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**CORPORATE SOCIAL RESPONSIBILITY OF
FOREIGN BANKS IN JORDAN–
STAKEHOLDERS' PERSPECTIVES**

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The aim of this dissertation is to obtain a doctoral (PhD) degree in the scientific field of
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LIST OF ABBREVIATIONS

ABJ =Associations of banks in Jordan
ASE =Amman Stock Exchange
ATM= Automated Teller Machine
C.B. J=Central bank of Jordan
C.O.P =Communication on Progress report
CSR=Corporate Social Responsibility Disclosure
CSR=Corporate Social Responsibility
EU= European Union
FDI= Foreign Direct Investment
FTA =Free Trade Agreement
GDP =Gross Domestic Product
GIZ = Deutsche Gesellschaft für International Zusammenarbeit
GRI =Global Reporting Initiative
IFC =International Finance Corporation
IMF = International Monetary Fund
ISO= International Organization for Standardization
JD= Jordanian Dinar
JEI=Jordan Education Initiative
MNC = Multinational corporations
MOSD=Ministry of Social Development
NGOs =Non-Governmental Organizations
ROA=Return on Assets
SOS= Save Our Souls organization for children
SPSS= Statistical Package for the Social Sciences
UAE= United Arab Emirates
UK =United Kingdom
UN =United Nation
US =United States
WBCSD = World Business Council on Sustainable Development
WTO =World Trade Organization

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INTRODUCTION

Last few decades, the concept of CSR received growing attention in the management literature as well as among the business communities. Once considered to be irrelevant in the 1950s, CSR has now become a central aspect of the international business environment, and one of the most widely accepted ideas that are being promoted by business organizations, governments, non-governmental organizations (NGOs) and individual consumers alike. However, there is no global agreement on what CSR represents or what it should entail, but in general, it can be understood as the framework for the role of business in society (ALOMAR, 2014).

Foreign banks deserve more importance in any discussion related to CSR in Jordan because foreign banks are a significant part of the financial system in the country. They play a vital role in the national economy, especially under the current circumstances when the country is facing economic adversities. A study conducted by the Association of Banks in Jordan in 2010 showed that the number of foreign banks operating in Jordan increased from five foreign banks in 2000 to ten foreign banks in 2009 (ABJ, 2010). Moreover, they have an excellent image in the Jordanian society when compared with the local ones, and the Jordanian audience prefers dealing with those banks rather than domestic banks (SAMAWI, 2011). It is quite visible that many of the large foreign banks already operating in Jordan have extensive CSR departments and activities elsewhere in the world, but such activities are limited in Jordan. Therefore, there is a need to explore the trend of CSR in foreign banks operating in the country.

Examining previous literature regarding the practice of CSR in the banking sector in Jordan shows that no research had been published concerning the practice of CSR in foreign banks in Jordan. The need for such research has motivated the researcher to carry out a study that investigates CSR from the perspective of Jordanian stakeholders to provide a general picture of how Jordanian stakeholders perceive CSR and to seek their opinion about the current practice of CSR by foreign banks. In this context, one of the important questions that this research has is: What is the perception of different stakeholder groups towards the CSR practices of foreign banks in Jordan?

The choice of Jordan was made because it is one of the key financial centres of the Middle East and has hosted a high number of foreign banks from different countries over a long period (AL-AKRA and ALI, 2012). At the same time, there is now a transformation from the point of CSR view, since more and more Jordanian stakeholders are becoming aware of the CSR concept;

some firms in Jordan are working their way towards strategizing CSR efforts (AL-DAAJA, 2017). Therefore, it will be quite interesting to investigate the views of different stakeholder groups on their rights and obligations to participate in directing the actions of foreign banks in the country.

It is quite visible that foreign financial institutions practice their business in host countries within the framework of international guidelines and standards. It is believed that CSR, as a globally accepted concept, is naturally embedded and instilled in the practices of foreign banks (ALOMAR, 2014). HUSTED and ALLEN (2006) found that multinational firms are guided by institutional pressures, rather than strategic analysis of social issues and stakeholders in taking their decisions concerning CSR. Another study highlighted that foreign business might be able to improve their social legitimacy in host countries and overcome the liability of foreignness, by demonstrating a social commitment to host-country constituents through CSR (CAMPBELL et al., 2012). Consequently, it will be of interest to find out whether the foreign banks replicate their existing multinational CSR practices, or respond to pressures for integration and responsiveness from salient stakeholders in their host countries.

This research intends to explore the role of foreign banks in society from the perspective of a host nation. Most importantly, to provide empirical evidence based on in-depth interviews and a questionnaire survey on issues surrounding CSR practices of three foreign banks operating in Jordan. Namely, BLOM Bank, Standard Chartered Bank, and Audi Bank, and further examining whether the stakeholders of those foreign banks (CSR managers, CSR department employees, Government regulators, Customers, and NGOs) truly subscribe to the idea of CSR. Previous CSR studies have been limited in terms of stakeholder categories considered, and the dimensions of CSR investigated. This research intends to depart from past studies by conducting an empirical study on perceptions of CSR practices, using the stakeholder approach across a variety of stakeholder communities. It also adopts various dimensions of CSR (Community involvement, environmental, and human resource) together with other (Financial and Social Inclusion) that are relevant and unique to banking practices. It is worth mentioning that this research has used a mixed methodological approach to achieve its objectives. In comparison, the majority of previous studies that evaluate the extent of CSR in Jordan used content analysis (ALKAYED, 2018). This study will certainly add a new dimension to the literature and contributes to the knowledge by providing the CSR perspective of stakeholders in a developing country such as Jordan.

1. TOPICS AND OBJECTIVES

1.1. Research Problem

Nowadays, CSR becomes part of the modern business and a prominent feature of the globalized market economy. Accordingly, there is a need for multinational business organizations, such as foreign banks, to take a positive stance on issues regarding environmental and social responsibilities in host nations (ALOMAR, 2014).

Jordan is a small country endowed with limited resources and suffered from a high level of poverty and unemployment (ABDELRAHIM, 2014). In this directive, private sectors are required to help the government and work towards providing amicable solutions to the core issues that are associated with poverty, social issues, and unemployment. Thereby foreign banks would achieve much of its responsibility by taking into consideration the adoption and implementation of CSR practices.

The concept of corporate social responsibility has arisen in Jordan and becoming prioritized and of increasing importance. Moreover, the recent crisis in Syria, as a result, the millions of people fled from Syria to Jordan, has highlighted the importance of the CSR concept in the country (ALKAYED, 2018). Accordingly, a need arose to undertake a comprehensive study that focuses on the foreign banking sector in Jordan, to explore information about their participation in CSR, through examining their stakeholder perception towards the CSR concept.

On the other hand, the foreign bank executives and managers are conducting and managing CSR in a different context to their own home countries. Therefore, their interest is to observe the importance of the CSR concept through the lens of multi-stakeholders that can be different as in their home countries. They should adjust their programs to local needs, especially in Jordan, where the cultural values, ethical norms, and religious beliefs are essential issues. Additionally, there has been a lack of studies that describe the consideration of CSR by Jordanians. Most researches on both CSR and the stakeholder theory, have been conducted in western countries where the concept originated (ALKAYED, 2018).

1.2. The Aims of the Dissertation

The study aims to provide a better insight into how different groups of foreign bank stakeholders in Jordan perceive the issues of CSR. Furthermore, it intends to fill the gap that exists in the literature regarding the foreign banks CSR in Jordan.

The results will be used to provide recommendations to improve the practices of corporate social responsibility in the foreign banking sector in Jordan.

1.3. Research Objectives

This dissertation will try to satisfy the following objectives:

1. To investigate the similarity in the perception of different groups of stakeholders in Jordan towards the main objectives of foreign banks.
2. To elicit the opinion and attitude of different groups of stakeholders in Jordan about CSR of foreign banks
3. To investigate whether the different groups of stakeholders in Jordan show different patterns towards CSR and other banking selection criteria when deciding on buying a product or service from banks in Jordan.
4. To examine the difference in the perception of stakeholders groups in Jordan towards the importance of CSR dimensions that foreign banks should support.
5. To assess if the CSR performance of foreign banks in Jordan influences the behaviour and attitude of stakeholders in the case, they show a high standard of CSR performance or cease CSR activities.
6. To explore the awareness of CSR among different groups of foreign bank stakeholders in Jordan.
7. To examine the opinion of different stakeholder groups in Jordan towards various issues surrounding CSR implementation such as Competitiveness, Sustainability, Reputation and Comparativeness

1.4. Research Questions

This study attempts to answer the following questions:

1. Do the different groups of stakeholders in Jordan have similar perceptions towards the main objectives for the establishment of foreign banks?
2. What is the perception and attitude of different groups of stakeholders in Jordan towards the CSR of foreign banks?

From the above main question, six research sub-questions were derived:

- 2.1. Do the different groups of stakeholders in Jordan show different patterns towards CSR and other banking selection criteria when deciding on buying a product or service from banks in Jordan?

- 2.2. Do the different groups of stakeholders in Jordan have different perceptions of the importance of CSR dimensions that foreign banks should support?
- 2.3. Does CSR performance of foreign banks in Jordan influence the attitude and behaviour of stakeholders, they show a high standard of CSR performance or cease CSR activities?
- 2.4. Are the different groups of stakeholders aware of foreign banks' CSR activities in Jordan?
- 2.5. Is the commitment to CSR considered costly and competitively disadvantageous to foreign banks?
- 2.6. Do foreign banks need to show a high level of CSR performance in comparison to local banks in Jordan since they are operating globally and driven by their principles and international culture and standards?

1.5. Research Methodology

This research is exploratory. It adopts a mixed methodological approach consisting of qualitative and quantitative methods. The primary data were collected through interviews of several foreign bank stakeholders, namely CSR managers, CSR department employees, and representatives of regulatory authorities. It supplemented by a document analysis of foreign banks' CSR annual reports to complement the interviews. Also, a quantitatively based sample survey was used, where a survey instrument in the form of a questionnaire was employed and collected through offline and online modes to elicit the opinion of two distinct stakeholder groups, namely (customers, NGOs) on issues of CSR. Interview data were analyzed by using the thematic analysis method. Regarding the quantitative part, descriptive statistics were used and provided frequencies and percentages, means, and standard deviation for items; also, factor analysis, cross-tabulation, and Independent T-test were employed to analyze the respondent's answers and test hypotheses for the quantitative survey.

1.6. Research Hypotheses

The study has five hypotheses, and they are the following:

H1. The different groups of stakeholders in Jordan have similar perceptions towards the social and commercial objectives of foreign banks

H2. The different groups of stakeholders in Jordan show different patterns towards CSR and other banking selection criteria when deciding on buying a product or service from banks in Jordan.

H3. The different groups of stakeholders in Jordan have different perceptions of the importance of CSR dimensions that foreign banks should support.

H4. Stakeholder groups in Jordan are not associated with switching to a foreign bank due to a high standard of CSR performance.

H5. The different groups of stakeholders in Jordan are not associated with the awareness of CSR of foreign banks.

1.7. The Structure of the Dissertation

The dissertation consists of 6 chapters, namely, topics and objectives, technical literature review, material and methods, research findings and their evaluation, conclusions and recommendations, and finally, main conclusions and novel findings.

In Chapter 1, the dissertation identifies the research problem and discusses the research aims, objectives, methodology, and hypotheses.

Chapter 2. Discusses the CSR concept from a global perspective, and reviewing the idea at the regional level, particularly in the Middle East region. Then the research proceeds with discussions on the topic at the national level and cites its growing importance in the Jordanian context. Moreover, it provides information about the banking sector in Jordan and sheds light on the nature of CSR initiatives at the corporate level.

Chapter 3 discusses the research methodology, where both qualitative and quantitative research methods have been utilized in a mixed methodology approach. In-depth- interviews were conducted with three CSR managers representing the three banks under the study and six employees working in the bank's CSR departments and two officials from the central bank of Jordan. Questionnaire data were collected from 721 respondents of foreign bank customers and community NGO groups.

Chapter 4 presents the finding and results of answering the research questions. Different types of statistics were used.

Chapter 5 provides conclusions and recommendations based on the analysis of the results and finally chapter 6 described the research main conclusions and novel finding's

2. TECHNICAL LITERATURE REVIEW

2.1. The Meaning of Corporate Social Responsibility

In general, CSR is understood as the framework for the role of business in society, where the business sector considered as the dominant engine of economic development. It is a concept that addresses how corporations manage their economic, social, and environmental impact. Besides, their relationship with their key spheres of influence, to be ethical and accountable to the needs of their society. In simple terms, CSR means a set of standards of behaviour that business contributes to making a positive and productive impact on society (ALFAKHRI, 2014; FREEMAN and HASNAOUI, 2011).

2.1.1. CSR Definition

Although the idea of CSR became more robust in the business world, it is still looking for a universally accepted definition. According to FREDERICK (2006), there is no universally accepted definition of social responsibility (SMITH, 2011). The literature revealed that the absence of an agreed definition of corporate social responsibility and the diversity in CSR definitions, is usually attributed to the following:

- CSR agenda involves stakeholder's concept. BLOWFIELD and MURRAY (2014) mentioned that stakeholders growing interested in the concept of CSR resulted in bringing more varied definitions.
- It is caused by the overlapping of the CSR concept with other terminologies (NASRULLAH and RAHIM, 2014).
- CSR described as a dynamic and ever-changing concept. The expansion of its practices as a response to the increased demands of society and the pressure for development issues (ARSIC et al., 2017; NASRULLAH and RAHIM, 2014).
- It is caused by the cultural and social differences among nations, where it is often related to specific cultural and social contexts. CSR definitions have most often come from North America and Europe, and worldwide with an absence of voices from southern nations that tended to follow developments in the West (MUKHAZIR, 2011; RAHMAN, 2011).
- CSR is a broad topic that covers a wide range of ideas, according to VAN MARREWIJK (2003). CSR is a broad topic that covers various concepts and ideas, as well as covers various management disciplines and adopted by different groups, to serve their interests (FREEMAN and HASNAOUI, 2011).

- Because it is sometimes considered as a sub-field of business ethics and vice versa (ENDERLE, 2010; GLAVAS and KELLEY, 2014), however, Table 2-1 displays the most commonly used definitions that have appeared since the 1950s and their sources.

Table 2-1: CSR most definitions that have appeared since the 1950s

BOWEN, 1953	Corporate responsibilities as an obligation to pursue policies, to make decisions, or to follow lines of action which are desirable in terms of the objectives and values of our society (BOWEN, 1953).
MCGUIRE, 1963	The corporation has not only economic and legal obligations but also certain responsibilities to society that extend beyond these obligations (MCGUIRE, 1963).
SETHI, 1975	Social responsibility accentuates /reiterates aligning corporate behaviour up to a level where it is congruent with the prevailing social norms, values, and expectations of performance (SETHI, 1975).
JONES, 1980	CSR is the notion that corporations have an obligation to constituent groups in society other than the stockholders and beyond that prescribed by law and union contracts (JONES, 1980).
HOPKINS, 1998	CSR is concerned with treating the stakeholders of the firm ethically or in a socially responsible manner (HOPKINS, 1998).
MCWILLIAMS-SIEGEL, 2001	CSR refers to situations where a firm carries out "actions that appear to further some social good, beyond the interests of the firm and that which is required by law (MCWILLIAMS and SIEGEL, 2001).
EUROPEAN COMMISSION, 2001	a concept whereby companies integrate social and environmental concerns in the business operations and their interactions with their stakeholders voluntarily (EU .COMMISSION, 2001).
SMITH - RICHARD, 2011	CSR is a business system that enables the production and distribution of wealth for the betterment of its stakeholders through the implementation and integration of ethical systems and sustainable management practices (SMITH, 2011).

Source: Authors survey of literature on CSR (2018)

It is concluded that most definitions are to fall in between two different schools. The first believes that business responsibility is to increase the shareholders' value within the law requirement and ethical considerations (FRIEDMAN, 1970; LEVITT, 1958). The other suggests a more comprehensive approach with a broader perspective of responsibility and obligations towards society (FREEMAN, 1984).

The innumerable debates and discussions around shareholders versus stakeholders' perspectives have tried to put one over the other, but none has won to date. (CARROLL, 1991) Conceptualization may be considered as the meeting point between both different schools by suggesting that business organizations have four responsibilities, economic, legal, ethical, and discretionary. His pyramid of CSR, as shown in Figure 2-1, was a significant advance in CSR and amongst the most quoted definitions in the CSR literature (FREEMAN and HASNAOUI, 2011).

