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CORPORATE SOCIAL RESPONSIBILITY PRACTICES OF BANKS IN BANGLADESH: A STRUCTURATION THEORY PERSPECTIVE

Abstract

The aim of this paper is to illuminate the role of the socio-economic, cultural and religious context in shaping corporate social responsibility (CSR) practices of banks in Bangladesh. The authors utilize content analysis of annual reports and websites of banks to identify CSR activities in healthcare, education and financial inclusion sectors. Structuration theory (ST) is used to explain how interactions between bank managers (as agents) with the social structures (institutions and government) shape CSR practices. The findings show that banks' engagement in CSR activities is embedded in the social fabric of Bangladesh and not a result of the Global Reporting Initiative (GRI). It is also noted that Islamic banks focus their CSR activities on social justice, while other banks target education and other humanitarian issues. The authors contribute to the literature on the determinants of CSR by revealing the rationalizations of different actors in the production and reproduction of CSR practices in Bangladesh, an insight attributed to ST. The researchers conclude that Islamic beliefs influenced managers to mitigate poverty through CSR investments.

Keywords

corporate social responsibility, socio-economic and
religious context, structuration theory, Bangladesh

JEL Classification

M14, M40, O15, O35, I00

INTRODUCTION

Recently, there has been an increase in studies on corporate social responsibility (CSR) in different national contexts (Aerts et al., 2006). International organizations, such as the World Business Council for Sustainable Development (WBCSD), commissioned the Global Reporting Initiative (GRI, 2002) to share best practices. The focus of GRI guidelines is to assist corporations to achieve triple bottom line (TBL) by reporting on economic, environmental and social issues, yet many least developed countries (LDCs) face complex social problems due to debilitating poverty. A case in point is that of Bangladesh, whose population is 156.9 million, with 76.54% living on an average income of \$2 a day in 2010 (World Bank, 2014). Belal and Cooper (2011) state that both governmental and non-governmental organizations (NGOs) have failed to address social justice issues such as poverty alleviation and human rights. Additionally, Momin (2013) suggests that both the market and the government have failed to provide basic community services compelling NGOs and other corporations to play a significant role in societal development.

Notwithstanding the poverty issues, several authors have examined child labor and poor working conditions in garment industries in

Bangladesh (Masud et al., 2013). We contribute to the debate on poverty by examining how banks are assisting the poor through financial inclusion. Belal and Owen (2007) attribute managements' motivations to engage in CSR to external pressure from stakeholders, though they question the sustainability of such an approach. Whilst several related studies (e.g. Dutta & Bose, 2007; Khan et al., 2009; Hassan, 2013; Ali & Rahman, 2015; Yunus et al., 2015) examine CSR issues, focusing largely on disclosures levels. Moreover, very few studies acknowledge the contribution of banks to CSR, except for Khan et al. (2009) and Ahmad et al. (2014). Our paper focuses on intrinsic factors as the main drivers of CSR practices of banks, as we demonstrate later.

A fundamental concern of this paper is that most scholars from LDCs tend to use the GRI framework as a benchmark when conducting research on CSR, yet CSR is perceived differently in LDCs where governments are unable to provide sufficient social welfare services (Hauschildt, 2008). We contend that CSR practices that emerge from LDCs are unique and intended to plug gaps in social welfare provision by reducing poverty, thus may not be defined by GRI frameworks. Utting (2003) argues that current literature on CSR seldom pays attention to indigenous approaches that exist in all societies. Similarly, we argue that prior studies limit our understanding of what informs CSR practices in LDCs such as Bangladesh, because they ignore the socio-political context behind these practices. We draw from Giddens' (1984) structuration theory (ST) to elucidate how the socio-economic and cultural context is implicated in shaping CSR practices of banks in Bangladesh. We chose ST because it captures how the interactions between agents and institutions produce and reproduce social practices such as CSR. It provides an alternative perspective in explaining the social forces behind CSR activities as "agents' actions pre-suppose structures and vice versa" (Giddens, 1984). Our paper therefore adds to the literature that reveals the extent to which banks are involved in the structuration of social practices through CSR activities. Contrary to prior research, the focus of our paper is to explain how CSR activities are deeply rooted in the social context rather than externally driven.

