align. Further, the paper brings type of intervention between four selected themes i.e. corporate governance attributes corporate cultural component, corporate performance and corporate social responsibility reporting practices. Number of studies investigated the relationship between two or more of the four variables. But no single study has discovered the effect of each selected theme on CSRRP of Indian banks. Accordingly, the study efforts to seal the slit in the current literature in terms of CG, culture, financial performance and CSRRP.

Research Objectives

- To explore and analyse the intervention of governance and culture on CSR reporting practices of public, private and foreign banks in India.
- To examine the difference in CSRRP of selected sectors with respect to governance attributes, cultural commitment and financial figures.

Research Hypotheses

H_1: Banks with highest number of Women on Board are more socially responsible.

H_2: Banks with highest number of Non-Executive Director are more socially responsible.

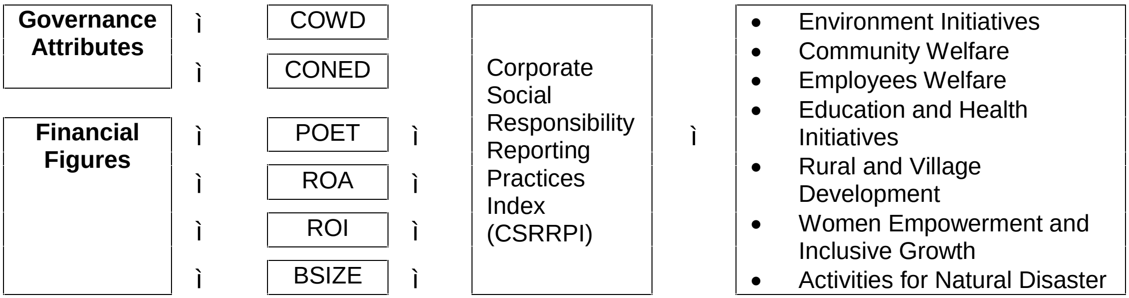
H_3: Banks with highest number of Employee Turnover Rate are more socially responsible.

H_4: Banks with highest Bank Size are more socially responsible.

H_5: Banks with highest percentage of Return on Assets and Return on Investment are more socially responsible.

H_6: All three banking sectors show no difference in CSRRP with respect to selected variables.

Conceptual Framework of the Study



Research Methodology

Sample Size and Data Source

The paper used the sample size of 15 (SBI, PNB, BOB, CBI, Canara Bank, HDFC, ICICI, City Bank, Laxmi Vilas, Karnataka Bank, HSBC, SCB, RBS, City Bank N.A. and BOA) Indian public, private and foreign sector banks. The data involves the investigation of annual reports for five years (2014-15 to 2018-19). The reports were taken from the websites of selected banks, money control and ndtvprofit.com. The CSR reporting may be done through several mediums such as an internet, newspaper, media and separate sections of CSR from the websites of sample banks. The study focused on the annual report because of its comprehensive nature and a primary medium for CSR reporting practices.

Dependent Variable

The degree of CSR reporting practices index is the model's dependent variable. In order to calculate its level in the selected banks the checklist comprises of seven reporting items based on ISO 26000 and from Previous studies has been prepared. ISO 26000 is the designation for future international standard formulated by the ISO for social guidelines followed by all public, private and foreign banks in India. The future ISO 26000 will distil globally a relevant understanding of what social responsibility is and what organisations need to operate in a socially responsible way. Lastly, the study follows the dichotomous scoring procedure by assigning one if the item is disclosed and zero if not. The study sums the total number of items actually disclosed in each year annual reports and divide this number by the maximum number of the checklist item to get the ratio of CSR reporting by applying the following equation:

$$CSRD_{it} = \frac{\sum \text{Actual Items Disclosed}_{it}}{\text{Maximum Checklist Item}}$$

Table 1: Checklist Items of CSR from ISO 26000 and Literature Review

A: Contribution to Environment Sector
• Large Use of Green Initiatives
▪ Efforts for Conservation and Cleaning up of Environment
▪ Adoption of Garden and Parks
▪ Tree Plantation Ceremonies
▪ Promotion and Use of Non-Exhaustible Source of Energy
▪ Promoting Environmental Awareness Programmes
▪ Supporting Actions raised for Environment Protection by Public or Private Bodies