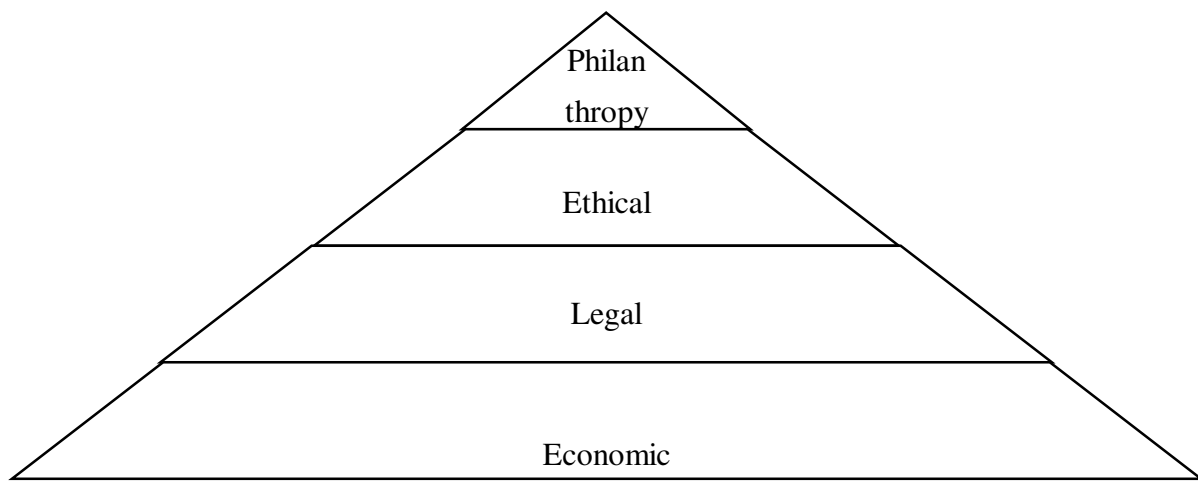


Figure 2-1: CSR pyramid model

Source: Adapted from CARROLL (1991, p. 42)

According to CARROLL's (1991) CSR pyramid, the economic function considered being the first responsibility of businesses, which means that companies exist to provide goods and services to society, and they must do this profitably. Secondly, the legal obligations where the company must work within the boundaries of the law and international standards. These responsibilities represent the minimum obligation of businesses towards society and the environment. The third layer is the ethical responsibilities, where the business should behave ethically and meet the ethical expectations of society. It is a voluntary function to avoid the public backlash that is harmful to the company's reputation. Finally, the company has philanthropic responsibilities by participating in activities that contribute to the betterment of society. According to CARROLL (1991), those four aspects address the obligations of business towards society, where the economic functions are the primary corporate responsibility.

2.1.2. CSR Dimensions

In today's business environment, business organizations show a growing interest in CSR concepts and are becoming more involved in social issues. According to CARROLL and SHABANA(2010), CSR consists of many dimensions that have an impact on the company's daily activities. The literature revealed a variety of suggestions related to CSR dimensions, including the essential components of CSR that were adopted by most authors, namely social, economic, and environmental issues. Later, more dimensions have been appearing and introduced by many researchers and international organizations (ARSIC et al., 2017). For instance, DAHLSTRUD (2008) developed the five dimensions for the CSR concept, namely, environmental, social, economic, stakeholder, and the voluntariness dimension.

The European Commission has identified two dimensions of CSR. The first is internal within the company borders that include the human factor, adaptation to change, and environmental issues. The second is concerned with the external environment of the organization, including societies or business enterprises and human rights protection (EU COMMISSION, 2001). CHAPPLE and MOON (2005) suggest the three-group model that covers environmental, workforce structure, and community. Where the community part includes education and training, health, religion, arts, environmental conservation, sports, housing, poverty, and emergence relieves, youth-related initiatives (KIKWIYE, 2017). Despite the debate over the concept of social responsibility, the dimensions of the CSR concept may be considered as tools, to determine the level of CSR practised by a company. Furthermore, to measure business organizations CSR efficiency and effectiveness. In general, the word CSR is bounded by some obligations and addresses some of the following areas:

- The economic dimension is where the economic responsibility of a company is to increase the shareholders' value.
- The Voluntarism dimension is where this dimension focuses on the ethical behaviour and philanthropic act of the business organizations towards society. It assumes that all activities of the company must be ethically right, and voluntarily implemented.
- Social dimension reflects business participation in building up a better society and improves people's life. It presents the citizenship of the organization as part of society.
- Human factor dimension includes fair treatment of all employees, comprehensive benefits, inclusive diversity policies, measurements, demonstrated training and development opportunities and robust diversity programs, that comply with international standards.

- The environmental dimension reflects the company's interactions with the global environment. It also evaluates corporate environmental performance, compliance with environmental regulations, as well as the development of technologies and sustainable products and using renewable energy.
- The Governance efficiency dimension, which involves management commitment towards sustainability principles that are integrated into day to day operations, and paid attention to stakeholder transparency and accountability concerns.
- The legal dimension is, which indicates that all the activities run by the organization must have some legal boundary, and they must have to operate within those boundaries.

In general, CSR dimension is various between business organizations, since CSR activities in most cases are practised on a voluntary base. As well as the differences in stakeholders' influence, make it hard to find a unified list of activities that business should follow. However, the public has no choice over what the company can offer through CSR. Nonetheless, consideration should be given to the most pressing needs of society (KIKWIYE, 2017).

2.1.3. The importance of CSR

CSR is a holistic approach that goes beyond the economic interest and legal requirement of the business organizations. It is likely to have a significant influence on business success, according to SNIDER et al. (2003) it is an obligation of the business to manage its resources to benefit society (JAMALI and MIRSHAK, 2007). Some even believe that CSR may provide a peaceful approach to solving problems that occur in developing countries, such as the Middle East conflict (HOPKINS, 2004). BOWIE (1991) argues that business organizations need the resources of society to thrive and survive, and the company's taxes are not sufficient to pay for the cost of those resources. Also, because of their large size and unique legal status, which is, in some cases, more prominent than a state, they should consider as a public organization rather than a private organization (LANTOS, 2001). Although companies may involve in CSR for different reasons, the main question is still: why CSR is essential in the business world? The literature revealed some reasons that may explain the benefits of business from practising CSR:

- Improved financial performance. Several studies supported the positive relationship between CSR and improving financial performance (AL-DMOUR and ASKAR, 2011; TSOUTSOURA, 2004).
- Enhanced business image and reputation. CSR brings a warmer image for companies. According to DI BELLA and AL-FAYOUMI (2016), a business may win a long-term

benefit when supporting CSR activities, such as differentiation, brand name enhancement and increased worker motivation.

- Financial saving, by using less packaging or less energy and eliminating waste by recycling, these savings add up quickly and enhances innovation in the sector.
- Increased ability to attract and retain employees. The employees will be more inspired and engaged more in their work when they feel that their organizations have a conscience. It also will improve their communication skills and abilities when engaging in voluntary activities.
- Access to capital when the company takes its social responsibility seriously, its strengths, its relations with the state. It will have easy access to the government regulators and politicians that will help the company in weakening regulations, or shape future regulations. Also, it will reduce public pressure against the organizations.

CSR benefits for business may remain without clear direction due to the mixed research results. However, CSR may improve a company's profitability in the long run and help the business to be benefited from government incentives in times of economic crisis.

2.2. CSR History

Traditionally, the CSR concept was demonstrated in the shape of philanthropic acts, that includes welfare donations and charitable activities, with no legal requirement or strategic link with the business. Moreover, those activities were taken when profit was the only objective of business organizations, and there was no need for them to be socially responsible, or act beyond what we now describe as the basic CSR of businesses (CARROLL, 1999).

CSR was considered as a natural output of the industrialization. It was triggered by the industrial revolution and increasingly developed with the business concern about the wellbeing of their employees and their families. It evolved under conditions related to the expansion of capitalism in the 1920s, and the influence of the consumer and labour movements (ASONGU, 2007; CARROLL, 1999).

Godfrey presents an interesting historical overview of CSR in general. He notes how the roots of CSR developed in the 19th century from philanthropic giving practice to a more corporate giving orientation by the mid-1950s. It was accepted that "social responsibility should be a guiding principle for corporations," to the contemporary strategic giving mindset, which emerged in the 1980s and 1990s. It embraced CSR as not only good for society but good for shareholders as well (BRADISH and CRONIN, 2009).

In the eighteenth century, CSR was found in some forms in the practices of successful companies in the Western World. Its roots lie in the United States, where individualism and arms-length relationships are predominant (CARROLL, 2008). Professor Theodore Kreps used the term "Social Audit" in the year of 1931, where he created a relationship between social relationship and corporate reporting. Later in 1942, in his book "The Future of Industrial Man," Peter Drucker argued that companies should be concerned with social activities, as well as their economic activities (VANHAMME and GROBBEN, 2009).

2.2.1. The Modern Era of CSR

The modern era of the CSR concept started in the mid of the 20th century, particularly after the Second World War, with the definition suggested by BOWEN (1953). In 1953, Bowen introduced the idea of social responsibility of business on a broader interpretation than pure profit-seeking. By this time, there was more talk about CSR than action. People also started raising their voice against immoral business practices as they began to realize that the selfish pursuit of business success will bring many moral compromises (CARROLL, 1999). This is how gradually the idea of social responsibility began to take a stronghold among many American and European business organizations.

At the beginning of the 1960s, the moral issues reached a higher level, with the widespread public pressure against business misconduct, in particular the environmentalism. Moreover, the decade of the 60s marked the expansion of the literature on CSR, with growing concern in understanding what CSR meant (CARROLL, 1999). However, the CSR journey was not all smooth. It received opposing challenges where a real debate was started when authors such as Friedman and Levitt strongly opposed the concept of CSR (KIKWIYE, 2017).

In the 1970s, the role of stakeholders became more evident. They coincided with a higher public demand for corporate transparency and accountably, and business realized the need to meet public expectations. Furthermore, governments have accepted the contributions that CSR may do to societies and enhance environmental and social reporting. For instance, in the USA, the Council on Economic Priorities rated publicly the companies based on their social and environmental performance. In addition, the 1970s had witnessed the early attempt by UN to define CSR in term of ethics, marketing and disclosure of information, product standards and competition, through the united nation code of practice for transnational corporations (CARROLL, 2008; MASARIRA, 2014).

In the 1980s, complimentary themes, models, and, other alternatives to CSR concepts have been ascended. Business becomes closer to social interests and becomes more responsive to the stakeholder's requirements. In this period, the concerns of CSR began to be translated into many theories or models. Researchers found that economic and social interests came closer and became much more responsive but could not yet be tightly coupled together. Moreover, the term of sustainable development has been introduced and presented in the report of the Brundtland Commission in 1987. It was appointed by the United Nations to study the relation between the environment and the development (KATSOULAKOS et al., 2004; MOURA-LEITE and PADGETT, 2011).

In the 1990s, the business case of CSR gained a more solid foundation with more complimentary themes. It became almost a global issue and was promoted by all members of society and international organizations. All have fully supported the establishment of the CSR concept and issued guidelines and rules to continue the movement. For instance, the earth summit in Rio de Janeiro in 1991, set out 27 principles to support sustainable development (KATSOULAKOS et al., 2004; MOURA-LEITE and PADGETT, 2011).

The 21st century was the period of emerging CSR industry (RAHMAN, 2011). It was broadened unprecedentedly and became a strategic issue for business to promote sustainable development. Companies were starting to take severe action to address the CSR concept by linking CSR with business strategy and management framework. Many business surveys conducted in European countries showed that the majority of public companies believed that reasonable business practices is the key for long term success (KATSOULAKOS ET AL., 2004). Also, the public began to watch business activities more than before. As a result, corporations started to use their website to display their CSR activities and reports to give access to their audience and let their stakeholders learn about what corporations are doing for society.

2.3. CSR Theories

CSR concept has developed and evolved over many decades leading to a large number of definitions, approaches, and individual theories to understanding CSR. There is a set of theories that explain CSR activities. However, the overlapping to certain degrees has been observed in those theories. In the below, we considered the main theories underlying concepts of CSR.

2.3.1 The Classical View

This view understands the economic, legal, and ethical responsibilities of the organizations. However, it rejects the idea of engaging in charitable activities that would jeopardize business and threaten the wealth of shareholders. Thus, finding solutions to the problems hindering the socio-economic development is a job of the state and other related social organizations, it is not the role of business (ALKAYED, 2018). Milton Friedman, who was considered as the most supportive of the classical view, argued that corporations have one responsibility which is to maximize its profit. Business social activities may only accept if such activities can increase the shareholders' value and not merely voluntarily philanthropic. He expressed his view in the famous passage in which he stated, "there is one and only one social responsibility of business to use its resources and engage in activities designed to increase its profits" (ALKAYED, 2018; FRIEDMAN, 1970, P. 184). The classical view is a restrictive framework that reflects western economist thinking and does not take into consideration the social context of business responsibility. The proponent of the CSR concept has moved forward and suggests more theories, such as the legitimacy theory, the strategic/instrumental, and the stakeholder theory, that will be discussed in the below sections.

2.3.2. Legitimacy Theory

Legitimacy theory results from the idea of legitimacy. It focuses on the corporation's interaction with society. It suggests that business organizations need to act reasonably and maintain a positive record of social and environmental performance to sustain their social relationship with society. Therefore, in the light of legitimacy theory, many corporations have chosen to disclose CSR information to prove they are meeting the expectations of society (ALOMAR, 2014; DEEGAN and CRAIG, 2002).

2.3.3. The Instrumental Theory

This theory considers CSR activities as a strategic tool to achieve business objectives, such a competitive advantage. It is also known as the strategic theory of CSR, which admits the strategic concerns of the organization in supporting social issues, without jeopardizing the shareholders' interests. Also, it is accepted that CSR initiatives may improve the corporate reputation and be an added value to the reputation capital that being profitable in the long run (ALKAYED, 2018).

2.3.4. The Stakeholder Theory

The stakeholder theory represents the organizational interactions with the external and internal environment. The stakeholder's term is considered as one of the most critical issues in the strategic management that needed proper management, or it may hinder the organization's survival and continuity. The western CSR concept is mainly based on stakeholder theory as well, as it is the most used theory in developing countries (GRISERI and SEPPALA, 2010; KIKWIYE, 2017; WANG and JUSLIN, 2011).

Historically, FREEMAN (1984), who brought this theory in the scholarly writings, recognized the stakeholder perspectives as a strategic value for the business (KIKWIYE, 2017). Freeman emphasized different constituent groups who have a stake in the organization. Freeman introduced the term "stakeholders," which refers to "any group or individual who can affect or is affected by the achievement of the firm's objectives." Furthermore, he distinguished between primary and secondary stakeholders. Primary stakeholders' participation is essential for business survival, such as shareholders, customers, management, local community, employees and suppliers. The secondary stakeholder whom their action may benefit or damage the business, are the government and communities, trade unions and environmentalists. According to CLARKSON (1995), the primary stakeholders provide resources, and the secondary stakeholders provide infrastructures and markets, laws, and regulations that are to be obeyed (KIKWIYE, 2017). FREEMAN (1984) mentioned that business organizations need to accept CSR as a critical tool to generate and maximize value for all stakeholders and use this concept to manage their relationships with all its clients.

The perceptions and expectations of organizations are varied between stakeholders. For example, the shareholders are to increase the profit from their investment. For employees, they expect to have a good salary, job satisfaction, and training and development and the community expect to receive goods, services and donations. Also, the government is interested in having companies abide by the laws and regulations (CANNON, 1994; KIKWIYE, 2017). However, this variation between stakeholder's expectations may cause a conflict of interest that requires an optimal solution; for example, a company's engagement in philanthropic activities that benefit the community as a stakeholder. The organizations should do this in public so that owners will be aware of where their profits are spent and manage the risk of their investment. This example may explain how charitable activities can be aligned with stakeholders without raising the conflict of interest (PORTER and KRAMER, 2002; SMITH, 2011).

The stakeholder theory remains open for criticism due to its deep-rooted problems related to its conceptual clarity, justifications, and inconsistency possibility. It is always used in conjunction with other theories because it is multidimensional (GARRIGA and MELÉ, 2004). It has been criticized for not having theoretical foundations. According to ARGANDOÑA (1998), it has no ethical and solid basis that makes any formulation of the organization's rights and duties towards their stakeholders somewhat arbitrary. This criticism, supported by literature, used different ethical theories to present stakeholder theory, where each was using different moral frameworks. (DEEGAN and CRAIG, 2002) claims that the confusion in the stakeholder term was due to the various studies and researchers using different dimensions of the theory for different purposes. However, the interaction between stakeholders and the corporation is a complicated issue. Maybe in the future, according to (GRAY ET AL., 1996), becomes even more comprehensive and includes some forms of non-human life.