Following our introduction, section 1 reviews literature on CSR, section 2 introduces the elements of ST that are relevant to our study. Section 3 explains the research methodology, while section 4 gives the country context. The next section presents findings, followed by the discussion and conclusion.

1. LITERATURE REVIEW

The definition of CSR has remained elusive due to the fact that it is not mandatory and therefore context dependent. In this paper, we adopt the WBCSD's definition that states: "CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families, as well as the local community and society at large" (WBCSD, 1998).

CSR practices in LDCs tend to focus on community development, and Bangladesh is no exception. Our contention resonates with Mohani's (2001) view that CSR practices are embedded within socio-cultural contexts and should be studied in situ. We review literature on CSR in the financial sector that contributes 58% to GDP (World Bank, 2014). Ahmed (2005), and

Ahmad and Khanal (2007) applauded banks for their role in boosting economic activity through CSR activities, for example, Agrani bank built a 500-bed cancer hospital worth BDT 4 million in 2006 (Wise & Ali, 2009). The central bank (Bangladesh Bank) took a pioneering initiative in 2008 by issuing the CSR guidelines that are consistent with the GRI framework (Bangladesh Bank, 2008). The aim of the GRI is to assist organizations to report how they contribute to sustainable development, however, Bebbington (2001) notes that the GRI approach may lead to reductionism and may be used as a legitimation tool for management decisions. Likewise, Menova et al. (2006) revealed that many GRI-compliant South African companies had poor human rights records. We argue that the GRI framework tends to shift focus to indicators that comprise TBL rather than the substance of sustainability.

Subsequently, the Bangladesh government amended income tax laws and issued several consecutive Statutory Regulatory Orders (SROs) offering corporations tax rebates on CSR expenses in 25 selected priority areas (Government of Bangladesh, 2014). Examples of specified areas include: clean water management; slum rehabilitation; education of displaced children; health provision; and donations to Prime Minister's Fund, to highlight a few (Masud & Hossan, 2012). Attempts to regulate CSR expenditure by both the central banks and the government underscore its importance. Akhter et al. (2009) and Sobhani et al. (2009) found that Islamic banks showed greater CSR disclosures than conventional banks (see also Ali & Rahman, 2015). Saha et al. (2013) found that state-owned banks lagged behind PCBs in their CSR activities. Khan et al. (2009) and Ahmad et al. (2014) observe a variety of CSR initiatives of banks that promote social advancement of common people. Nonetheless, Saha et al. (2013) observe that the contribution of CSR activities constituted an insignificant proportion of the profit earned by the banks.

Nonetheless, there are few studies on Bangladesh that consider how the socio-economic, cultural and religious context, particularly poverty, gender inequality, inadequate access to healthcare, education and financial services, might influence CSR practices, except for Belal (2001). Our study contributes to this sparse literature (see Haniffa & Cooke, 2001; Sriramesh et al., 2007) who state that Islamic organizations participate in CSR activities as part of their accountability to Allah and society. Similarly, Agle and Van Buren (1999), Zinkin and Williams (2006) assert that notions of CSR resonate more in spiritual and religious societies than in non-spiritual and non-religious counterparts. For Aribi and Gao (2010), Western studies rarely acknowledge the potential of religion in explaining CSR behavior of corporations. We also question the use of the GRI framework as benchmark for rating CSR disclosure or provision as poor, as it tends to be historical, contextual, and processual. Instead, we explore how agents draw on their socio-economic and religious context to develop CSR practices that mitigate poverty, gender inequality, and access to healthcare, education and financial services. Our analytical framework is based on insights from ST that we explain below.