B: Contribution to Education and Health Sector • Vaccination Projects ▪ Free and Compulsory Education ▪ Establishment of Health Care Centre ▪ Sponsoring National and International Games/Sports/Educational Seminar ▪ Funds for Cancer Rehabilitation Centre ▪ Financial Assistance to Schools and Colleges ▪ Creation of Stipend Reserves Account for other Activities
C:Contribution to Employees Welfare • Cost of Employees Safety Measure ▪ Benefits for Employees ▪ Training Programs for Employees ▪ Information about Maternity and Paternity Leave/Mother Healthcare Centre/Accommodation/ Family ▪ Career Planning and Development Programs ▪ Labour Welfare Schemes • Social Security Pensions
D:Contribution to Rural Development • Donation to Agriculture sector ▪ Adoption of Villages • Financial Assistance to Poor Farmers ▪ Financial Assistance to Small Village Industries ▪ Financial Assistance for Agriculture Equipment ▪ Activities at the time of loss of Agriculture Fruits ▪ Opening Branches in Rural Areas
E:Assistance to Community Welfare • Assisting Families of Soldiers died in wars • Old Age Homes • Preservation of Historical Places ▪ Meeting and Fulfilling Basic Requirements of Self Help Group ▪ Helping Hand for Socially Challenged Persons ▪ Rehabilitation Centres ▪ Other Community and Development Initiative
F:Activities for Natural Disaster • Financial Assistance at the Time of Natural Disaster ▪ Jobs Part Time/Adhoc • Donations for Rehabilitation Work for Persons Suffered from(Earthquakes/Floods/Soil Erosion) • Opening Rehabilitation Shelter • Provisions For Fooding and Living Facilities • Free Medical Treatment and Assistance • Other Specific Activities
G: **Activities for Women Empowerment and Inclusive Growth** • Spread of Education for Girl Child and Women • Adoption of Girl Child • Financial Assistance to Women Entrepreneur ▪ Protection to Girl Child ▪ Overcoming Adversities and inequalities ▪ Hostels for Women and Orphans ▪ Promoting Gender Equality

Source: Literature Review &GRI

Independent Variables

The study boons a inclusive expanded set of six independent variables to explore diverse CSR reporting determinants. The first three are composition of women director, composition of non-executive director (governance attributes) and percentage of employee turnover (cultural commitment). The other variables are corporate characteristics presented as control variables ROA, ROI and bank size.

Table 2: Explanations and Measurement of Variables

Variable Type	Name	Explanation	Calculation
Dependent	CSRRPI	Corporate social responsibility reporting index	The ratio of CSR items disclosed by a firm i for the year t to the maximum number of social disclosure items in the prepared checklist.
Independent	COWD	Composition of women directorship	Percentage of women director to total directors on the board.
Independent	CONED	Composition of non-executive director	Percentage of non executive director to total directors on the board.
Independent	POET	Percentage of employees turnover	To calculate Greg's rate of employee turnover for the year, divide the no. of employees who left during the year, by the average no. of employees during the year, multiply by 100.
Control	ROI	Return on investment	Net profit/cost of Investment, multiply by 100.
Control	ROA	Return on assets	It is a substitution for corporate performance, which is the ratio of total net income to the total assets of the firm i and the year.
Control	BSIZ	Bank size	The natural logarithm of total assets of the firm i during the year.

Kruskalwallis and Mann-Whitney Test

The Kruskal-wallis and Mann-Whitney U test has been used to test the significant difference on CSRRP of selected banking sectors with respect to governance attributes, cultural commitment and financial figures.

Empirical Equation

Multiple regression analysis is used in this article to interrogate the relationship between CSR reporting practices index and independent variables. The regression assumptions were tested for multi-collinearity based on correlation matrix as well as Variance Influence Factor (VIF). The collinearity test is applied by using SPSS.

The empirical equation is:

$$\mathbf{CSRRPI = \beta0 + \beta1COWD + \beta2CONED + \beta3POET + \beta\ 4ROA + \beta5ROI + \beta6BSIZ + e_i}$$

Empirical Analysis and Results

Corporate Social Responsibility Reporting Index

The reporting index has been prepared by adding each reported item in a particular year under all seven heads of CSRRPI summarised in **table 3** separately for each selected bank**.**

Table 3: Lists of Banks Included in the Study and Number of CSR Items Reported by Each Bank.