2.4. CSR: An Evolving Concept in a Changing World

For the past several decades, the debate over the role of business in society has influenced business organizations to be more human ethical and transparent. It has given birth to a range of themes and concepts that often overlapped and used interchangeably to talk about corporate social responsibility, such as, sustainability, corporate citizenship, the triple bottomed (MAIGNAN and FERRELL, 2003). Despite the uncertainty on how CSR should be defined (DAHLSTRUD, 2008), this dissertation focuses on the term CSR because it is considered as the point-of-departure, or a building block and basement for other complementary concepts and themes (CARROLL, 2008). Moreover, to engage critically with the established literature on CSR where it is still a commonly used term, both in the academic writing and international public discourse.

2.4.1 Socio-economic Discontent

CSR may be considered as one of the most rapidly evolving and challenging subjects that corporations are facing in today's business environment. It is continually changing and encompasses different approaches depending on the development of society and its needs and expectations. However, the growth of CSR as an issue in modern society reflects, to some extent, the continued discontentment amongst communities, where large corporations were viewed as evil (LANTOS, 2001). Moreover, it began to emerge prominently in the academic literature and public debate when people started to recognize unethical business practices, for example, bribery, environmental pollution, or selling dangerous products. More so, increases

in business scandals involving big firms such as Arthur Anderson Nike, Enron and rising social problems that hinder the national and global economy, such as poverty, unemployment, climate change, and human rights violations, religion and sex discrimination (SNIDER et al., 2003). According to some, those social problems are the natural consequences of the globalization phenomena, technological revolution, and the demographic and political change (DUNNING, 2004; DUSUKI, 2005).

In the Jordanian context, the world economic changes have a socio-economic impact and negative consequences on the structure of the Jordanian society. They have led to social oppression that has devastated the country's old social-economic structures (AL-ZOUBI, 2009). The new wave of pro-market regulations that took place in the last decade of the 20th century in Jordan through a series of privatization initiatives has reduced the Jordanian government shares in the productive sectors. It applied more legalistic approaches with new legal and public policies of business activities. Consequently, the state has moved away from being the leader in development to that of a facilitator. Withdrawal from the productive assists and activities handed the private sector the driver seat as a significant player in the socio-economic development. It has also opened the country market to external traders and investors and their transnational corporations. It may be considered as a new turn that gives priority to market mechanism over everything else. It makes the state unresponsive to its citizen's basic economic and social needs. It changes the image of the Jordanian, from one relying on traditional government support, to one of self-reliance (AL-DAAJA, 2017).

The government failure in attaining socio-economic developments has increased the social exclusion of a large section of Jordanian society and has led to an unfair distribution of national income. According to AL-ZOUBI (2009), the number of poor people increased from 87,200 in 1987 to 538,000 in 1997. Poverty has also grown in the same period, from 9.2% to 16.2%. This indicates that the poor had a higher standard of living in 1987 than it was in 1997 (AL-ZOUBI, 2009). Research conducted by local academics has revealed that 5.4% of the population controls 80% of national wealth and unskilled and semi-skilled workers have little or no chance of finding employment.

Furthermore, rational state policies have excluded the poor from health and education programs. At the same time, the ruling classes enjoy better services and higher income from the market. National figures showed that the total public expenditure on education in 1990 was 8% of GDP, and then was reduced to 4.9% in 2004. Meanwhile, public expenditure on health in 1990 was 4.7% of GDP and faced a reduction to 3.9% in 2004 (AL-ZOUBI, 2009). The

percentage of financial inclusion in Jordan rested at 24.6%, at the end of 2016, which is low when compared with other countries across the globe. The groups of low-income individuals such as foreign citizens (including refugees) and young people are still in need of support. At the same time, women still trail men in some product categories in terms of usage and access (CBJ, 2016b).

The high degree of integration with the international economy left the economy relatively vulnerable to global economic shocks. It has made the country more dependent upon the wealthy industrialized countries and their transnational corporations. According to AL-ZOUBI (2009), opening the Jordanian market to multinational corporations has weakened the position of the lower classes. It has benefited only the elite groups in Jordan, and this has shaken the class system foundations in society. The riots that took place in the southern part of the country in 2002, which involved clashes between the police and local southern elements, might have seen as an indication of frustration over the state socio-economic and political policies.

In general, to address the state's social-economic problems, it requires tremendous resources, and the governments of the globe alone cannot cope with it. Hence, if it was left to the Jordanian government alone to fill the gap and uplift the disadvantaged communities, it will take a long time and may fail. Consequently, there is a need for the business to participate and help in solving socio-economic problems. Their interest is to have a stable society since the success of the company is linked to the wellbeing of the country and its population.

2.4.2. CSR Driving Forces

The literature revealed several driving forces behind the growing tendency towards CSR initiatives and motivation for corporations to engage in CSR practices voluntarily. However, the driving forces for CSR seem to be pragmatic, and each organization in a specific industry might perceive the concept differently (ACHDA, 2006). These drivers can be classified into external and internal drivers, but in general, it may be presented as below:

- Deep-rooted cultural traditions and religious beliefs were driving business organizations and business owners to involve in charity and philanthropy work. It is an old label of CSR that is mainly practised by business organizations to improve the condition of their employees and their families and for God willing to bless their profits (REFAAT, 2014; VISSER, 2008).
- The public pressure against the capitalist economic activities begun in the 20th century and later evolved more social movement campaigns supported by NGOs and other

stakeholders. Hence with the increased public awareness and concern for businesses to be socially and environmentally responsible, the public pressure drives business to participate in CSR activities and pay more attention to societal issues. According to FREDERICK (2006), the CSR concept rises in the west as a response to the pressures from stakeholders.

- Government regulations issued especially against the global shocks, financial corruption and scandal's crisis, as well as harmful business operations on the environment and human rights and other related issues. In this context, the banking sector is characterized by much stricter regulation due to its services to a large number and variety of people (YAMAK and SÜER, 2005).
- The rapid technological developments and increased power of communications that unify the ability of stakeholders and increases the pressure on business to adopt CSR activities. As well as the growing influence of the media, which provides the pressure groups like customers, social activists, NGOs with tools and means to collaborate against negative business impacts and such as scandals (DUSUKI, 2005).
- Globalization, which is considered as the most important driving force of adopting CSR. The significant increase of the interconnections of the global economy resulted in re-shaping the societies regarding forms and content of CSR practices (KIKWIYE, 2017).
- Market pressure. The 20th century was characterized by the dominance of free-market coordination, which caused a changing in the market scenario. The moral issue and the power of multi-stakeholders start to gain more importance and put an enormous amount of pressure on businesses to manage and respond to different expectations (LENTNER et al., 2015). It is adding heat to the CSR concept that required corporations to create a new form of communications instruments such as CSR to improve their corporate image or to be in competition. This is to avoid the social risk that has been growing in the global business environment in line with other traditional business risks, such as technological, economic and political risks (KIM, 2012). Hence business forced to use CSR to succeed.
 - The requirements of international initiatives and ethics that drive business organizations to comply with international standards and guidelines. The world financial crises in 2008 brought up the need for more international standards and raised ethical issues related to financial institution behaviour.
- The competitive advantage when business in the global competitive market should involve CSR practices to win a competitive advantage and increase its market share (FUKUKAWA et al., 2017).

Although most literature on CSR is available in developed nations, such as North America, Europe, and Australia, research revealed some additional driving forces behind the rise of the CSR concept in some of the developing countries (KIKWIYE, 2017). The multinational corporations (MNEs') practices in developing countries whose parent companies have a direct influence on their local offices around the globe to engage in CSR activities. According to KOLK (2005), the exploitation of transnational corporations has pushed for socially responsible business practices in developing countries.

Besides, CSR practices in some countries were related to religious reasons. However, it perceived differently as a long-standing charitable, informal, paternalistic, voluntary practice (REFAAT, 2014). Furthermore, some other examples may be drawn from developing countries such as in Jordan. It is generally driven by increased international and local competition due to liberalization and concerns for efficiency and productivity (AL-DAAJA, 2017). In Lebanon, the companies participate in CSR because they want to gain legitimacy, or they implement CSR to restore legitimacy (JAMALI and MIRSHAK, 2007). In Bangladesh, MOMIN and PARKER (2013) found that managers were driven by the need to improve corporate image. Business organizations in developing countries have realized the need for CSR to succeed in the global market. Foreign subsidiaries, in particular, should consider the social issues in developing countries to gain legitimacy and to serve their economic interest in using the untapped resources.

2.4.3. CSR in the Banking Industry

Considering the nature of their business, banks can no longer afford to be in isolation of society's expectations. ROSE(2012) defines banks as the most important financial institutions in the economy, which accept deposits, provide loans, and offers the widest range of services of all financial institutions. They are financial intermediaries that play a significant role in national and international economies, whose power affects the social system (BELÁS, 2012). Also, WATKINS (2011) argues that banking is a typical capitalist activity aimed at making a profit. The laissez-faire policy allows individuals and companies to seek to increase their financial fortune without any limitations (BELÁS, 2012). In the light of the growing need for ethical and social responsibility, banks and financial institutions coupled with the propagation of CSR. Banks all over the world are under pressure from its multi-stakeholders, including shareholders, investors, media, NGOs and customers (HASSAN, 2013). Even the International Finance Corporation (IFC, 2007) noted that banks had been perceived as not generating significant negative social impact. Nevertheless, they have a positive social impact through the

dynamics of employment, restructuring, and economic development. Former UN Secretary-General Kofi Annan once mentioned that it is a great challenge for the UN to address the constraints that exclude people from full participation in the financial sector (UN, 2003).

Foreign banks were identified as facilities in one country owned by citizens of another (GRUBEL, 1977). Accordingly, operating abroad may increase the complexity of the subject of social responsibility, since the relationship between subsidiaries and their host countries described as very complicated and sometimes called a 'love-hate' relationship (ALOMAR, 2014; DERESKY, 2000)

The global financial crisis and severely competitive landscape make the banking sector highly vulnerable. Thus, giving rise to the need for a more active role in facilitating the nation's economy (SINGH et al., 2013). ACHUA (2008) emphasizes that banking organizations are one of the most sensitive sectors to the impact of CSR, as they are subject to more diverse and complex public scrutiny. He further highlights that being the pivot of socio-economic development of any economy; banks need to be socially responsible to be able to build their reputational capital, which enables them to win public trust (ACHUA, 2008). Banks have realized the need to develop strategies that can show their concern about the wider societal impact of their financial and operational activities. Banks have realized that the concept of CSR impacts their operating environment and has significant consequences for their performance and survival (ACHUA, 2008; LENSSEN et al., 2007). There is a growing need for trust, as well as accountability and transparency that leads to it. Since then, several initiatives and guidelines have been launched to lead the banking sector towards a more socially and environmentally responsible role. Such efforts include the emergence of many international reporting standards that encourage corporations to disclose information on their CSR strategies and activities transparently. Such standards include the Global Reporting Initiative-GRI (the world's most widely used CSR/ sustainability reporting framework); the UN Global Compact Principles; and performance standards such as the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In recent years, the CSR agenda in the banking sector has seen many developments (CHIU, 2014). For instance, the Grameen Bank, which is a Microfinance institution in Bangladesh, has introduced a micro-loan program to help the women who own small business in rural areas (ABED and MATIN, 2007). In Hungary also, the National Bank has developed its corporate social responsibility strategy to promote sustainability and social development through

connecting macro- and micro-prudential supervision activities, in a broader sense that allow new tools to gain ground (LENTNER et al., 2015).

Having understood how the concept of CSR is affecting and shaping the banking operations, we have decided to conduct an instructive examination of the role of banks in society from the perspective of the host nation. For this research, it was limited to study the CSR practices of the banking sector and that of the foreign banks operating in Jordan.

2.5. The Stakeholder Analysis of CSR

The literature revealed that the positive perception of stakeholders towards business CSR practices considered an essential factor in achieving effectiveness, where positive or negative perceptions create expectations or uncertainties, respectively. Hence, business organizations should align itself well with stakeholders to maximize positive expectations and minimize uncertainties, as well as improve product evaluations (CANNON, 1994; DUSUKI, 2005; KIKWIYE, 2017). Their reasons for undertaking stakeholder analysis, concerning CSR, is to understand the perception and expectations of multi-stakeholders, that help the management to identify the societal issues they want it to address. Moreover, it will enable the organization to determine whether its CSR policies are a useful way of influencing public opinion and satisfying stakeholders (ALRUMAIHI, 2014). It is an essential issue for supporting the firm existence and provides a signal to the organization managers, to avoid stakeholder sanctions.

On the other hand, the stakeholder analysis of the CSR practices may provide the organization with ongoing evaluations of the CSR programs, and help the firm's management to monitor and plan its programs (ALHEJAILI, 2018). DAHLSTRUD (2008), in his analysis of 37 CSR definitions, showed that the stakeholder and social dimensions were the most agreed upon concept (SMITH, 2011). In general, researches on stakeholder perception would help the business organizations to evaluate its benefits and costs that reflect its reasonable and irresponsible behaviour.

2.5.1. The Stakeholders Perceptions of CSR

The positive perception of stakeholders towards business CSR activities may consider as an essential aspect of the business to survive. According to BRUNK (2010), unsatisfied customers with a firm's product or a certain behaviour may cause severe damage to a firm's sales revenue. In the long run will harm its reputations and brand image (ALRUMAIHI, 2014). Similarly, the positive attitude of stakeholders towards business social activities may support the firm's competitive advantage and attract a quality workforce (DUSUKI, 2005). CSR initiatives that

directed towards employees, customers, and societies were tested positively and significantly related to firm performance (BAI and CHANG, 2015; LAM, 2016).

A study conducted by ABU-ARJA (2019) indicated that the secondary stakeholders' including governments, the media, communities and NGOs, have the most significant influence on firms' strategies. LOURENÇO et al., (2012) mentioned that studies in the banking sector suggested that reporting CSR activities can influence stakeholders' perceptions of a company's performance, and increase its profitability (LAM, 2016). Studies that examine the stakeholders' perceptions and attitudes towards CSR in Jordan were limited. There are only a few studies that attempt to study the perceptions and behaviour of stakeholders towards CSR.

2.5.2. Stakeholders Coverage in CSR Research

According to DUSUKI (2005), previous studies on stakeholder perception on CSR were limited, particularly in terms of stakeholder's categories and dimensions. For instance, in the studies of the relationship between the business social commitment and stakeholders, some focus more specifically on company ethics. Also, according to DI BELLA and AL-FAYOUMI, (2016) most research that was conducted in the past few decades on the stakeholder perception of CSR in the banking sector, was limited to mainly bank customers. It is from this perspective that this study explores the perceptions of the multi-stakeholders with a comprehensive approach, including a variety of stakeholders with no limitations, regarding the CSR dimension and stakeholder categories. This research investigates the perceptions of CSR practices using the stakeholder approach across a variety of stakeholder groups as well as, adopting different dimensions of CSR such as human resource, community involvement, environmental and together with other dimensions related to CSR in a banking environment. There were no studies that addressed these issues in Jordan before.

In developing countries, some studies have conducted on stakeholders' perceptions. For example, the study of (ARIBI and ARUN, 2015) that investigate the management's perception of CSR practices in the Islamic banks in Bahrain. The findings revealed that managers had not wholly put CSR into practice. Furthermore, in India, companies are influenced by focusing mainly on the interest of customers, employees and the community to a large extent (LENSSEN et al., 2011). The study conducted by HAMDAN (2014), showed that the Islamic banks in Brunei had positive perceptions of CSR. ALRUMAIHI (2014) investigated the CSR in the banking industry in Kuwait and showed that there were differences in how stakeholders understand and perceive CSR. Moreover, the study of KIKWIYE (2017) that investigates the

Tanzanian stakeholder perspective on the CSR practices of multinational and local companies in a developing country found that companies practice CSR on different levels and aim to minimize risk, improve image and brand name.

2.6. CSR in the Middle East Region

CSR is not a strange concept in the Middle East; it is a natural output of the region's cultural heritage and religious beliefs. However, there is a significant difference between countries in practising and applying CSR. For example, business organizations in countries such as the United Arab Emirates and Oman showed a serious commitment to establishing CSR practices. Whilst in Lebanon, it is considered as a tool for public relations. In Tunisia, it remains without a developed structure that defines the firm's compliance with corporate social responsibility. In other countries like Syria, the CSR are adopted by state-owned enterprises. Therefore, CSR activities in the region still hold a different meaning. We can find some countries and their companies are further ahead than others; however, it shows a similarity in features in terms of promotion and reception of CSR (AL-DAAJA and SZABADOS, 2018).