2. STRUCTURATION THEORY (ST)

Giddens' (1984) ST explains how the 'macro' environment and legal institutions are influenced by 'actions of agents' and vice versa in reproducing social practices. Here the macro environment includes governments, politicians and civil society. Additionally, the concept of "dialectic of control" in ST is powerful in illustrating the power of agents and their capacity to transform their social system (Gurd, 2008). Agents are not docile subjects (Giddens, 1984), but are capable of reflecting and monitoring their own behavior and that of others resulting in the change they desire. They rationalize their actions by drawing from the tacit knowledge and norms embedded in their society (Giddens, 1984). Giddens (1990) states that agents' "reflexivity" enables them to revise their worldview, in other words, adopt some practices from the GRI framework when it suits them.

Our paper focuses on the concepts of structures and social systems, whereby the former consists of rules and resources that guide actors' actions to legitimate decisions (Giddens, 1984), whereas the latter represents a set of social practices that various actors agree on and have established over time. Therefore, the Bangladesh context provides the economic, political and religious institutions upon which agents draw as they interact with each other and the government (Whittington, 1992). For example, in case of a natural disaster, the state, through The Prime Minister's Funds, expects assistance from various corporations including banks. At the same time, religious beliefs also compel Islamic banks to contribute to ameliorate the impact of poverty on certain groups in society, and these remain as unwritten rules within the Bangladesh society, a phenomenon Giddens equates to stocks of knowledge. The repeated conduct by agents institutionalizes social practices. Drawing from ST we argue that CSR as a social practice is a result of the various interactions between the agents and the state.

According to Giddens, the interactions between the agents and structures lead to the structuration of society resulting in practice such as CSR. One of the reasons why ST is appropriate to explain CSR activities of banks in Bangladesh is because

of its ability to provide both macro and micro level conception of interactions between structures and agents. According to Luo (2006), it is important to note the interdependence between the social systems and the results of practices that they recursively organize. Contrary to institutional theory, which focuses on mimetic and coercive compliance, ST argues that the conduct of agents, their choice of CSR activities can influence society's expectations and its understanding of CSR (Giddens, 1984, 1995). In this paper, we highlight how banks in Bangladesh are involved in the structuration process of social systems through their CSR activities.

Further, Giddens uses the concept of practical consciousness to denote the dependency of agents on tacit knowledge that is carefully enacted by agents during their everyday life without explaining discursively. Culture and religious beliefs comprise tacit knowledge that is taken for granted in most societies. Closely linked with practical consciousness is social consciousness that provides an ethical campus for the actors. Barley and Tolbert (1997) assert that CSR is one major manifestation of practical and ethical consciousness of an organization. Thus, we use ST to reveal how agents in banks used their practical and ethical consciousness to adopt pro-poor CSR activities. Finally, in this paper, ST is used as a "sensitizing device" (Giddens, 1984, p. 326) that is more of an analytical tool that explains the development of CSR processes that are rooted in the social context.

3. RESEARCH METHODOLOGY

We use historical and contemporary documentation (Creswell, 2003) to collect country-specific data on socio-economic indicators. Additionally, we reviewed published quotes, annual reports and websites of Bangladesh Bank and 11 commercial banks such as Islami Bank Bangladesh Limited (IBBL), Dutch-Bangla Bank Limited (DBBL), and EXIM Bank Limited. Furthermore, we examined CSR reports during the pre- and post-2008 periods. We employ 'latent content analysis' to provide a critical and interpretive approach and to build argumentation (see Covalleski et al., 2003; Suddaby et al., 2007). We use descriptive statistics and graphs to provide year-wise comparison of

total CSR spending in healthcare, education, and humanitarian activities over a period of 6 years from 2007 to 2012.

In addition, we analyzed mission statements of two Islamic banks and one conventional bank to get further insights into their CSR activities. We selected excerpts from mission statements, and interviews given by the top executives of banks and the central bank governor. Thus, we used both quantitative and qualitative data to explore CSR activities of banks to increase validity and to shed more light on the phenomena (see Greene et al., 2005). Our data analysis is informed by insights from ST to explore how CSR practices are produced, reproduced and modified by reflective agents taking into account changes in their socio-political and economic context.