Sl. No	Indian Banks	No. of items reported in 2019	No. of items reported in 2018	No. of items reported in 2017	No. of items reported in 2016	No. of items reported in 2015	Total Reporting in 5 years 2014
1	SBI	35 (24.30)	32 (22.22)	23 (15.97)	25 (17.36)	29 (20.13)	144 (28.80)
2	PNB	23 (20.35)	21 (18.58)	28 (24.77)	29 (25.66)	12 (10.61)	113 (22.6)
3	BOB	25 (26.04)	21 (21.87)	21 (21.87)	18 (18.75)	11 (11.45)	96 (19.2)
4	Canara Bank	20 (24.09)	19 (22.89)	15 (18.07)	14 (16.86)	15 (18.07)	83 (16.60)
5	Central Bank	22 (26.50)	23 (27.71)	16 (19.27)	12 (14.45)	10 (12.04)	83 (16.60)
6	HDFC	20 (25.64)	18 (23.07)	13 (16.66)	11 (14.10)	16 (20.51)	78 (15.60)
7	ICICI	31 (28.44)	33 (30.27)	22 (20.18)	10 (9.17)	13 (11.93)	109 (21.8)
8	City Bank	19 (21.59)	17 (19.31)	19 (21.59)	21 (23.86)	12 (13.63)	88 (17.60)

9	Karnataka bank	18 (20.22)	18 (20.22)	15 (16.85)	19 (21.34)	19 (21.34)	89 (17.80)
10	LaxmiVilas Bank	19 (20.87)	21 (23.07)	17 (18.68)	18 (19.79)	16 (17.58)	91 (18.20)
11	HSBC	16 (17.98)	23 (25.85)	21 (23.60)	17 (19.10)	12 (13.48)	89 (17.80)
12	City Bank N.A.	18 (19.56)	20 (21.74)	19 (20.65)	16 (17.39)	19 (20.66)	92 (18.40)
13	Royal Bank of Scotland	19 (19.19)	24 (24.24)	20 (20.20)	21 (21.21)	15 (15.15)	99 (19.80)
14	Standard Chartered Bank	20 (25.97)	18 (23.37)	16 (20.77)	11 (14.29)	12 (15.58)	97 (19.40)
15	Bank of America	21 (25.30)	15 (18.07)	19 (22.89)	18 (21.68)	10 (12.04)	83 (16.60)

As shown in the table 3, the average reporting practices of each bank in a current year measured by dividing total number of practices in five-year tenure. The calculated average value defines that SBI (28.80), PNB (22.60) and ICICI (21.80) is the principal player in CSRRP whereas lowest score gained by HDFC (15.60). On the other side, BOA, Canara bank and Central bank are stand with the same range of (16.60) represents banks need strict regulations on the ground of good corporate behavior. It is further observed that sample banks show significant difference in their reporting criterion and initiatives in all five years.

Statistical Characteristics of Variables

The SPSS 23 has been used to analyse the statistical characteristics of selected variables. The selected data for the variables were conquered from financial reports, CSR reports and GBRI of selected banks as summarised in the **Table 4.**

Table 4: Descriptive Statistics

	Min.	Max.	Mean	Std. Deviation	N
CSRRPI	0.14433	0.8444	0.4911144	0.1888173	42
Governance Attributes					
COWD	1.00	0.16	0.53794444	0.6556144	42
CONED	0.00	0.13	0.7689143	0.4789310	42
Cultural Commitment					
POET	0.006	0.9518	0.2347716	0.3373729	42
Financial Figures					
ROA	0.05	0.894	0.6459072	0.4871777	42
ROI	0.0633	0.7345	0.5185502	0.3219407	42
BSIZ	4.9494	8.46	6.429127	0.8862731	42