2.6.1. The Traditional Approach.

Traditionally, the practices of CSR in the region are implemented in the context of philanthropic, charitable and voluntary actions, based on cultural heritage and Islamic traditions, and initiated by both individuals and businesses. It has historical roots and unique expressions that do not always reflect the current practices in the West (JAMALI and MIRSHAK, 2007). Moreover, ARARAT(2006) mentioned that philanthropy is the most common practice of CSR in the region, based on the Middle East cultures and Islamic traditions (AL-DAAJA and SZABADOS, 2018). However, SELVIK (2013) mentioned that it is still challenging to find any difference between the practices of religious giving like Zakat and CSR in practice. This complicates the entrance of CSR to the Middle East. While there is no agreement on the term itself and some business leaders dislike the label CSR, the general perception of CSR in the region is that social responsibility is still the primary role of the state (AL-DAAJA and SZABADOS, 2018; ALI and AL-ALI, 2012; REFAAT, 2014).

2.6.2. Changing the Agenda

Despite some indications that showed CSR in the middle east, the emphasis is primarily on charitable and philanthropic activities. Business organization in the region appears to have a broader understanding of CSR that goes beyond philanthropic practices. They changed their CSR agenda and started setting up plans for providing services that are in the best interests of

society. Indeed, it is clear that it is getting more strategic and more diversified. Nowadays, there is a common passion and strong support for CSR practices, and the question that arises in the middle east is not if the corporation should do better for the community, but how? (AL-DAAJA and SZABADOS, 2018; ALI and AL-ALI, 2012) It has been observed that corporations in rich countries in the region such the Saudi Arabia, United Arab Emirates, and Qatar, etc. have implemented CSR concepts into their business strategy, and have adopted sustainable practices in their operations (AL-DAAJA and SZABADOS, 2018; YAWAR, 2009).

2.6.3. CSR Challenges in the Middle East.

According to ALI and AL-ALI (2012), some CSR challenges in the region are embedded in the entitlement mentality, which has strengthened over the years. Others are structural, which must be taken into account when discussing the plans for the CSR in the region. The CSR challenges in the region are CSR is still not a core business strategy, CSR is considered as PR and a marketing tool, the need for building up a CSR partnership model., lack of government incentives and awareness challenge

2.6.4. CSR Driving Forces in the Middle East

The main forces that motivated business organizations in the Middle East to involve in societal issues may classify into exogenous and endogenous factors. In the exogenous context, literature revealed several factors that caused the growing demand and pressure upon firms in the region to practice CSR. Such as the rise of globalization and the technological revolution associated with the so-called internet-booming era. Also, the growing influence of the media and increased societal awareness and finally, the international standards and guidelines set by the United Nations and other international organizations. For the Middle East, it is also accompanied by internal factors, such as culture, religion, the multinational companies operating in the region (MNCs) and the new government rules and regulations. Also, the Arabic spring, which refers to the democratic uprisings that arose independently and spread across the Arab World in 2011 (AL-DAAJA and SZABADOS, 2018)

2.7. The Study Back Ground

This section will provide details on the main study settings. Included is a brief overview of Jordan, CSR in the context of Jordan, the banking industry in Jordan. Provided is an overview of the CSR in the banking sector and previous studies conducted in Jordan.

2.7.1. Jordan in a brief overview

Jordan is a small developing country located in the middle east with an area of 89.3 thousand square kilometres. It is an old state with a high degree of internal political stability. However, it has effectively been in the eye of the storm when it comes to the regional level. Despite the political and security turmoil in the neighbouring countries, Jordan economy managed to register a growth rate of 2% in 2016, compared to a growth of 2.4% in 2015. This growth was driven by the improvement in the majority of the economic sector. The real GDP per capita reached JD 1,188, in 2016, and the unemployment rate amongst Jordanians increased by 2.3% to reach 15.3% in 2016. This was attributed, partially, to the low paid foreign labour, particularly, Syrian workers, which took over a large portion of newly created job opportunities in the economy (CBJ, 2016a). Jordan is a state with a religiously inspired culture of giving (Islam recommends social cooperation), where Muslims constitute the majority of the population. Therefore, the trend of behaviours toward the CSR concept can be expected

2.7.2. CSR in the Context of Jordan

The concept of CSR may be entirely new to Jordan, but it has historical roots. It practised as philanthropy or charitable work based on religious beliefs, and the prevailing culture of giving, loyalty and solidarity values. In this context, it has been observed that business firms in Jordan still make their profits and fulfil their tax duty. Then they donate a particular share of their profits to charitable causes (AL-DAAJA, 2017). Despite that, no one denies that there are some national companies, particularly, the Jordanian companies who work internationally. They adopt corporate social responsibility in terms of people, planet and profit, and have clear and specified programs of CSR (AL-DAAJA, 2017). CSR in Jordan may be described as a mixture of legally binding and voluntary ethical actions, through political and legislation pressure (ABDELRAHIM, 2014; AL-DAAJA, 2017). In general, business organizations in Jordan still consider CSR as part of their corporate philanthropy framework, with the trend of voluntary, rather than taking it as a strategic approach to sustainability.

A study conducted by VISION INSTITUTE (2014) indicated that the business sectors implemented a total of 444 social activities in Jordan in 2014, where the banking sector was the most active in supporting CSR issues. Moreover, CSR programs were targeting the following social areas, poverty alleviation, combating unemployment, local community development, health, and environmental protection, national political affairs, sponsorship of sports events, art and culture, and support employees (AL-DAAJA, 2017).

Table 2-2: The number of CSR activities implemented by business sectors in Jordan in 2014

Banking & Insurance	Commerce	Communications And Information Technology	Industry	Tourism	Education	Health	Transport	Construction
163	61	60	48	45	23	19	18	7

Source: VISION INSTITUTE (2014)

In light of the widespread awareness of the CSR in Jordan, increasingly, the Jordanian government has made a great effort to enhance and promote social responsibility practices. For instance, at the end of 2016, the central bank of Jordan adopted the National Financial Inclusion Strategy. It aims to enhance the access of various groups in the society to the financial services provided by the formal financial sector in a fair, transparent, and responsible way (CBJ, 2016b). The government also includes the CSR concept as an essential issue in the strategic plans of the ministry of social development. Also, in 2007, guidelines were issued for social responsibility practices through the Ministry of Justice. As well as improving the regulatory framework for CSR activities with more legislation, such as the investment promotion law no. 67 of June 16, 2003, and the amended income Tax Law of 2000. This provides the Jordanian and foreign investors with more incentives and tax exemptions (ABDELRAHIM, 2014; AL-DAAJA and SZABADOS, 2017).

In the globalization era, CSR, as a global phenomenon, was viewed by many Jordanians as a legitimate alternative tool that needed to correct the state failure in the economic, social agenda. The Study of ALASRAJ (2010) concluded that the role of CSR in different countries has accelerated due to the reduction of government services to the public, after the privatization of public enterprises. Accordingly, many questions have been raised to describe the expected role of CSR and its potential to make profound positive differences in the country's social development (ABDELRAHIM, 2014; AL-DAAJA, 2017). In her speech at the University of Jordan in 2008, her Majesty Queen Rania (Queen of Jordan) stressed that CSR is the responsibility of all Jordanians, and building our future is a social responsibility that excludes nobody (AL-DAAJA, 2017; ELIAN, 2005). Nowadays, the trend is visible in Jordan as more and more business organizations have started paying more attention to the CSR concept.

2.7.3. Evolution Stages of CSR in Jordan.

The concept of CSR has been changing over time in Jordan and developed since the beginning of the state in 1921. To describe the evolution of the CSR concept, we divided the transformation process into two phases based on the countries, political and economic background. However, it is not static, and the characteristics of one phase can also appear in the other. (AL-DAAJA, 2017).

Table 2-3: CSR evolution stages in Jordan

PHASE	CSR APPROACH	KEY STRATEGY
Phase I TILL 1999 The crowding Phenomenon Between private and public sector	Charity and Philanthropy	Non -state - random initiatives for public Good, motivated by culture and religion
Phase II 2000- present New socioeconomic- Political agenda	Smart Philanthropy: Semi-strategic Approach	Nonrandom actions with the adoption Of some aspect of the CSR agenda, motivated by Globalization Liberalization of the economy Political Pressure, New Country laws, NGO pressure, Market competition, Cultural Ethics

Source: AL-DAAYA (2017)

- **Phase I.**

Since the establishment of the Emirate of Transjordan in 1921 (former name of the Hashemite king Dome of Jordan), CSR was understood as a philanthropic work, a non-institutionalized phenomenon based on traditions presented by the Arab norms, and religious beliefs, as Islam recommends social co-operation. Moreover, the private sector in Jordan was mainly small and consisted of family business owners. They were being asked to give back to society as part of their religious practice and not as part of their responsibility toward society (AL-DAAJA, 2017). Later, and before ending of the last century, the majority of companies in Jordan are still unaware of the concept of CSR and still consider CSR as part of their corporate philanthropy. Thus, without having a clear philosophy towards social responsibility issues, for example, the Islamic Jordan bank helps in funding programs for group weddings. Till the end of the 20th century, the state was the dominant economic player that assumed responsibility for social and economic development with a tendency to empower the private sector. However, through that period, the philanthropic pattern was the title of the CSR agenda practised in Jordan (AL-DAAJA, 2017; ELIAN, 2005).

- **Phase II.**

At the beginning of the 21st century, while the role of the private sector is becoming more and more evident, Jordan has witnessed its first true movement toward CSR perception. A shift towards a more comprehensive approach of CSR that is driven by better respect for civil rights, more competitive markets and with the developed legal system. More so, robust FDI and strong public-private investment through the privatization of formerly government-owned businesses, intensified interaction with international markets. The most important was the foundation of several local CSR specialized organizations and the conclusion of several CSR and sustainability forums across the country (AL-DAAJA, 2017).

In the new global business culture, the CSR concept in Jordan has moved from philanthropy, toward semi- strategic philanthropy or smart philanthropy. This is about how businesses can manage the impact of charitable contributions to support the business strategy whilst supporting the national development agenda. It is making philanthropy more strategic by adopting some aspects of CSR global agenda (AL-DAAJA, 2017).

2.7.4. CSR Driving Forces in Jordan

According to (ABDELRAHIM, 2014), the CSR practices in Jordan are driven by the society cultural ethics, country law, political pressure, competitors, and NGO pressure, with no consideration for customer pressure. On the other hand, a survey analysis conducted by VISION INSTITUTE (2014) revealed the following CSR driving forces in descending order. Ethical commitment, sympathy towards vulnerable groups, religious conviction, addressing societal dilemma, marketing strategy, responding to NGO's appeals strengthens public relations, complying with corporate governance and citizenship and addressing political concerns (AL-DAAJA, 2017). ARARAT (2006) also mentioned that CSR in Jordan driven by government rules, regulations and Jordan international business relations, that apply learning by examples.

CSR agenda in Jordan has been moved forward due to the pressure from external factors. Such as the globalization phenomena, where the country has integrated into the global economy and opened its market for multinational companies. Based on the above, this research may conclude the following as the most driving forces behind adopting CSR practices in Jordan: religious beliefs and ethics of the society, the state laws and regulation, the competitive market and the multinational investment.

2.7.5. CSR Implementation Challenges in Jordan

The key hurdles facing CSR practices in Jordan include the following: the economic challenge, lack of government incentives, skill sets and possessing the right skill sets to implement CSR, governance and lack of monitoring and evaluation process of CSR projects, weak transparency and disclosure (AL-DAAJA, 2017).

2.7.6. Jordan Banking Industry

In the last few decades, the Jordanian market has witnessed tremendous changes. It has turned into a very attractive place for international investments. The government has approved new laws and regulations to either ease or demolish restrictions on foreign investment (SAMAWI, 2011). The foreign banks are being influenced by this trend and are beginning to realize the full potential of the Jordanian market. The growing activities of such business in Jordan can now be easily noticed.

The financial system in Jordan, encompasses the Central Bank of Jordan, the Amman Stock Exchange and the banking and financial sector. The banking sector in Jordan is considered as the bedrock of the economy and one of the most advanced and standardized leading industries (CBJ, 2016b; SAMAWI, 2011). The Jordan banking system is a dual system with a lack of public sector banks and includes private sector commercial and Islamic banks. It is classified into four main categories, including the Jordanian commercial banks, Jordanian Islamic banks, foreign commercial banks, and Islamic foreign banks. Table 2-4 showed the Categorization of Banks in Jordan.

Table 2-4: Categorization of Banks in Jordan

Foreign banks		Local banks	
Commercial foreign banks	Islamic foreign banks	Local commercial banks	Islamic local banks
8	1	13	3

Source: CBJ (2016a)

According to the Central Bank of Jordan CBJ (2016a), the number of banks operating in Jordan reached 25 banks, 16 of which are Jordanian (three of which are Islamic banks) and nine of them are foreign banks (of which one is an Islamic bank) (CBJ, 2016a; PAKURÁR et al., 2019). Jordanian banking sector indicators showed a tangible growth in 2018 where assets grew by 3.7%, reaching JD50.9 billion; deposits rose by 2.0%, reaching JD33.85 billion; and, credit facilities granted by banks rose by 5.6%, to amount JD26.11 billion. Capital adequacy ratio in banks reached 16.94%, which is comfortably higher than the ratio set by the CBJ (12%), as

well as the ratio of Basel Committee (10.5%). Figure 2-2. shows the numbers and types of Jordanian banks since 2008 (ABJ, 2018)

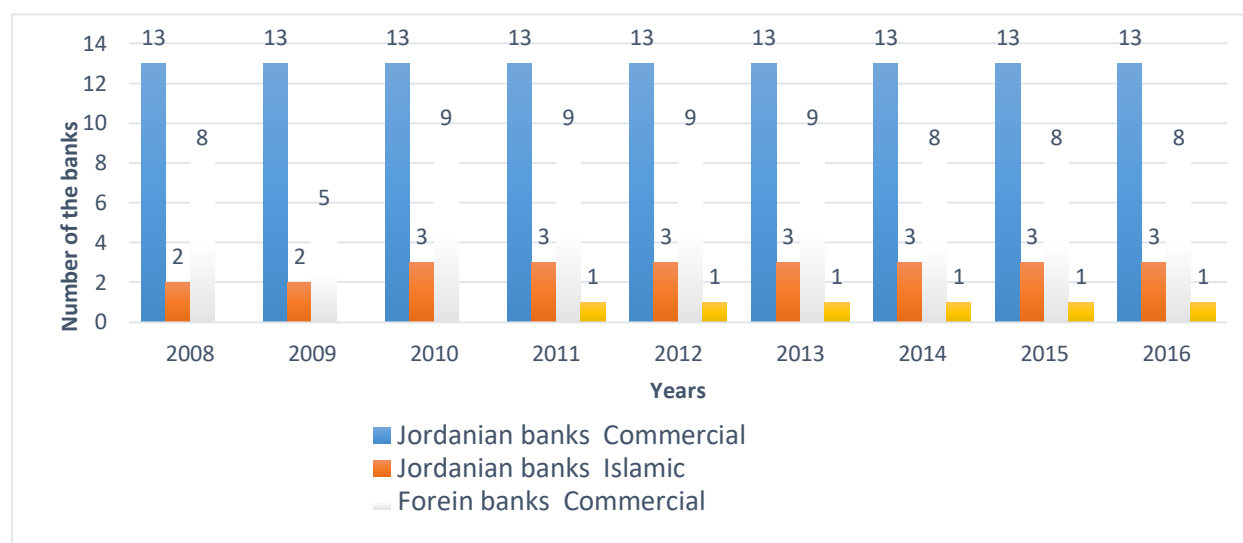


Figure2-2: **Numbers and types of the Jordanian banks 2008-2016**

Source: (CBJ, 2016a)

Banking financial services cover most parts of the country through a network of 848 branches and 79 offices (ABJ, 2018a). At the end of 2017, the total assets of banks operating in Jordan increased by 2.1%, compared with 2016, reaching JD46.4 billion. Distributing as follows: JD 35.4 billion for Jordanian commercial banks with 76.5% of the total assets, JD7.7 billion for the Islamic banks with 16% of the total assets and JD3.4 billion for foreign banks with 7.3% of the total assets (ABJ, 2018a).

The banking sector key developments report, issued by the association of banks in Jordan in 2018, revealed that the bank density indicator (population to the total number of branches of banks operating in Jordan) reached 12,157 people to a branch at the end of 2018. Also, it shows that banks in Jordan granted 26,159 housing and real estate loans to individuals, at a total value of JD647.5 million. They also granted more than 142 thousand personal loans at a total value that reached JD1.21 billion. More so, they issued more than 165 thousand credit cards (ABJ, 2018b).