4. BANGLADESH SOCIO-ECONOMIC, CULTURAL AND POLITICAL CONTEXT

Bangladesh is a highly populous country with about 156.59 million population in 2013, 90% of which are Muslims, 49.4% are female, while more than two-thirds (67.25% in 2013) live in the rural area. The literacy rate among adults is 59% (male: 62% and female: 55%) (World Bank, 2014), which is very low by global standards. Agriculture and service sectors contribute 20% and 56% to GDP, respectively (World Bank, 2014). Furthermore, Bangladesh has a poor state of healthcare facilities, with the ratio of doctors, nurses and midwives, community health workers and hospital beds in every 1000 people being only 0.36, 0.22, 0.33 and 0.60, respectively (World Bank, 2014). Moreover, average healthcare expenditure per capita is \$25, out of which the public sector covers 36%, whilst the remainder is borne by the private sector (World Bank, 2014). In addition, access to formal financial services is much worse, as only 77 in one million people have access to bank branches, while only 30 in every million people can use automated teller machines (ATMs). Only 40% of the adult population have savings accounts with commercial banks, while less than 8% have access to bank loans (World Bank, 2014). We use the above context to gauge the responses of banks through CSR activities.

Source: Compiled by the authors from annual reports.

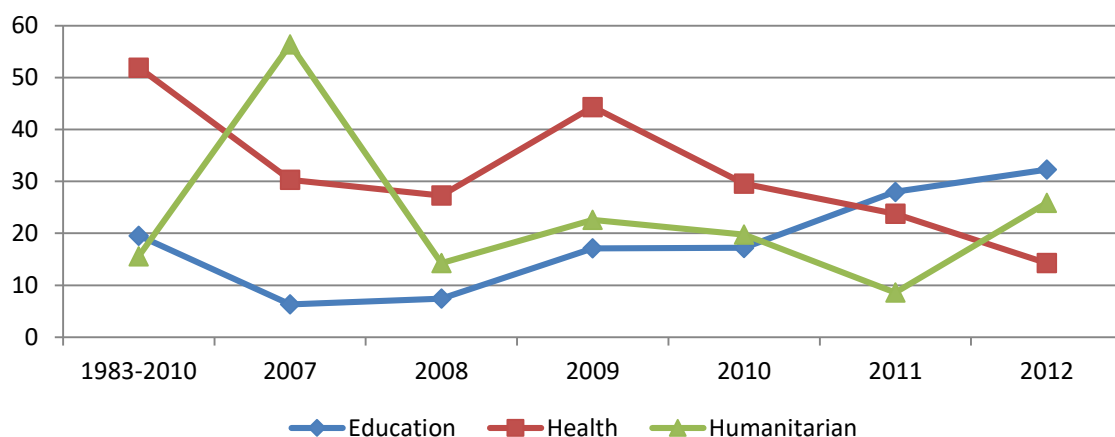


Figure 1. Sector wise expenditures on CSR (in percentage) in the banking sector of Bangladesh

5. RESULTS

Our findings highlight how banks mitigate poverty through CSR activities. Noteworthy is the participation of banks in the construction of hospitals; providing financial support to meet healthcare expenses of the poor, particularly, children who require operations for birth defects. Banks, operating in Western contexts, would not be expected to build hospitals for their communities, however, these CSR projects show the influence of the local context. The CSR activities have an impact on local community, with over 7,019,580 people benefiting from the health program funded by IBBL from 1983 to 2013 (IBBL Annual Report, 2013). According to the World Bank (2014), government expenditure on healthcare was 3.7% of GDP, which is a far cry from the needs of society. Hence, banks engage in partnership with hospitals in providing free treatments to vulnerable groups.