As shown in the table 4, that corporate social responsibility reporting practices index(CSRRPI) of the banks over the five-year period from 2014-15 to 2018-19 ranged from 14 to 84 per cent. With the average values of DV of 49 per cent and the standard deviation of 0.1888173 signifying that on average 49 per cent of the observations reported CSR linked materiality. It revealed that the minimum reporting practices is 14 per cent while the maximum is 84 per cent. The figures further revealed that none of the selected banks reported all the checklist items in all the selected years. Among the explanatory variables, the composition of WOB shows a mean of 53 per cent with a standard deviation of 0.6556144. This means that women are participating more on banks CSR protocols as well banks are encouraging diversity in the board. It is observed that the deviations in CONED among these three groups of banks are very high. Composition of non-executive director revealed 76 percent mean value with 0.4789310 standard deviation denotes banks are complying with corporate governance postulates. Percentage of employee turnover denotes 23 per cent mean which symbolised that CSR reporting and POET has no connection in terms of disclosures. Return on assets denotes 64 percent mean with 0.4871777 standard deviation. ROI shows 51 per cent mean with 0.3219407 standard deviation which reveals positive togetherness with CSRRPI. This represents that banks with highest percentage of ROA and ROI delivers positive CSRRP. Further, BSIZ shows with 0.8862731 standard deviation represents that the banks with higher the value of total assets are the principal players of CSRPI.

Kruskal-Wallis and Mann-Whitney U Test

The Kruskal- Wallis and Mann-Whitney U Test has been employed in order to analyse the difference between governance, culture and performance on CSRRP of selected banking sectors summarised in **Table 5.**

Table 5: Kruskal -Wallis and Mann-Whitney Test

Banking Sectors	Variables	P-value
Public sector banks	Governance Attributes	0.938
	Cultural Commitment	0.479
	Financial Figures	0.434
Private Sector Banks	Governance Attributes	0.826
	Cultural Commitment	**0.013**
	Financial Figures	0.21
Foreign Sector Banks	Governance Attributes	**0.041**
	Cultural Commitment	**0.029**
	Financial Figures	0.936

Source: Calculated

Since, the calculated P-value (0.013), (0.041) and (0.029) are less than the table value (0.05) rejected our null hypotheses. It displayed there is a momentous variance in governance attributes, cultural commitment and financial figures on CSRRP of selected sectors. The significant difference observed in private sector banks and foreign sector banks with respect to CSRRP.

Correlation Matrix of Variables

To create the nature of the correlation among the selected variables, and to discover whether multi-collinearity exists **table 6** is incorporated for investigation. The association matrix in table delivered an understanding into which of the IV are connected to the dependent variables.

Table 6: Correlation Matrixes of Variables

Variables	CSRRPI	COWD	CONED	POET	ROA	ROI	BSIZ
CSRRPI	1						
COWD	0.5833	1					
CONED	0.3606	0.2190	1				
POET	-0.7436	-0. 5197	-0. 4263	1			
ROA	0.3613	0.3156	0.0519	0.2312	1		
ROI	0.5146	0.3199	0. 5231	0.4610	0. 3901	1	
BSIZ	0.6593	0.7061	0. 5616	- 0. 7405	0.0879	0.0766	1

The correlation matrix as shown in **table 6** reveals the connection between all sets of explanatory variables used in the regression model. Though, it discloses that all the explanatory variables have a positive connection with the DV with the exception of POET that shows a negative correlation. The positive correlation imply that composition of women in the board (COWD), composition of non-executive director (CONED), ROA, ROI, bank BSIZ increases the corporate social responsibility reporting practices of public, private and foreign banks in India. The standards on the diagonal are all 1.0000 which demonstrates that each variable is flawlessly correlated with itself. Though, all the explanatory variables are absolutely associated except POET.

Multi-Collinearity Test

The multi-collinearity test is summarised in **table 1.7,** denotes the findings of VIF and TV for the board attributes of governance, cultural commitment and financial figure.

Table 7: Multi-Collinearity Test

Variables	VIF	1/VIF(TV)
Governance Attributes		
COWD	5.12	0. 245679
CONED	4.44	0. 260137
Cultural Commitment		
POET	2.43	0. 401990
Financial Figures		
ROI	4.91	0.289012
ROA	3.42	0.259064
BSIZ	2.90	0.439876

Mean VIF 3.996

As summarised in the **table 7,** the value of TV ranges from 0.245679 to 0.439876 reveals non-multi-collinearity characteristics. Multi-collinearity exists when the value of TV is less than 0.20 (Kurawa and kabara, 2014). The VIF known as the reciprocal of TV range from 2.43 to 5.12, this represents the absence of multi-collinearity.