2.7.7. Overview of Foreign Banking in Jordan

Proponents of the entry of foreign banks argue that they promote the competition in the market, improve local banks efficiency, decrease the financial intermediation costs and enhance the growth of the economy. On the contrary, opponents of foreign bank entry, argue that these foreign banks force local banks to focus on serving customers with high risks, and as a result becomes nonprofit and less efficient, therefore decrease its competitiveness. Also, foreign

banks tend to track rent-seeking behaviour, and these make local banks less competitive. Although there is uncertainty on the impact of the entry of foreign banks on the performance of local banks, in the case of Jordan the entry of foreign banks has not led to any significant improvement in the monopolistic competition condition that prevails in the Jordanian banking sector as well as their effect on the cost of financial intermediation has not been positive. (YASEEN et al., 2015)

Since the early 2000s, the Central Bank of Jordan has removed the restrictions that hindered the entry of new banks to the market. The new laws and regulations turned the Jordanian market into a very attractive marketplace. There was a raised number of foreign banks operating in the country to nine foreign banks, with Blom Bank, Audi Bank and National Bank of Kuwait which entered in 2004. The year 2010 saw the entry of the National Bank of Abu Dhabi, followed by Al Rajhi Bank in 2011 (AL-DAAJA and SZABADOS, 2017). The table below presents an overview of the foreign bank operations in Jordan.

Table2-5: Overview of foreign banks in Jordan

Number of foreign banks in Jordan	Capital Million JD	Total assets Billion JD	Total Deposits Billion JD	Number of Employees	Number of Branches	Number of ATMs
9	411.4	3.4	2.6	1656	62	120

Source:(ABJ, 2018a)

At the end of 2017, the total capital of nine foreign banks operating in Jordan reached JD411.4 million (12.5% of the total capital of banks in Jordan). The total assets of foreign banks operating in Jordan by the end of 2017, reached JD3.4 billion (\$ 5.5 billion), which is about 7.3% of total assets of the banking sector in Jordan.

The number of workers in foreign banks reached 1,656 male and female employees. While the number of foreign banks branches reached 62 branches, the number of ATMs belonging to foreign banks amounted to 120 machines (ABJ, 2018a).

In the developing countries context, the shares of banks assets held by foreign banks across developing countries have risen from 22% in 1996 to 39% in 2005. The loans provided by foreign banks branches and subsidiaries including cross-border loans increased from 1% of GDP in 1996 to 26% in 2008 (CULL and SOLEDAD, 2010; YASEEN ET AL., 2015)

2.7.8.CSR in the Jordanian Banking Sector

According to the SCHEMA (2013), the banking sector in Jordan positively contributes to sustainable development. The adoption of the CSR concept has been rising among banks in Jordan, and banks have become more aware of the importance of CSR disclosure (AL-DAAJA and SZABADOS, 2017).

A study conducted by the Association of Banks in Jordan (2012), covering the CSR activities implemented by Banks in Jordan for the years 2011, indicated that the total social contributions by all banks reached around JD37 million in 2011, as presented in Table 2-6.

Table2-6: Banks' social contributions by social cause by the end of 2011

Social Causes	Contribution in JD	% of total Contributions
Environment, tourism, tradition and religion	102,424.00	0.28%
Children, women and family	284,814.00	0.77%
Persons with disabilities	287,423.00	0.78%
Sports and health	329,050.00	0.89%
Culture, art and craftsmanship	447,451.00	1.21%
Development and poverty	616,961.00	1.67%
Education	724,308.00	1.97%
Social and charity services	1,536,317.00	4.17%
Support for cultural, social, economic, and national organizations	8,914,112.00	24.18%
Others	23,616,755.00	64.07%
TOTAL	36,859,615.00	100.00%

Source: Association of Banks in Jordan (ABJ, 2012)

The banking sector in Jordan has been involved in different types of CSR activities. The majority of their social contributions were directed towards education, culture, scientific research, community development and support for the poor. Banking sector contribution to social responsibility initiatives reached approximately JD33 million during 2010, while the value increased to around JD37 million, which is about \$52 million during 2011. This amount constitutes between 9-10% of the banks' net profit during 2010-2011 (ABJ, 2012).

2.7.9. Recent Engagements of Foreign banks in CSR practices

There are a variety of CSR practices among foreign banks in Jordan. According to a study conducted by (SCHEMA, 2013), it showed that foreign banks in Jordan expressed their policy for CSR in their reports and online information. Foreign banks have clear strategies towards social responsibility and implement their social programs in Jordan in a partnership approach with governmental or semi-governmental institutions (AL-DAAJA and SZABADOS, 2017).

The implantations of such activities suffer from slow procedures that are related to the process of approvals from the bank's headquarters. It has been found that the health sector enjoys plenty of support from foreign banks, followed by the education sector. Furthermore, the foreign banks show a lack of the mechanisms for assessment and follow-up and rely on this purpose for the partner institutions (AL-DAAJA and SZABADOS, 2017).

2.7.10. Previous Studies on CSR in Jordan

As mentioned, there is a modest percentage of studies in Jordan concerning the stakeholders' perception of the CSR practices, and there is a lack of studies targeted the foreign banks' CSR. However, in the below the researcher presents some of the recent CSR studies conducted in Jordan:

- ALKAYED (2018) The study result showed that the extent of CSRD is high in Jordan, and CSRD has a positive and significant impact on company performance (ROA) and market value.
- AL-KHASAWNEH and KHURAIIS (2017) found that the perceived level of Jordanian Islamic bank management concerning the CSR was positive with a high degree compared to employee's perception.
- DI BELLA and AL-FAYOUMI (2016) indicated that stakeholders of Islamic banks in Jordan had expressed a positive attitude toward the concept of CSR in Islamic banking.
- WESHAH et al. (2012) concluded that there is a significant positive relationship between (CSR) and corporate financial performance
- NAWAISEH et al. (2015) found solid evidence to reject the possible influence of ROA, size variables on (CSRD) adopted by banks in Jordan and reporting contents revealed.
- BARAKAT et al. (2014) showed in a comparative study that the international Islamic Arab bank provides a descriptive CSR statement only while Jordan Islamic bank provides financial information regarding the bank CSR practices.
- AL-ZYOUD (2013) found that banks in Jordan carry their social responsibility towards the surrounding community, but showed a lack of spending on the human resource factor and lack of attention to employees training and development programs.
- AL-ZYOUD et al. (2011) showed that CSR is a major activity of Islamic banks but also indicates that the CSR expenditure is one of the highest spendings in the Islamic bank. However, the study concludes that Islamic banks need to pay more attention to the corporate disclose of their corporate social responsibility activities.

3. MATERIAL AND METHODS

In this chapter, the research will elaborate on the methodology of the research.

3.1. Research Total Population and Sample

This research has selected three foreign banks operating in Jordan, namely, Bank Audi, Blom Bank, and Standard Chartered PLC, to achieve the research objectives. Table 3-1 provides a brief background of each organization's case.

Table 3-1: Overview of top 3 foreign banks operating in Jordan at the end of 2017

Rank	Bank name	Capital Million JD	Assets Million JD	Total deposits Million JD	Number of Employees	Branches	ATM
1	Bank Audi	50.00	775.00	623.00	276	14	26
2	Blom bank	50.00	758.00	629.00	429	15	19
3	Standard Chartered	61.4	461.1	355.9	175	6	7
Total		161.4	1994.1	1607.9	880	35	52
% of Foreign Banks		35%	52%	61%	53%	56%	43%

Source: (ABJ, 2018a)

The selected banks were ranked with the highest performance level among the foreign banks in Jordan, in terms of the total assets and total deposit according to the Jordan Bank Association (ABJ, 2018a). Also, they are considered as the leading foreign banks in the number of the workforce, as well as in the number of the branches and ATMs that provide the clients with the best banking services around the clock. (ABJ, 2018a)

Despite the lack of a concrete theoretical foundation or common definition or description of who can be called a stakeholder (ARGANDOÑA, 1998; CLARKSON, 1995; DUSUKI, 2005; FREEMAN, 1984; KIKWIYE, 2017; ULLMANN, 1985), this research has fellow FREEMAN (1984) classical definition of a stakeholder *“as any group or individual who can affect or is affected by the achievement of the organization’s objectives”* (FREEMAN, 1984, p. 46). Freeman presented the stakeholder theory in his book *Strategic Management: A Stakeholders Approach*. It had a significant impact on management literature and is considered as one of the essential references regarding the CSR concept. It argues that all groups which are impacted by the organization are considered as stakeholders. Such groups were divided into internal and external stakeholders as each plays a significant role in firm survival and success (ALRUMAIHI, 2014; BORGLUND et al., 2009; FREEMAN, 1984). Accordingly, this

research has identified five groups of stakeholders, two internal (CSR managers, CSR department employees) and three external stakeholder groups (Government regulators, customers, and NGOs) to explore how the CSR concept is seen in developing countries like Jordan. However, it can be said that those groups representing on the ground the major stakeholder groups of foreign banks in Jordan and they may consider the representation of the interests of society. The current research stakeholder groups are depicted in Figure 3-1.

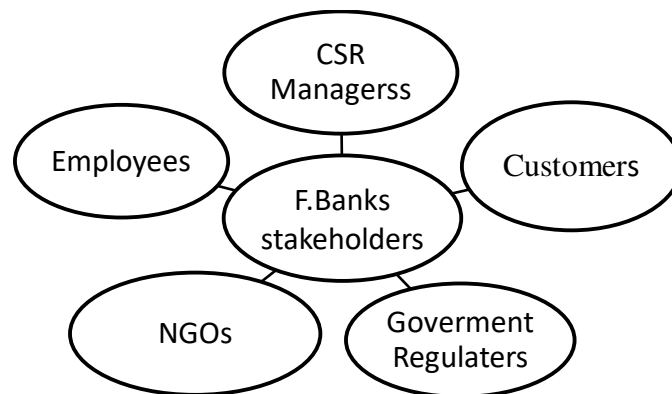


Figure 3-1: Research population (Foreign banks stakeholders)

Source: Author, 2018

The current research has identified and selected the stakeholders that may be important to serve the research objectives what GARRIGA and MELÉ (2004) explained as making stakeholder trade-offs (ALRUMAIHI, 2014). Accordingly, this study intends to explore the perceptions of the above stakeholders, where each of these stakeholders can influence banks uniquely. For example, the Government, as an external stakeholder, represents the laws and regulations that each country provides and can enforce the banks to behave reasonably. Employees also are the major internal part of a bank's core business. CSR managers have a wider range of responsibilities; hence their interests must be taken into account. On the other hand, the NGOs as an external stakeholder may work on behalf of the whole society and serve as advocacy groups in communities to enforce institutions to engage in acceptable behaviours (KIKWIYE, 2017). This research has benefitted from previous literature which suggested that the government and its agencies, and NGOs should be considered when determining the extent of CSR practices of foreign subsidiaries and local companies (BARTLE and VASS, 2007; KIKWIYE, 2017; STEURER, 2010).

To serve the research objectives and to explore how the CSR concept is seen in developing countries like Jordan, this research has considered the perspectives of a diverse number of stakeholder categories, such as bank management, customers, government, and NGOs, with no

limitation to the number of stakeholder categories considered, as conducted in previous researches.

3.2. Research Approach

Based on SAUNDERS and LEWIS (2012) ‘research onion’ model, the encircled topics, as shown in the figure below, display the current research approach, strategy, and methods. It will help the researcher to see a clear path when decided on his research methodologies. Therefore, the researcher will start by determining the research approach, followed by the research strategy, then research choices and, finally, time and data collection techniques and procedures.

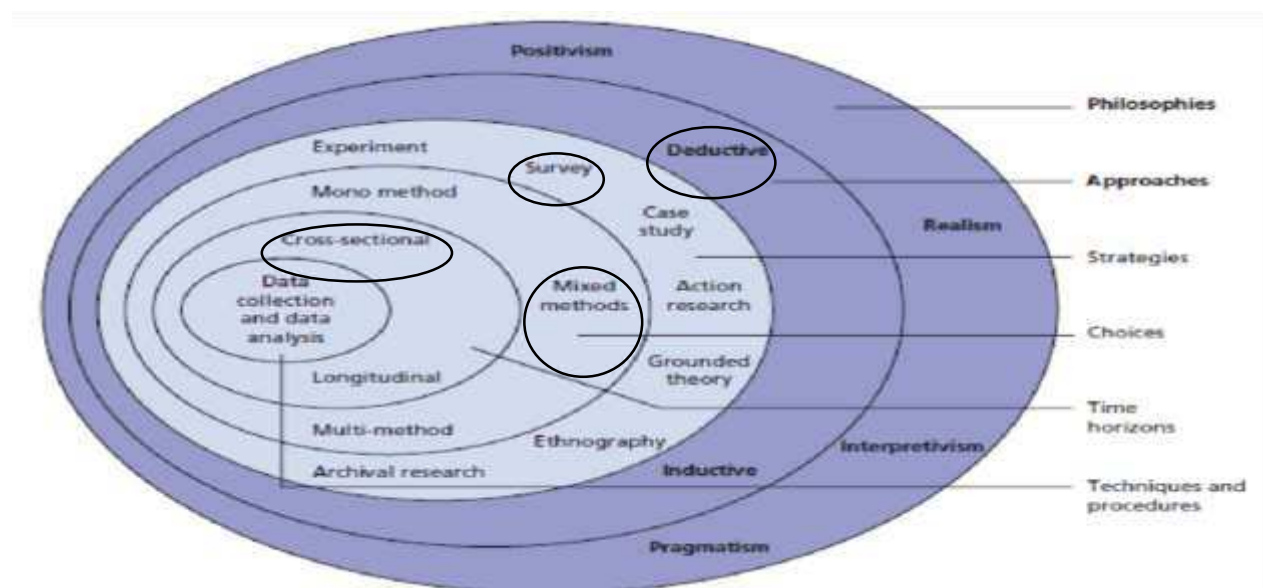


Figure 3- 2: The research design marked in Saunders' ‘Research Onion’

Source: (SAUNDERS and LEWIS, 2012)

The research approaches, which is the second layer of the research onion, explain the relationship between the research and the use of theory. According to (ZIKMUND and CARR, 2000), there are two main research approaches, deduction, and induction. In the deductive approach, the researcher used an existing theory to develop a hypothesis. Then drew logical conclusions and tested these hypotheses through empirical studies and usually, ends with the hypotheses being accepted or rejected (ALOMAR, 2014; SAUNDERS and LEWIS, 2012). For the inductive approach, researchers should follow the same steps applied in the deductive approach, but in the reverse order with no hypothesis derived from theories for being tested (ALKAYED, 2018). Accordingly, this research adopted the deductive approach, where it was deemed to be more appropriate and will use the lens of stakeholder theory to explore the CSR phenomenon in foreign banks in Jordan.

3.3. Research Strategy

According to SAUNDERS and LEWIS (2012), the research strategy, as shown in the third layer of Figure 3-2, is a general plan of how to answer the research questions. Accordingly, qualitative interviews and documentary analyses were used to achieve the research objectives. The targeted foreign bank stakeholders, namely, the CSR managers, employees and the government regulators of the central bank of the Jordan, were interviewed, and document analysis was used, in which three large foreign banks operated in Jordan were selected.

Documents were analyzed through data drawn from the most recent investigated bank annual disclosure reports and websites. It is a supplementary and will be used to contextualize the data collected during the interviews. For such an exploratory type of research, it would have been ideal to complement in-depth interviews with a quantitative study where a survey research strategy was employed with a larger sample size to find out the different stakeholders, namely, customers, NGOs, stance and perception towards the CSR practices of foreign banks in Jordan. The rationale behind using this strategy is supported by the facts that the survey is the most commonly used approach to collect primary data from a large size sample and has been extensively used in the field of CSR research literature. It has revealed that most of the CSR researchers use primary data with a questionnaire to survey respondents' perception towards different issues and aspects of CSR (LAM, 2016).

Accordingly, the plan for this research starts with the qualitative method of research, followed by quantitative analysis. As a result, it will enable the researcher to explore answers to the research questions.

3.4. Research Choice

In addition to the approach and strategic direction of the research as identified above, there is a choice of how to go about the study, which could be qualitative, quantitative or a combination of both. (SAUNDERS and LEWIS, 2012). (CRESWELL and CLARK, 2017) suggested a combination of both methods, which is referred to as mixed methods, to achieve full integration of their strengths and weaknesses.