Figure 1 below shows the distribution of CSR spending (in percentage) in the banking sector from 1983 to 2013. Over the past 30 years, the healthcare sector received about one-third of the total CSR spending, followed by humanitarian aid (23%) and education (18%)¹. There has been a gradual increase in total CSR spending, as well as spending on education since 2009, with the proportion of CSR spending on education increasing from 7% in 2008 to 32% in 2012. Overall, the CSR spending of banks in Bangladesh is concentrated on education, healthcare, humanitarian and disas-

ter aid programs. We also find that DBBL spends more on education and IBBL spends equally on both health and education, whereas EXIM spends more on humanitarian disasters.

Although overall CSR spending of banks on the health sector has been declining in recent years (see Figure 1), Figures 2 and 3 show that IBBL, DBBL continue to maintain similar levels of spending for the healthcare services. For example, Islami Bank Foundation (IBF) established community hospitals, charitable dispensaries and mobile eye camps at various rural and urban areas, which provide healthcare services for the poor at a nominal cost (IBBL Annual Report, 2013). EXIM bank also provides free or discounted healthcare services to the poor and disadvantaged communities (EXIM bank Annual Report, 2013). In addition, this bank collaborates with many hospitals and NGOs to provide health facilities to less privileged communities. DBBL also provides financial support to carry out cataract operations and ‘cleft-lip and cleft-palate’ for the afflicted children.

Since public spending on education accounts for 2.23% of GDP (World Bank, 2014), it is not surprising that various banks augment government efforts, by offering scholarships to poor meritorious students, assist in developing educational infrastructure, and sponsoring nationwide initiatives to promote learning in Mathematics and Physical Sciences. For example, DBBL alone offered 30,000 scholarships in 1996 (DBBL website). Our con-

¹ Retrieved from www.islamibankbd.com (accessed on March 16, 2016).

Source: Based on the data compiled by the authors from the annual reports.

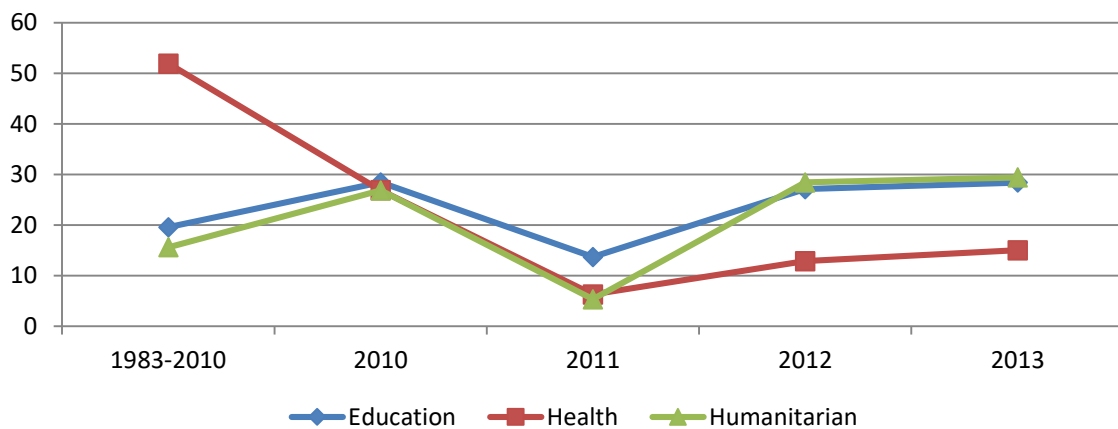


Figure 2. Sector wise expenditures on CSR (in percentage) by IBBL

tent analysis of the Bangladesh Bank CSR Report (2012) also suggests that banks allocate the highest proportion of their CSR spending to the education sector, which received 27.99% of the total CSR expenditure of all banks in 2011. Bangladesh Bank (2012) observed that private commercial banks (PCBs) and Islamic Banks (IBs) allocate roughly 30% of their total CSR spending to education, while some banks allocate even more, for example, Mutual Trust Bank (69%), Dutch-Bangla Bank (62%), Bank Asia (55%), Trust Bank (55%) and South East Bank (54%).