Multiple Regression Analysis

This section has analysed the relationship between governance attributes, cultural component and CSRRPI. Three types of variables were involved in this empirical paper. The dependent variable includes CSRPI and the independent includes governance and cultural components where as control variables are financial figures in terms of ROA, ROI and BSIZE. Coakes et al. (2009) and Hair et al. (1998) have stated the steps for multiple regression results in three common steps. First, check the R-square value of the model. Second, test the entire value of model through F-test and thirdly, checking individual coefficient through t-test.

Table 8: Multiple Regression Analysis

	Beta	T	Sig.
(Constant)	8.366	1.154	0.250
Governance Attributes			
Composition of Women Directorship (COWD)	.336	3.646	0.001**
Composition of Non-executive Directors (CONED)	.197	2.132	0.026**
Cultural Commitment			
Percentage of Employee Turnover (POET)	-.064	-0.786	0.438
Control Variables			
Return on Assets (ROA)	0.312	2.348	0.018**
Return on Investment (ROI)	0.410	3.236	0.023**
Bank Size (BSIZ)	0.218	2.144	0.017**
Model Summary	**Model**		
R-Squared	0.644		
Adjusted R-Squared	0.621		
F-Statistics	9.889***		
P-value	0.000		

*Significant at 0.001 level, ** Significant at 0.05 level, ***Significant at 0.10 level

As summarised in **table 1.8**, the results of regressing six independent variables on the CSRR practices index. The values of regression model was statistically significant with F-value 9.889 (p- value >.05). When all the inter-correlation among the six independent variables was taken into account, the R-square was 0.644 explained 64.4 percent of the variance on the CSRR practices index. The remaining 62.1 per cent of the impact to CSRRPI was explained by other factors. The findings have indicated that the CSRRPI of Indian banks was significantly influenced by 5 factors examined in the study, namely COWD (p-value =0.001), CONED (p-value = 0.026), ROA (0.018), ROI (p- value =0.023) and BSIZ (p-value =0.017).

Table 9: Summary of Hypotheses Results

H_1	Banks with highest number of Women on Board are more socially responsible.	Accepted/Significant
H_2	Banks with highest number of Non-Executive Director are more socially responsible.	Accepted/Significant
H_3	Banks with highest number of Employee Turnover Rate are more socially responsible.	Rejected
H_4	Banks with highest Bank Size are more socially responsible.	Accepted/Significant
H_5	Banks with highest percentage of Return on Assets and Return on Investment are more socially responsible.	Accepted/Significant
H_6	All three banking sectors show no difference in CSRRP with respect to selected variables.	Rejected

Conclusion and Policy Implications

The present paper attempts to explore the intervention of governance attributes, cultural component on CSR reporting practices index of Indian banking industries by choosing three categories of 15 banks for the period 2014-15 to 2018-19. The results derived from the regression analysis strongly support a priori relationship between CSRRPI and other explanatory variables, except the variable percentage of employee turnover (POET).

The findings reveal that composition of women director, composition of non -executive director, return on assets, return on investment and bank size have voluminous impact on bank CSRRPI in the model. It significantly creates intervention in corporate social responsibility reporting practices index in the model. An interesting fact is that the percentage of employee turnover shows a negative sign in the model contradictory to a priori expectations. Further, the composition of women directorship, composition of non-executive director shows a fair association with CSRRPI and found statistically substantial in the model, which implies that if the number of women in the board increases and non executive director are more in the board it increases the reporting practices. The finding also revealed that ROA, ROI and BSIZ significantly influence CSRRPI. This relation confirms that financial figures of selected banks have closer relation with corporate social responsibility reporting practices. The findings are consistent with the several prior studies. The empirical findings of this article are restricted to the Indian banking sector. The primary research on the selected theme brings more accuracy and the area for prospective research. The implication of the results is that CG practices aggrandize the banks' performance and financial performance enhances the corporate social reporting of the banks under the study. The verdict supports the central banks' resolution to boom the corporate governance practices in the selected banking sectors in order to achieve sustainability. The paper shows that the corporate culture, corporate governance variables and CSR of Indian banks are somewhat in a limelight stage as well as in developing condition as compared with other developing countries may be due to strict rules and regulations of the RBI.

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