The research choice for this study is a mixed-method that allows the researcher to achieve a comprehensive understanding of CSR concerning foreign banks operating in Jordan. It was thought to be the most appropriate research approach to be employed based on the nature of the research questions and the data required (MUKHAZIR, 2011). Accordingly, the current research adopts a qualitative method of collecting data, using multiple sources such as in-depth

interviews and documentary analysis. On the other hand, the quantitative data was collected through self-completion questionnaires and distributed through offline and online modes to foreign bank stakeholders, namely, bank customers and NGOs. Detailed discussion regarding the research, qualitative and quantitative methods for data collections will be discussed in detail in the below sections.

3.5. Time Horizon

The time horizon is the fifth layer of the research onion, and it includes cross-sectional and longitudinal studies. While the cross-sectional studies look at a particular phenomenon at a particular time, the longitudinal studies look at change and development over a period. Based on the research questions, this research employed a cross-sectional study and collected the data only once as a snapshot. A longitudinal study was not appropriate since the research did not intend to explore the perception of the stakeholders over a period, but explore the cases at a single point in time. Moreover, a cross-sectional study considered as less time consuming, less costly, and is suitable for use in a relatively larger sample size (HEGAZY, 2014; LAM, 2016; SAUNDERS and LEWIS, 2012)

3.6. Data Collection Methods

In the current research, both sources of data, secondary and primary data were used. Secondary data was gathered from different sources, such as academic books, articles, annual reports, and official websites, to gain detailed insights about CSR. On the other hand, the primary data was collected using the interviews for the qualitative study and questionnaires for quantitative research.

3.7. Qualitative Data Collection Methods

To explore the perceptions of CSR held by multi-stakeholders of foreign banks in Jordan, a qualitative approach was adopted using interview and document analysis as data collocating methods. Semi-structured interviews were used to serve as the primary data source, and evidence from bank documents was employed as a supplementary part of data collection. The researcher will interview three groups of stakeholders and examine documents. In the following sub-sections, both methods of data collection will be discussed in detail.

3.7.1. Document Analysis

It was conducted by examining foreign banks annual CSR disclosure reports. It intends to explore the CSR practices of foreign banks in Jordan and will be used to complement the

interviews and create a context within which the interviewees reside in. Therefore, it is important to examine the current state and the existing realities of CSR practices of foreign banks in Jordan. More so, find out to what extent they have integrated CSR concepts in their daily operations and what are the CSR programs that adopted by foreign banks in Jordan. It is considered secondary data and were obtained from the investigated banks' websites and annual reports.

The annual CSR disclosure reports were obtained online through searching the official websites of the foreign banks under the study. Also, the CSR information found on the homepage of the bank's branches in Jordan reviewed. The researcher was able to locate three disclosure reports and a limited number of press releases containing CSR related information. Data obtained were reviewed, organized into categories and analyzed to understand the current state of social responsibility implementation by foreign banks operating in Jordan. This study employs the cross-sectional time horizon that relies on a single year with no intention to examine the trend of CSR practices over a while.

3.7.2. Interview

The interview is useful in exploratory investigation studies such as this; where the phenomenon is relatively new in the country and/or not enough studies have been conducted to understand what, how and why certain practices such as CSR practices occur (COLLIS and HUSSEY, 2013; KIKWIYE, 2017). Thus, by talking to those who participated in the implementation of CSR activities, will enable the researcher to achieve a better understanding of CSR phenomena from different angles. The researcher will conduct three sets of interviews, and the first and second set will be conducted with CSR managers and employees of the three foreign banks, they were chosen since they have sufficient knowledge in the field. The third set of interviews will be conducted with the government regulators of the central bank of Jordan, who are in charge of matters related to the banking sector.

3.7.2.1. Structure of the Interview

In this research, the questions were modified from (ALHEJAILI, 2018; ALRUMAIHI, 2014) and used the author's knowledge of the context of Jordan. The researcher interviewed 11 people, and the questions have mainly covered the areas of interest. Namely, the exploration of CSR understanding, CSR practices and implementations, the impact of CSR on the employee's work attitude and employer decision and CSR ways of improvement that includes challenges and prospects.

3.7.2.2. Sample Selection Procedures

In this study, the interviews have been conducted with stakeholders of three foreign banks in Jordan. Also, non-probability sampling techniques were employed where purposive sampling was conducted to achieve the research objectives. The purposive sampling in qualitative studies is selected to fit the criteria that will allow the research question to be answered (ALRUMAIHI, 2014; BRYMAN and BELL, 2011).

3.7.2.3. Interview Sample

The sample size of this qualitative part consisted of (11) respondents. Three sets of interviews were conducted with different internal and external stakeholders; CSR managers, CSR department employees and government regulators of the central bank of Jordan. More discussions on how the respondents were chosen will be presented in the below sections.

(a) CSR Departments directors (D)

Three CSR managers who are in charge of CSR activities in the targeted banks were interviewed, and they were selected through a purposive sampling technique. Different questions were addressed to CSR directors in an attempt to explore how they define and understand CSR. Questions were also asked to understand and share details of their current CSR activities and their suggestions on ways for future improvements, as well as the influence of CSR in employee's work attitudes.

b) CSR Departments Employees (E)

Based on purposeful and snowball sampling, six employees were selected to be interviewed. The researcher followed the definition of snowballing and approached managers in charge of CSR in each bank. They were asked to name two persons from their departments that would like to participate in an interview and has knowledge about the CSR concept or supervise previous CSR activities. The interviews will be conducted with the employees of the targeted banks. The questions addressed in the interview aim to examine the respondents' understanding of the CSR concept and how they define it. Also, questions were asked to explore the foreign banks current CSR practices, the influence of CSR on employee's working attitude and CSR ways of improvements

(c) Government representatives (CBJ Regulators)

Although CSR activities in most developing countries are voluntary, government regulations are still part of the process to oversee and control them (BARTLE and VASS, 2007;

KIKWIYE, 2017). C.B.J is the central bank of the Jordan which is a governmental agency that has several functions. These include the supervising function of Jordanian banks; hence they were selected because they had decision making roles with direct involvement in ensuring set rules and procedures are followed. Efforts were made to select people who are in charge of matters related to the banking sector and familiar with the CSR concept. Two representatives were interviewed, and various questions were addressed in an attempt to explore how they define CSR and capture their views on the current foreign bank's CSR practices and future improvement. The sample selection is believed to be satisfactory for this study because rich data can emerge from internal and external groups of stakeholders who were actively engaged in CSR practice and researchers can depend on their own experience to explore a social phenomenon.

Table 3-2: Summary of the interview sample

CSR Directors	Three CSR directors (one from each bank) who is in charge of CSR activities
CSR departments Employee's	Six employees who are working for CSR responsible departments (two from each bank) and selected based on the snowball sampling method as described before
Regulatory authority (central bank of Jordan)	Two regulators who are in charge of matters related to the banking sector (based on purposeful sampling)
Location	Amman (based on foreign banks head offices and CBJ location)

Source: Created by Author (2019)

3.7.2.4. Analysis of Interviews

The researcher used the thematic analysis to analyze the interview where the researcher identified and reported patterns or themes within the data. This will allow the systemic categorization of the data to a higher key theme to address the research questions. According to KING and HORROCKS (2010), the thematic analysis means that the researcher needs to look across the full data set and find patterns of themes and shed light on the respondent's differences, as well as what they have in common, at this point, some of the codes that were identified from the document analysis were used in the interview analysis (ALRUMAIHI, 2014). As conducted in previous studies such as (ALHEJAILI, 2018), the current research will follow (RITCHIE et al., 2013) recommendations and carry out the thematic analysis procedure that comprised of six basic steps.

A pilot study was conducted in the early stage of this research with the head of the research department in the central bank of Jordan, one of the investigated bank employees within the CSR department. Their comments and notes include paraphrasing of some questions and added more details to achieve more response.

3.8. Quantitative Data Collection Method

A survey method was adopted in the current research and employed the questionnaire as the most widely used methods to collect data in a survey strategy (SAUNDERS and LEWIS, 2012). It is cheaper, quicker and more convenient; furthermore, it will enable the researcher to test hypotheses and generalizable with a large enough sample (BRYMAN and BELL, 2011; HEGAZY, 2014). In this research, a questionnaire was developed to measure the perception of different stakeholder group's, namely customers and NGOs. It was distributed through offline and online modes with the same sequence and formats as recommended by (DILLMAN, 2000). Both methods are similar and share the same advantages, and it will allow the researcher to achieve good coverage of the targeted population with a high response rate at an affordable cost (COUPER, 2008; DE LEEUW, 2005; HEGAZY, 2014).

3.8.1. The Questionnaire Development

The current research questionnaire was adapted from the relevant kinds of literature and previous research findings, mainly from the instrument developed by DUSUKI (2005), as well as from PhD thesis, dissertations, journal articles, surveys about CSR (see for example (AHMAD and HARON, 2002; ALMOSSAWI 2001; AWDEH, 2005; DUSUKI, 2005; MUKHAZIR, 2011; RAMADAN, 2013; SAMAWI, 2011; YASEEN et al., 2015). The questionnaire items were identified and adapted from the literature on CSR and the banking industry, as presented in Table 3-3.

3.8.2. The questionnaire content

The modified questionnaire included mixed closed and open-ended questions and was divided into different sections. The questionnaire itself divided into three parts.

The first section is the demographic section. It consists of seven questions, and the respondents were asked about their gender, age, qualification, and marital status, etc. to identify the respondent's characteristics. The second section consisted of eight questions and aimed to measure the variables that present respondents' perceptions of the foreign bank's objective. The respondents were asked to rate all variables on a five-point Likert scale to determine their

opinion towards foreign banks' existence in society as profit-making organizations or having other social purposes.

Table 3-3: Details of the questionnaire variables and sources

Section	Variables	References
Foreign Banks	Foreign bank's objectives	(AWDEH, 2005; DUSUKI, 2005; SAMAWI, 2011; YASEEN et al., 2015)
CSR	Stakeholders banking selection variables	(AHMAD and HARON, 2002; ALMOSSAWI 2001; DUSUKI, 2005; RAMADAN, 2013)
	CSR implementation issues	(DUSUKI, 2005; MUKHAZIR, 2011)
	CSR Dimensions	(DUSUKI, 2005; MUKHAZIR, 2011; SCHEMA, 2013)
	Stakeholders behaviour and attitudes towards the practice of CSR	(DUSUKI, 2005)

Source: Created by the author (2019)

The third section includes four parts that examine the CSR across the stakeholders. The first part consisted of 12 questions and intended to measure the variables that revealed evidence of support of CSR regarding the stakeholder's banking selection criteria. The second part consists of six questions and developed to examine the respondent's general perception towards CSR implementation issues and their expectations regarding arguments surrounding the CSR practices.

The third part was consisted of 12 questions and incorporated to examine the respondent's perceptions towards the important areas and dimensions that foreign banks should support. The fourth part includes five questions and aimed to examine the behaviour and attitudes of various stakeholder groups towards the foreign bank's practice of CSR.

To give more options to respondents, they were asked in the questionnaire to provide and list any notes, comments, or ideas that could improve the CSR practices of foreign banks in Jordan. Also, a covering letter was attached to the questionnaire, which identified the researcher and explained the objectives of the study. It also was translated into Arabic by experts in both languages. Table 3-4 shows the questionnaire content.

Table 3-4: The questionnaire content

Section	Parts	Content	No of Items	Rating Scale
Respondents background	1.	Demographic Variables	7	List of personal questions
Foreign Banks	2.	Foreign bank's objectives	8	A five-point Likert scale
CSR across the stakeholders	3.1	- Banking selection factors - Implementation issues - CSR Dimensions - Stakeholders behaviour and attitudes towards CSR	12	A five-point Likert scale
	3.2		6	A five-point Likert scale
	3.3		12	A five-point Likert scale
	3.4		5	List of Possible Action

Source: Created by the Author (2018)

3.8.3. Research Variables and Hypothesis

This research may consider as the first of its kind in Jordan that examined the perception and attitude of different groups of stakeholders towards the CSR of foreign banks. Therefore, an effort has been made to investigate a large number of variables, including the following; the objectives for the establishment the foreign banks in Jordan, the impact of CSR on the stakeholders banking selection decision, the importance of various dimensions of CSR that should be supported by foreign banks, and other CSR issues that still under debate and related to CSR implementations such as competitiveness, reputation, sustainability and comparativeness. More details on the research variables and hypothesis will be presented in the below sections.

3.8.3.1. Perceived Foreign Banks Objectives

As mentioned in the previous chapter, CSR constitutes part of a new business concept. Accordingly, foreign banks are not established solely to generate profit. However, they have an additional social objective that serves the welfare of the society and not just focusing on the wellbeing of their shareholders. This research intends to capture the stakeholder perceptions towards the main objectives of foreign banks in Jordan, as well as investigate the similarity in their perception to determine whether profit maximization or social purposes have a higher degree of importance. Based on the above two different views, we developed the following hypothesis:

H1: The different groups of stakeholders in Jordan have similar perceptions towards the social and commercial objectives of foreign banks

The different groups of stakeholders in Jordan may support the social objectives of foreign banks. Accordingly, the current research attempts to elicit the opinion and attitude of different groups of foreign bank stakeholders towards CSR from different angles. This means finding answers to different questions related to the perception of different groups of stakeholders towards CSR as part of the banking selection criteria; Their behaviour and attitude towards foreign banks CSR performance, especially in cases such as showing a high standard of CSR commitment or lacking CSR commitment; Their opinion about the areas of CSR that foreign banks should support; And their perceptions towards issues surrounding the implementation of CSR.

3.8.3.2. CSR as Banking Selection Factor

Based on the above discussion, stakeholders in Jordan may support the CSR of foreign banks. Hence, it is assumed that they may consider CSR as part of their banking selection criteria, as well as they may show different patterns towards CSR and other banking selection factors when deciding to buy a product or service from banks in Jordan. Banking selection variables were selected and adopted based on previous studies, together with an extensive review of related literature on banking selection factors. Accordingly, we put forward the following hypotheses:

H2: The different groups of stakeholders in Jordan show different patterns towards CSR and other banking selection criteria when deciding on buying a product or service from banks in Jordan.

3.8.3.3. CSR Dimensions

As mentioned in the previous chapter, it is hard to find a unified list of CSR dimensions that business should follow. Accordingly, literature revealed a large variety of dimensions and eras of CSR. In this research, variables have been selected and adopted based on the previous CSR literature and relevance to the financial sector. All variables of CSR were posted in the questionnaire to capture the stakeholder perceptions and their stance towards the importance of CSR dimensions that should be supported by foreign banks. Based on the above discussion, the research developed the following hypothesis:

H3: The different groups of stakeholders in Jordan have different perceptions of the importance of CSR dimensions that foreign banks should support.

3.8.3.4 Stakeholder's Behavior and Attitude towards CSR

There is a body of literature that linked the general attitudes to specific actions, and demonstrated the importance of attitudes as determinants of behaviour. Also, the general expectations and perception may influence the performance of specific behaviours (AJZEN et al., 2018; DEKKER et al., 2007) Accordingly, and this research involves a description of the types of actions that may be taken by stakeholders towards some particular cases. In this context, they may react and behave differently towards the business commitment to CSR. On the one hand, if foreign banks ceased CSR activities., Stakeholders may express their approval or disapproval in different ways. Therefore, to understand the different stakeholder group's behaviour regarding the foreign bank's commitment to CSR, the research addressed a question with a list of probable actions that may be taken by respondents. The questions and the different responses were adopted and modified from similar studies on CSR and mainly based on the study conducted by DUSUKI (2005). The table below presents a list of actions that may be taken by stakeholder groups, mainly (NGOs and customers) towards banks which stopped CSR activities.

Table 3-5: A list of actions that measure the behaviour of the different stakeholder groups towards banks which stopped CSR activities

Measures	Stakeholder	Sample item
Disapproval	Customers	Stop dealing with the bank and switch to a different bank that is perceived as having good CSR practices
	NGOs	Have a negative impression of the bank as it does not comply with international standards or exhibit good CSR practices
Active disapproval	Customers	Will write a letter of complaint to the bank
	NGOs	Write a letter of protest against the bank decision
Approval with self-interest paradigm	Customers	Are satisfied as it might mean an increase in returns on deposits
	NGOs	Be satisfied as it might mean an increase in returns on deposits
Approval with pragmatism	All the above stakeholders	Agree with the decision as the foreign bank needs to remain economically competitive in the long term.
Indifference	All the above stakeholders	Do not care as it does not have a direct effect on me.