Interestingly, around 90% of the scholarships offered by DBBL are awarded to meritorious students in rural areas, and that 50% of the total recipients are female students. DBBL is planning to increase the number of scholarships to 30,000 per year by spending BDT 1.02 billion annually. Additionally, IBF, an arm of IBBL established several academic and training institutions including a medical college, nursing institutes, technical institutes, mid-wife training centers, English-medium and religious-based schools and colleges to provide quality education and training at affordable costs. As of 2016, IBBL had provided 1,500 scholarships to underprivileged meritorious students². The South East Bank sponsored 969 students at primary, secondary and higher education levels in 2012 (Ali & Rahman, 2015). The banking sector spent 2.4 per cent of its after-tax profits on various CSR activities in 2011, although this spending is much higher for IBs (5.4%), followed

by PCBs (2.96%), state-owned banks (1.33%), and foreign banks (0.84%) (Bangladesh Bank, 2012). Figure 2 shows an upward trend in IBBL's expenditure on humanitarian issues, an aspect of social justice and equity.

One noticeable development is that most of these banks award scholarships that are renewable for the entire study period or the completion of higher degree (EXIM Bank Annual Report, 2013). Interestingly, EXIM Bank has introduced an innovative program called 'Education Promotion Scheme' that provides a profit-free loan to poor meritorious students to pay for their studies. In addition, this bank established 'EXIM Bank Agricultural University' in an under-privileged area to foster socio-economic development of this region. DBBL partnered with a leading newspaper in sponsoring various school and college-level training programs, annual competitive and cultural events (such as Physics Olympiad, Mathematics Olympiad) that take place at regional, national and international levels. Figure 3 shows that DBBL spends more on education, followed by humanitarian issues and healthcare. The CSR activities of these different banks complement each other.

The lack of financial inclusion is another important indicator of poverty in LDCs. Most banks in Bangladesh have embedded this aspect in their CSR activities by offering direct and indirect assistance for income-generating projects such as interest-free lending to pilot projects to marginal

2 Retrieved from http://www.who.int/topics/millennium_development_goals/en/ (accessed November 5, 2015)

Source: Compiled by the authors based on content analysis.

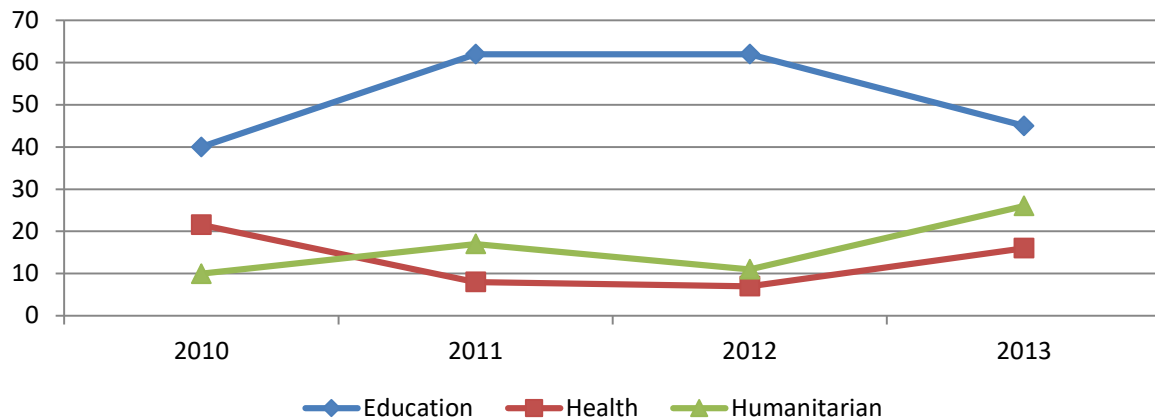


Figure 3. Sector wise expenditures on CSR (in percentage) by DBBL

farmers (Bangladesh Bank, 2012). Moreover, banks have increased the number of branches in rural areas, opened bank accounts for low-income population free of charge with a nominal initial deposit, and introduced mobile banking (Bangladesh Bank, 2012). IBBL contributes to women empowerment and rural development through organized campaigns, training programs, and investment schemes that are crucial to reducing poverty.