Source: Adopted from DUSUKI (2005)

The scenario of a bank's decision on CSR activities has been described with five probable behavioural response items that demonstrate the stakeholder's attitude and behaviour towards the CSR commitment of foreign banks in Jordan. According to HENRIQUES and SADORSKY (1999), people can choose to respond negatively or positively, both in different ways, because of various reasons that usually relate to consciousness towards CSR. For instance, the customers with a high level of consciousness of CSR may raise their voice against banks misconduct and communicate their disapproval through writing a petition to the bank management, but for others who are not aware of this concept and are guided by their interests, may not be bothered (DUSUKI, 2005).

On the other hand, if the foreign bank perceived as having a high standard of CSR performances, or has a high level of CSR commitment, like, in this case, we may assume that the stakeholder behaviour or attitude may be expressed through their willingness to switch to a foreign bank that shows high standards of CSR commitment. Based on the above, we developed the following hypothesis:

H4. Stakeholder groups in Jordan are not associated with switching to a foreign bank due to a high standard of CSR performance.

In addition, literature revealed that in the competitive market, some firms intend to keep certain specific groups satisfied. In such a situation, the contributions related to corporate social responsibility could influence customers (JUMA'H and RODRÍGUEZ, 2016). Hence the study was concerned with stakeholder's CSR satisfaction and awareness regarding the foreign banks CSR activities. In this context, the specific groups of stakeholders were asked if they are aware of the CSR practices of foreign banks in Jordan and assume that:

H5. The different groups of stakeholders in Jordan are not associated with the awareness of CSR of foreign banks.

3.8.4.5. CSR Implementation Issues

As mentioned in the previous chapter, literature revealed that CSR had become a global concept that can improve the organization's performance, its competitive advantage, reputation, image and promote the sustainability of the organization. Accordingly, foreign banks need to consider their relations with their stakeholders and try to gain a better insight into how these different stakeholders perceive them in terms of CSR implementation issues. Consequently, this research intends to capture the general perception of different stakeholders towards various issues and arguments on CSR implementation. Four items were selected and adapted from

previous CSR literature. They were incorporated in the research questionnaire to capture the stakeholder's general perception towards three main issues of CSR, namely, competitiveness, reputation and sustainability.

The study further investigated more of CSR issues and examined the perception of stakeholders towards foreign banks CSR practices, in comparison with local counterparts in Jordan. This comparativeness issue is examined within two statements that incorporated in the research questionnaire and were measured on a five-point Likert scale. The stakeholders were asked if foreign banks in Jordan must show a high level of CSR, compared to local banks. Also, if foreign banks must adhere to CSR since they are working globally and driven by their principles and international culture and standards.

3.9. Survey Sampling

According to SAUNDERS and LEWIS (2012), sampling methods enable the researcher to reduce the amount of data needed by considering only data obtained from a sub-group, rather than all possible cases (MUKHAZIR, 2011). However, after determining the self-completion questionnaire as the data collection method for the current survey, the next step would be the sampling process that will be discussed in the below sections.

3.9.1. Definition of the Target Population.

The population frame for this research embraces stakeholders of three foreign banks operating in Jordan. However, literature revealed that to date, there is no consensus on the definition and identification of stakeholders, as mentioned in chapter one.

Accordingly, the current research survey respondent group includes the following stakeholder's bank customers and NGOs. The respondent's selection was made based on the definition of stakeholder population groups presented in Table 3-6.

A study conducted by the Association of Banks in Jordan, (2018) showed that the total number of customers of all banks in Jordan reached 3,217,577 persons and the banking density index (number of people/ total number of branches of banks operating in Jordan) stood at around 12,157 persons per branch at the end of 2017 (ABJ, 2018b). The licensed foreign banks under the study operated 34 branches in Jordan. Accordingly, the researcher suggested that the customer population group for this research may reach 425,000 people.

Table 3-6: Definition of stakeholder groups

Definition of Foreign Bank Stakeholder Groups	
Customers	All individuals and groups, including public or private business who have a bank account or experience in buying foreign banks products and services like house financing, personal loans, etc. In general, those who have a banking relationship with foreign banks are under investigation.
Non-Governmental Organizations (NGOs)	Those NGOs work in Jordan and registered with the ministry of social development. It was selected to expand the analysis of the research and include the views of other related stakeholders who are affected by the bank's CSR practices and concerned with foreign banks' CSR activities.

Source: Created by the Author (2019)

Regarding the NGOs in Jordan, many of them have long-term operations. They have a good understanding of the local socio-economic, political and cultural context of the country, and due to the nature of their organization's interests, and interactions in with private firms, they are expected to present views on the CSR practices of foreign banks. It should be mentioned that the number of NGOs in the country has grown remarkably since the time that Law Number 33 was passed in 1966 and reached 752 after the political liberalization era in 1998. At the end of 2018, the number of NGOs registered at the MOSD reached (6461) organizations, as per the researcher list that issued by the MOSD.

According to FARLEY (2017), it is clear that Jordan's third sector, which is the NGOs long-established history, are growing in times of crisis and economic pressure, and maintaining an active role in local governance, both charitable and political activities. According to (WELFORD and FROST, 2006), NGOs impose both forceful and non-forceful means to ensure that firms comply with ethical guidelines (KIKWIYE, 2017). Therefore, they can help to bring better insight into the CSR practices of foreign subsidiaries. In this context, the external groups, including customers and NGO members, would provide an outsider perspective on CSR practices of foreign banks in Jordan.

According to AL-KAFWIN (1999), literature revealed that many definitions could be applied to NGOs, and it will keep evolving according to the people's movements. He mentioned that even the terminology used in the Jordanian Law: "voluntary organization" and "social organization" seems obsolete in Jordan. When referring to those organizations, whether

officially, by members of those organizations themselves or in the media, is usually made to "non-governmental organizations," rather than to the two terms above.

In the current research, the official definition of NGO in Jordan will be adopted as introduced in the Jordan Law of Voluntary Societies and Organizations. It is a fundamental definition and expected to cover a wide range of activities. Accordingly, this study will consider any organization composed of seven or more people, and their primary aim to offer social services to citizens without gaining any financial profits or realizing any personal gains or political purposes (AL-KAWIN, 1999; MOSD, 1993). The research will focus only on the NGOs registered at the Ministry of Social Development (MOSD) and established under MOSD laws and regulations. According to MAJDALANI (1996), NGOs in Jordan have many activities and programs that the Ministry of Social Development categorizes under more than thirty titles. However, the researcher found that many NGOs participate in different activities and classified under more than one heading (AL-KAWIN, 1999; MAJDALANI, 1996).

The researcher, through his official contacts with officials in the ministry of social development, was able to receive an excel file that contains a complete list of all registered NGOs working in Jordan. Based on that, the total number of NGOs working in Jordan reached (6461) organizations. It is considered as the total population of all NGOs that licensed to work in Jordan and registered at the Ministry of Social Development.

As conducted in previous researches on NGOs in Jordan see, for example, (AL-KAWIN, 1999). The researcher randomly samples the population by using a table of random numbers that considered the NGO as one independent person. They were represented by one decision-maker or the person in charge of their work, and then the researcher used the Ministry of Social Development terminology. Some NGOs called specialized NGOs were working in a particular area and had specific goals such as disabled. The elderly and others called multipurpose that were working to serve different people and have a wider scope of activities with general goals and objectives.

The questionnaire was communicated to the decision-maker of NGOs through online mode on the bases of one questionnaire per one organization. Accordingly, 363 NGOs were responding, and based on the Ministry of Social Development terminology; it includes 12% that considered as specialized NGOs, while the rest are multipurpose. This research intends to examine the perception of NGOs towards foreign banks CSR practices in Jordan. Also, to consider all

NGOs registered in the country as stakeholders that affect or affected by the foreign banks business operations, regardless of their titles or types of activities.

The researcher believed that types or titles of NGOs would not increase or decrease the level of perception towards CSR. Since its common in Jordan, according to SCHEMA (2013), to see NGOs regardless of their types or titles. Approaching banks and asking for donations and other supporting issues, as well as CSR, is a voluntary practice that has an impact on the whole society and implemented upon banks intention and strategies. Thus given the time limitation, this research did not attempt to explore issues of NGO typology. Nor did it try to gauge the developmental impact of NGOs in Jordan. Furthermore, nor investigated the influence of NGO on national policies or to learn more about the NGOs themselves, and what the major obstacles are to their work.

3.9.2. Sampling Frame

In the sampling frame, the researcher needs to identify a list of elements from which the sample may be drawn (DUSUKI, 2005). However, in the current research, the sample will be drawn from foreign banks stakeholder group population, namely customers and NGOs. Accordingly, developing an ideal sampling frame, particularly through a list of the bank's customer group, seems to be next to impossible. Gaining access to information related to bank customers is a critical issue due to the cautions of banks regarding their customer list.

For the customer group, another method was adopted by distributing the questionnaire by hand at various foreign bank branches in different locations. The researcher approaches the customers and contacts them during their visit to the bank's branches and asked them to complete the questionnaire after briefing them about the study. Previous CSR studies have adapted a similar methodology (see, for example, DI BELLA and AL-FAYOUMI, 2016; DUSUKI, 2005; HEGAZY, 2014; RAMADAN, 2013).

The questionnaire survey limitations were associated with the minimum time given by the respondents, especially when they are in a hurry. Minimizing the possible bias and avoid sample errors and especially the role of the researcher in selecting the sample respondents, the sample was selected randomly from among customers. The researcher respectively interviewed every fifth customer who had finished a bank transaction as conducted in previous research, such as (HARAHSEH, 2009; HEGAZY, 2014). The questionnaire was diffused by hand in different locations within different times and dates. The researcher was supported by a team of

six undergraduate students who were provided with the proper training to ensure the smooth running of the fieldwork, as well as ensuring consistency in the data collection process.

For the NGOs stakeholder groups, the researcher used his social network where the researcher is a public sector employee. The researcher used to work on voluntarily bases for NGOs as well as knowing many of the senior officials in the Jordanian Ministry of social development. Therefore, efforts were made to draw the sample randomly from a list of all NGOs registered at the Ministry of Social Development. Such a list would help the researcher to randomly sample the population by using a table of random numbers and employ the random selection tool in Microsoft Excel, and this could ensure random sampling and prevent bias. The survey was arranged as a self-administered online survey. The researcher communicates the survey to NGO respondents providing them with the web link through an electronic mail, with a brief letter from the researcher, containing the researcher's name, research purpose and requested the NGO member in charge to fill it out. The quantitative web-based survey is commonly used in CSR research. (DI BELLA and AL-FAYOUMI, 2016; MARTÍNEZ and DEL BOSQUE, 2013).

In the current research, the decision was made to use a mixed mode of data collection to increase the response rate and avoid some challenges that faced the researcher. According to DE LEEUW and D (2005), it helps the researchers to gain the benefit from both modes and overcome the weakness of using a single-mode (HEGAZY, 2014).

3.9.3. Sampling Procedure

For the customer's sample, the researcher used non-probability sampling based on convenience sampling and select respondents who are conveniently available to provide information. According to SEKARAN (2003), it may consider as the only available designs for certain types of investigation, as in the case of exploratory research or where information is needed quickly or is available with only certain special groups (SEKARAN, 2003, P. 297). According to HAIR et al. (2007) if the selection process such as choosing different times and places in the convenience sampling handled carefully, it would be likely to become more reasonable and avoid bias (HAIR et al., 2007; HEGAZY, 2014). It was commonly used in several previous studies relating to a variety of aspects of management and CSR practices (for example, DI BELLA and AL-FAYOUMI, 2016; HEGAZY, 2014; RAMADAN, 2013). NGOs sample selected on the bases of simple random sampling and draw the sample randomly from a list of all NGOs registered at the Ministry of Social Development. It was commonly used in several

previous studies relating to a variety of aspects of management, for example (AL-KAFWIN, 1999).

3.9.4. Determine the Sample Size

The researcher used the sample size table produced by SEKARAN (2003) to determine the required sample size for the stakeholder groups, namely, customers, and NGOs. SEKARAN (2003) created the sample size table that showed the adequate sample size that was needed to obtain samples with varying degrees of precision and accuracy. According to SEKARAN (2003, p. 297), *“the sample size between 30 and 500 is appropriate for most of the researches”*. Following the general guidelines of SEKARAN (2003), The decision was made on the total size of 800 respondents as the drawn samples from the study population. Needs to be considered that the highest number is only useful when the sampling technique is proper (BABBIE, 2007). The sample divided equally between both groups (NGOs and customers). For NGOs group, 400 decision-makers were invited to answer the questionnaire as representatives for NGOs selected sample. For customer group, to ensure more excellent representation of the data, a sample of 400 customers of the selected foreign banks were invited to answer the questionnaire. Accordingly, since Blom bank has 15 branches, the proportion of respondents was proposed to be 176 of the total number of respondents. Bank Audi has 14 branches, and bank Standard Chartered has six branches. The respondents for Audi Bank and Standard Chartered Bank would be 165 and 59 respectively

3.10. Data Analysis: Analytical Instruments

The current research has performed the statistical analyses presented as follows.

3.10.1. Exploratory Factor Analysis (EFA)

Before running factor analysis, the researcher should check two main issues to ensure that the data is suitable for factor analysis: sample size and the strength of the relationship between the variables. More details are in the below sections.

3.10.1.1. Sample Size (pilot sample)

The sample size is essential in factor analysis. There are varying opinions, and several guiding rules of thumb that are cited in the literature, but this study will depend on two opinions. The first opinion is (SAPNAS and ZELLER, 2002), pointing out that even 50 cases may be adequate for factor analysis. The second opinion is the sample to the variable-ratio. Another set of recommendations also exists by providing researchers with guidance, regarding how

many participants are required for each variable, often termed, the sample to variable ratio. Often denoted as N: p ratios where N refers to the number of participants and prefers to the number of variables, rules of thumb range anywhere from, 3:1, 4:1, 6:1, 10:1, 15:1, or 20:1 (TABACHNICK et al., 2007). Depend on previous literature the sample size is ($10 * 51 = 510$)

3.10.1.2. Factorability of the correlation matrix

Before extraction factors, several tests should be used to assess the appropriateness of respondent data for factor analysis. These tests include determinant of the correlation matrix, Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy, and Bartlett's Test of Sphericity. The current research has conducted the previous tests and the results presented in the Table 3-7, The table shows that the significant values of correlation matrix determinant for all factors is the range between (0.001 and 0.129). It is statistically acceptable at the 0.001% level. Also, this indicates that there is no "Multicollinearity". That is, there is no linear overlap between rows, or between columns within the matrix. However, there must be a minimum correlation between variables (items), and a singular matrix "relationship-free" must not be. Bartlett's Test verifies these two conditions, the values of Bartlett's Test " χ^2 " for all factors range from (85.29 to 431.68) and P-value <0.05 for all factors. Finally, to measure Sampling Adequacy (KMO-test) was used, and the values of all factors were greater than (0.50). From the above, we conclude that all the requirements for checking the factorability of the correlation matrix have been met.

Table3-7: Respondent's correlation matrix determinants for factors

Factors	Test name	Value	Criteria	Judgment
Foreign Banks Objectives	Determinant	0.001	Greater than 0.00001	Accepted*
	Bartlett's test	0.000	Less than 0.05	Accepted*
	(KMO-test)	0.727	Greater than 0.50	Accepted*
Banking selection variables and factors	Determinant	0.017	Greater than 0.00001	Accepted*
	Bartlett's test	0.000	Less than 0.05	Accepted*
	(KMO-test)	0.803	Greater than 0.50	Accepted*
CSR variables and dimensions	Determinant	0.129	Greater than 0.00001	Accepted*
	Bartlett's test	0.000	Less than 0.05	Accepted*
	(KMO-test)	0.765	Greater than 0.5	Accepted*

Source: Authors Calculations (2020)

3.10.1.3. Method of extracted the factors

Rotation aims to simplify the factor structure of a group of items or in other words, high item loadings on one factor and smaller item loadings on the remaining factor solutions. There are numerous ways to extract factors, but principal components analysis (PCA) is used most commonly in the published literature (WILLIAMS et al., 2010). The data extraction aims to reduce a large number of items into factors. To produce scale unidimensional and simplify the factor solutions, several criteria are available to researchers (WILLIAMS et al., 2010).

HAIR et al. (2007) point out that the majority of factor analysts typically use multiple criteria. Many extraction rules and approaches exist, including Kaiser's criteria (eigenvalue > 1 rule), the Scree test and the cumulative per cent of variance extracted (WILLIAMS et al., 2010). According to the Kaiser Criterion, Eigenvalues is a good criterion for determining a factor. If eigenvalues are greater than one, we should consider that a factor and if eigenvalues are less than one, then we should not consider that a factor.