With regards to gender equality, IBF established rehabilitation centers for distressed women, divorcees and widows that provide them with shelter, education, training and employment opportunities. Besides, IBBL recognizes Muslim women's rights by establishing a "Mudaraba Mohor Deposit Scheme" for husbands to transfer money to their wives. IBBL expanded financial inclusion through various innovative micro-credit schemes. As part of its empowerment drive, this bank established an enterprise that employs the poor and distressed women. The National Bank also initiated micro-credit and various other financial inclusion initiatives.

Following on from our in-depth analysis of CSR expenses and practices of banks, we now turn to textual analysis, searching for themes that explain executives' motivations and behaviors. We select excerpts from mission statements and executives' interviews with the local press. The preamble to IBBL's Annual Report 2013 states: "Trust in Almighty Allah, strict Shari'ah compliance, equity and justice, welfare banking, and environmental consciousness" (IBBL Annual report, 2013).

The above statement speaks to religious beliefs and values concerned with equity, justice, and welfare. It resonates with views of Islam (Haniffa & Cooke, 2001). The excerpt from an interview given by a former Managing Director of IBBL: "Financial Inclusion is a built-in concept of Islamic Finance and Bangladesh has become a role model of financial inclusion... IBBL operates a rural development scheme (RDS) and an urban poor development scheme (UPDS), which contribute to 50% of the world's Islamic microfinance. As of 2014, RDS served 824,013 poor people in 17,104 rural villages of Bangladesh...RDS caters for women entrepreneurs, and targets underprivileged rural women to create entrepreneurial funds with a minimum deposit of 125 cents" (Mannan, 2013).

Similarly, DBBL's mission statement says: "DBBL engineers enterprise and creativity in business and industry with a commitment to social cause. Profits alone do not hold a central focus in the Bank's operation; because man does not live by bread and butter alone" (DBBL Annual Report, 2013).

The chief executive of another Islamic Bank (EXIM) says: "Business is not always our concern; we also crave for serving the humanity. CSR is an area where EXIM stands tall with vibrant glory." (EXIM Bank Annual Report, 2014, p. 20).

These quotes reflect the beliefs of the banks' top executives about the role of CSR in addressing social problems. The influence of religion on CSR activities is more pronounced in the excerpts from

IBBL, the largest PCB in Bangladesh. This shows the bank's commitment to religion, society and environment. We also looked at BRAC publications, a leading PCB that focuses on long-term partnership-based programs to ensure sustainable impact on people and society. The CEO of the BRAC bank had this to say (Mannan, 2015): "...We nurture passion for social welfare through CSR and business as well. With focus on long-term programs, we believe we will make positive change in society".

The three banks whose mission statements we scrutinized, all showed an intention to mitigate poverty, a critical issue in LDCs. The former governor of the central bank summed up this orientation with the following words: "We at Bangladesh Bank are pursuing avidly in supporting attainment of the .. Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs); with our CSR, financial inclusion and green financing mainstreaming initiatives in the financial sector" (Rahman, 2015, p. 2).

It is clear from the actual CSR expenditures and the narratives given by executives that they as agents are involved in developing a certain type of CSR framework that uniquely speaks to the problems faced by Bangladesh.

6. DISCUSSION

Our results indicate that the banks in Bangladesh are operating way beyond their traditional intermediation role, a testimony to the banks' commitment to the social welfare of their immediate communities and society at large. It is interesting to note that the government identified priority areas for CSR, and yet corporations are contributing to areas outside that scope. The behavior of corporate executives appears to have driven by factors other than tax incentives or the GRI compliance. We argue that bank managers' preferences to CSR activities might be based on their own convictions and their worldview. The designated areas by government do not always mirror the GRI framework, a further indication of the influence of the local needs. At a macro level, both the government and the Bangladesh Bank were instrumental in pushing accountability through CSR spending. For example, the Banking Company Act of 1991

strengthened accountability through mandating banks to include at least two representatives of depositors in the management board (Bangladesh Bank, 2010). In addition, with the CSR guidelines issued by Bangladesh Bank in 2008, the government went further to specify areas that would allow a 10% tax rebate on actual amount of CSR spending (Masud & Hossain, 2012; Khan et al., 2013). At a macro-level, we can infer that the government institutionalized CSR practices, while religion and culture determined the type of CSR activities of banks.

Overall, our results suggest that CSR practices and priorities are reflections of unique local needs of a society, and are influenced by country specific socio-economic, religious and political context. Contrary to Western practices, we note that bank managers selected CSR activities that targeted reducing poverty through banks' contribution to healthcare provision, education, gender equity and financial inclusion (Belal, 2001; Mohani, 2001; Sriramesh et al., 2007). For example, the Managing Director of IBBL called on banks in Bangladesh to embrace the concept of uninterrupted general welfare (Pyramid of Maslahah) or public interest (Mannan, 2015). This is broadly in line with the Islamic teachings that associate giving with preparation for good life now and hereafter (Ahmed, 2003). References to Allah and Shari'ah in the mission statements and annual reports of Islamic banks testified to the influence of religion in their activities for example, –"man cannot live by bread alone". Insights from ST allow us to infer that agents rationalized their actions by drawing from their stocks of knowledge as constituted by their culture and religion.

The quotations taken from mission statements and public interviews by both bank managers and the the governor of Bangladesh Bank (Mannan, 2013; Rahman, 2015) reflect their strong beliefs in Islam by offering alternative forms of financial inclusion (e.g., Zakat & Qard Hasan) that are embedded within Islamic teachings and traditions. Our observations show that banks from inception were pro-people, and this thinking strengthened from 1983 onwards, as investors established fully-fledged Islamic banks, giving the owners an opportunity to set up foundations, and to help foster their type of CSR (Ahmad et al., 2014).

From the experiences of Bangladesh, we can understand how social practices are produced and reproduced by different players. However, we do not downplay the fact that Bangladesh is a secular democracy, although Islam is a dominant religion. We argue that the introduction of the GRI compliant CSR Guidelines by the Central

Bank testifies to the agents' reflexivity, through which they monitor their own behavior and that of others (Giddens, 1984). Whilst the adoption of international frameworks such as GRI increases legitimacy (Bebbington, 2001), a majority of CSR practices of banks in Bangladesh seem to be home-grown.

CONCLUSION

We conclude that the CSR framework in Bangladesh has evolved, as agents continuously and recursively sharpened their political, social, practical and ethical consciousness (Barley & Tolbert, 1997). We, therefore, argue that CSR activities are situated practices rooted in the socio-economic, cultural and religious contexts of this society that drive the existence of both people and corporations. These practices can also be regarded as the testimony to the structuration process of society. The CSR activities that we see in Bangladesh reflect the banks' responses to societal needs, as depicted by the Bangladesh context, rather than GRI guidelines. Drawing from the experiences of LDCs, it is evident that CSR practices are not universal, but culturally dependent.

The main contribution of this paper lies in the insights borrowed from a social theory such as ST and its power to interlink the actions of agents with their macro-environment. Most studies on CSR in LDCs downplay the context, while replicating studies from developed countries. We urge researchers from LDCs not to downplay the power of theorizing phenomena that characterize CSR in LDCs, so that we reveal new insights. Our study adds to this sparse literature. However, the main limitation of our paper is our overreliance on secondary data that is publicly available. CSR reporting is fraught with window-dressing focused on legitimating activities of corporations. Notwithstanding the above limitation, the paper raises pertinent issues, which stimulate further debates on the suitability of Western frameworks of reporting in LDCs. We suggest that future researchers explore the views of the chief executives of banks on the impact of CSR activities on bank performance and broad-based welfare of the society. It would also be interesting to get the perceptions of the beneficiaries from these CSR activities on the role of banks in society. Moreover, future researchers can explore how banks determine an optimum balance between their financial and welfare-based objectives.

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