There are three methods to determine the number of factors: Kaiser Criterion; Cumulative per cent of variance, Scree Test. According to the cumulative per cent of variance extraction rule, it should be more than 0.5. If the variance is less than 0.5, then we should not consider that a factor (HAIR et al., 2007). After checking the requirements to run factor analysis, the current research has proceeded and applied the factor analysis as presented in the next chapter.

3.10.2. Cronbach's alpha test

It has been used to determine the reliability or internal consistency of multiple-question Likert scale surveys. This test measures latent variables (hidden or unobservable variables) like a person's conscientiousness, neurosis or openness. This indicator is very difficult to measure in real life. Cronbach's alpha indicates for the researcher whether the test designed is accurately measuring the variable of interest. The formula of the Cronbach's alpha, according to GLEN (2019):

$$\alpha = \frac{N \cdot \bar{c}}{\bar{v} + (N - 1) \cdot \bar{c}}$$

Where:

N = the number of items.

$\bar{c}$ = average covariance between item-pairs.

$\bar{v}$ = average variance.

3.10.3. Independent t-test

It is also called the two-sample t-test, independent-samples t-test or student's t-test. It is an inferential statistical test that determines whether there is a statistically significant difference between the means in two independent groups. These groups also called unpaired groups or independent groups, and they are groups in which the cases (e.g., participants) in each group are different. Often, we are investigating differences in individuals using this test, which means that when comparing two groups, an individual in one group cannot also be a member of the other group and vice versa.

3.10.4. Cross Tabulation

It is a statistical technique used to display a breakdown of the data by two variables (it is a table that shows the frequency of different majors broken down by stakeholders' group).

3.10.5. Person chi-squared test

It is a correlation test for categorical variables. It indicates for the researcher whether the data of a crosstab are different at a statistically significant level. That is, it contains two categorical variables, which are independent of one another. So for in the current research data, the chi-square test will tell us whether there are more NGOs group than you would expect by chance (based on the total number of NGOs and Clients and the total number of switching bank or aware of the social responsibility).

3.10.6. Descriptive Statistics

It was employed to describe the basic features of the data in the research. It includes means and standard deviations for items, frequencies & percentages

4. RESEARCH FINDINGS AND THEIR EVALUATION

4.1. Qualitative Results

The qualitative data findings will be presented in the following section.

4.2. Document Analysis– CSRD of Top Three Foreign Banks

In this section, the researcher will analyze the CSR disclosures of the three foreign banks, namely Blom Bank, Bank Audi, Standard Chartered PLC. They have been selected as a sample for the current research and present their CSR reporting agendas, in particular through the lens of three research questions related to CSR. First, do the three foreign banks disclose their CSR practices? Second, what are the dimensions of CSR practices that banks focus on? Third, what are the main CSR activities that banks focus on?

4.2.1. Blom Bank

Blom Bank was established in 1951 and launched its operations in Jordan in September 2004. The bank claims itself to be socially responsible and has a clear strategy and policy towards the social responsibility practices and aligned with the banking business model. In 2015 the bank established a CSR Committee that acts as an advisor to the Board of Directors and provides a roadmap across various aspects of the bank CSR involvement. The bank declares its commitment to share information with bank stakeholders; hence, its website devoted visible section for CSR. It is easy to navigate and provides information about the bank's CSR strategy to customers, employees, environment, community, and corporate governance. Since 2014 the bank became an official signatory to the UN Global Compact and published its 4th annual report in 2018. It shed light on the bank's CSR activities based on the ten principles of the United Nations global compact and called it the Communication on Progress (C.O.P) report.

The (C.O.P) report is a Narrative statement, accompanied by visual elements, and available for download. It consists of 16 pages and opens with a welcome message introduced by the bank Chairman and General Manager who stated that *“we firmly believe that the progress of our community can only be achieved when all involved stakeholders work hand in hand to place sustainability at the forefront of their activities (BLOMBANK, 2018).* The CSR information reported on the COP is similar to information published on the bank website, despite both were issued at a local level. It provides information on the bank CSR activities that implemented only in one country, in particular, the bank's home country. However, the disclosed information regarding the bank overall CSR expenditure should include more information on how much it spends on the various CSR's activities.

Figure 4-1 depicts the dimensions of CSR as it was mentioned and adopted in the banks' 2018 (COP) annual report.

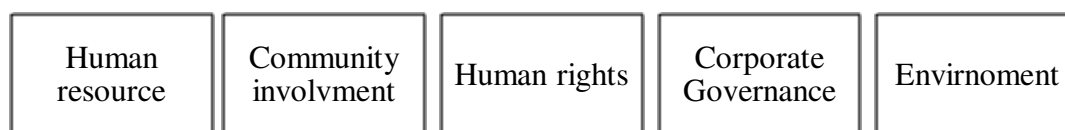


Figure 4-1: Dimensions of CSR practices in Blom Bank

Source: Author Private Research (2019)

- **The human resource:** It has been recognized as the most valuable asset and the driving force behind its continued success. In his CSR strategy, the banks showed many crucial initiatives towards its employees. The bank develops an inclusive culture through adopting equal job opportunities, and the diversity in its workforce. Also, it encourages employee engagement in social activities organized by the bank. It provides employees with more benefits, such as covering up to 100% of their higher education tuitions, and employees have access to a full range of banks products and services. It supports the employee's families with different types of aid programs, such as schooling allowances.
- **The community involvement:** As a corporate citizen, the bank broadens its responsibility beyond charity donations; to maintain a sustainable balance between society and bank business. This is through implementing various programs that serve the community. Moreover, the bank supports the national scheme for local startup business and injects \$400Mn in knowledge/technology. In the Jordan branch, the bank launched a new program to support hard of hearing people in the country.
- **Human rights:** The bank declares its commitment to comply with the international standards of human rights to protect and improve the well-being of its workforce and enforcing businesslike behaviour under all circumstances. This includes ethical work, environment, working hours and salaries and health and safety environment.
- **Corporate Governance:** The bank declares its commitment to implement government guidelines and recommendations in its policies and practices. It develops its corporate governance structure in line with the latest regulatory requirements and international standards. It works against corruption, extortion, and bribery and will protect the minority shareholders' rights and interests.
- **Environment:** The bank declares its commitment to environmental sustainability and will promote a greener culture across the bank premises and communities at large. The bank

manages its environmental responsibility by reducing the ecological impact of bank operations, lower energy, and water consumption, paper-reduction, waste segregation, and supply chain sustainability.

4.2.2. Bank Audi

The bank was established in 1830 and incorporated in its present form in 1962 as a private joint-stock company with limited liability. It has launched its operations in Jordan in 2004 and offers a full range of financial products and services. The bank considers itself as socially responsible, with a clear CSR policy and strategy. It has a CSR Committee that provides a roadmap across various aspects of the bank's CSR involvement. In the CSR annual report, the bank declares its commitment to serve the stakeholders' best interest. Also, to protect the environment and complies with international standards related to CSR, such as ISO 26000 guidelines, the UN Global Compact Principles: and the global GRI Reporting. The bank has devoted a visible section for the CSR on the bank website, it is easy to navigate, and includes the bank CSR report that is available for download.

The CSR report consists of 75 pages and opens with a welcome message presented by the Chairman and Group Chief Executive Officer. He stated that “we clearly understand that our social impact also determines the legacy we leave for the next decades, just as much as our economic impact” (BANKAUDI, 2018)

The report provides a glance at the bank's CSR at the end of 2018. It is presented in a business-like language and defines the word ‘conurbation’ that expresses the bank's interest in making a difference. This is by remaining focused on the community’s needs and helping build a better world through business. The report provides a table of contents that presents the bank's CSR Strategy that revolves around five core pillars. Including covering economic, environmental, and social issues, as discussed below in sections. The reporting cycle is annual. However, the information presented activities that were implemented only in one country; hence this report is restricted to the bank's home country only. Figure.4-2 depicts the broad dimensions of CSR practices in the bank as widely mentioned and adopted, in the bank 2018 CSR annual report.



Figure 4-2: Dimensions of CSR practices in Bank Audi

Source: Author Private Research (2019)

- **Economic development:** The bank declares its commitment to economic growth through developing financial literacy, enhancing responsible lending, and fostering innovation.
- **Community development:** The bank is committed to creating shared values and collaborates with various organizations to build a societal ecosystem that includes social, humanitarian, health, educational, cultural, and sports aspects. The bank has taken upon itself to help spread financial literacy amongst society. In this context, the bank welcomed 18 members from the blind and deaf schools, and 15 members of the university's league, to financial literacy sessions. Also, the bank organized a book donation, blood donation and clothes donation campaigns.
- **Human development:** The bank is committed to supporting the growth of its workforce and offers its employees a safe and healthy place to resume their work and fulfil their career aspirations. Also, it values the importance of human talent, whether inside, by investing in the bank employees, or outside the bank by investing widely in human talent. For this purpose, the bank has invested \$1.6 million in employee training and development. Also, providing personal loans to university students. The bank has committed to diversity, inclusion and equal opportunity values and maintains a gender-balanced compensation plan across the bank. The bank provides and helps its workforce with particular loans, medical insurance, allowances for marriage, transportation, travel, childcare, school tuitions, life insurance, end of service indemnities and advantages of the service.
- **Corporate governance:** The bank considers the corporate governance as the heart of the bank business model and supports the accountability and transparency in its daily activities; to be seen as the most trusted banking partner in the eyes of its stakeholders.
- **Environment protection:** The bank is committed to complying with the GRI Standards on environmental impact and has an environmental policy. The bank considers environmental lending to be a part of the bank's corporate social responsibility. For example, the bank provides loans for purchasing absorption chiller solutions, energy-efficient components, and zero waste solutions and planting trees, etc.

4.2.3. Standard Chartered PLC

The bank founded in 1862 and was formed in 1969 as a leading consumer and wholesale bank. It has operated in Jordan since 1925. The bank declares its commitment to promoting social and economic development. It has devoted a visible section for the sustainability on the bank's website, and it is visible, easy to navigate and accompanied by visual elements. It includes the

bank's sustainability philosophy and approach that focuses on three key areas: contributing to sustainable economic growth, being a responsible company and investing in communities. Those key areas accompanied by a set of actions and measurable targets demonstrate how the bank will achieve sustainable outcomes across its business.

The website provides a summary of the bank's sustainability report, and it is available for downloading and shows how the bank integrates sustainability into bank organizational decision-making. It consists of 22 pages and opens with a clear message introduced by the Group Chief Executive, who stated that “*Financing and sustainability go hand in hand and declare bank's commitment to sustainable and responsible banking through banks business*” (SC.BANK, 2018). Followed by an introduction that highlights the progress in sustainability through the financial details for the year 2018, and the rest of the report will be discussed below in the sections. However, the bank reports it issued on a global level with no indication for the branches. Figure 4-3 illustrates the three sustainability pillars of the bank’s global sustainability approach.

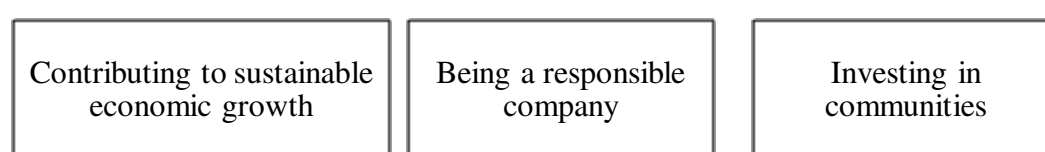


Figure 4-3: Standard Chartered Bank sustainability pillars.

Source: Author Private Research (2019)

- **Contribution to sustainable economic growth:** The bank's major contribution towards the market economic growth, as mentioned in the bank’s 2018 sustainability report, included: mobilized USD 20.8 billion for infrastructure development and mobilized USD 2.9 billion towards clean technology. It provided USD 6 billion to local and regional mid-sized companies to help people to connect across the borders through international and domestic networks of suppliers and buyers and banking ecosystem programs. More so to provide microfinance institutions with \$1 billion of financing to extend access to finance.
- **Being a responsible bank:** The bank strives to be a more responsible and determined to achieve the following: invest more in the bank workforce where the bank considers its workforce as the most significant asset, and be diverse and inclusive and highly motivated employee to serve all of banks stakeholders in a safe and healthy environment. For example, the bank increased gender representation to reach 30% of women and will continue to deliver comprehensive employee learning and training programs. Protecting the

environment by reducing the banks own impact on the environment, as the bank declares its policy towards reducing annual energy and water consumptions, annual office paper use and reduce annual greenhouse gas emissions. The bank is committed to good conduct and high ethical standards and embedded conduct risk considerations into the group's governance activities. They also promote the good principles and valued behaviours of the whole organization. The good bank governance is about having the right culture, structures, and processes. Prevent financial crimes by improving the financial crime controls, and training employees where the bank declares its commitment to fight financial crime, such as money laundering, bribery and corruption.

- **Investing in communities:** The bank declares its commitment to a partnership with local institutions and employee engagement, to implement social programs that serve the community.

4.3. Document Analysis–Findings and Evaluation

The study found that the banks named CSR differently. Therefore, the content of the reports has been checked to ensure that it has the same meaning of the CSR concept. It also revealed that the level of CRD amongst the foreign banks was considered to be high. All banks issued a CSR / sustainability report that goes globally with a clear strategy and inspired approach to sustainability. However, those CSR reports were issued on either a global level or specifically for their own home country, with no elaboration on their CR activities in Jordan. It is only covered through CSR news published at the bank branch website.

The three foreign banks' corporate websites have devoted a special section for CSR that contains CSR/ sustainability report, and it is available for download. The website displays the bank's commitment to CSR in the form of a clear strategy, with disclosed figures, as well as identified CSR areas of support and future CSR directions. As for the reporting standards, the banks issued their CSR/ sustainability reports based on international standards and reporting guidelines such as the UN Global Compact and the GRI.

The main CSR dimensions that highlighted in the study were classified into five dimensions: community involvement, economic growth, environment, human resource, human rights and governance. However, it has been found that Standard Chartered introduces the term of sustainability in a broad sense. It describes its role in society as a reasonable bank who is willing to invest in the community and contribute to the whole economy through a sustainable approach focusing more on addressing social ills, environment, and economic challenges that

are hindering development. Also, both Blom bank and Audi bank shared the same home country origin and culture. Thus they present similarity in the framework of their role in the society. Audi bank re-defines the word contribution to express the bank's interest in the community involvement dimension. Blom bank was committed to maintaining a sustainable balance between society and bank business. Both banks consider the human resource dimension as the most valuable asset and the driving force behind its continued success.

The three banks expressed their interest in serving their stakeholders. However, Standard Chartered bank meets the stakeholder's expectation in a broader range and goes global with a clear philosophy and inspired approach for sustainability. On the other hand, Blom bank used the ten principles of the U.N global compact as a framework, to plan and launch its CSR activities. Audi bank focuses more on the meaning of contribution to society as an approach to serving its stakeholders. Standard and Chartered bank provides more financial details and mentioned the 'sustainability' area as an approach for delivering the services, with a better strategic approach. Besides, all banks show their respect for human rights, laws and regulations through the support of female workforce elimination discriminatory and promote work ethics.

As for environmental responsibility, banks have declared their commitment to protecting the environment and disclose information on their strategy, policies, and procedures towards the protection of the environment. Including enhanced waste management and environmental awareness initiatives. The three banks implement the governance guidelines in its policies and practices, and this may be influenced by the nature of the industry where banks are highly regulated and governed.

The study showed that those banks reported the majority of social contributions. They were directed towards activities related to youth education and training programs, charities and donation for community health and education institutions. Also, financing entrepreneurial businesses and creating jobs, supporting the disabled people, support for art, cultural and heritage-related activities. Banks showed many CSR crucial initiatives towards its employees, such as training and career development and providing them with a safe and healthy place to resume their work and fulfil their career aspirations. Other reported activities were related to environment protection, including environmental risk management policies and preserving water and energy and recycling and reusing of resources and waste. In the section below, the research will proceed with the results of the interview, conducted to explore the perspectives of different key stakeholders towards CSR. As well as pave the path for the quantitative part of the study.

4.4. Results of Interviews

Interview analysis intends to understand the CSR practice of foreign banks operating in the host country like Jordan, through interviewing different stakeholders and exploring their opinions and perception towards the CSR concept. All the transcripts that obtained were reviewed many times to identify possible codes, and those codes were organized in categories to identify possible themes. Four categories have been identified, and the first describes the participant's perceptions and understanding of the CSR concept. The second will display CSR implementation in foreign banks under the study. The third category is concerning the influence of CSR on employees' attitudes and behaviour. The fourth and final category demonstrates ways of CSR improvement by examining the banks' current challenges and ways of improvement. The results will be described separately and will display each category with some themes and subthemes. Figure.4-4 displays the main categories of the interviews.

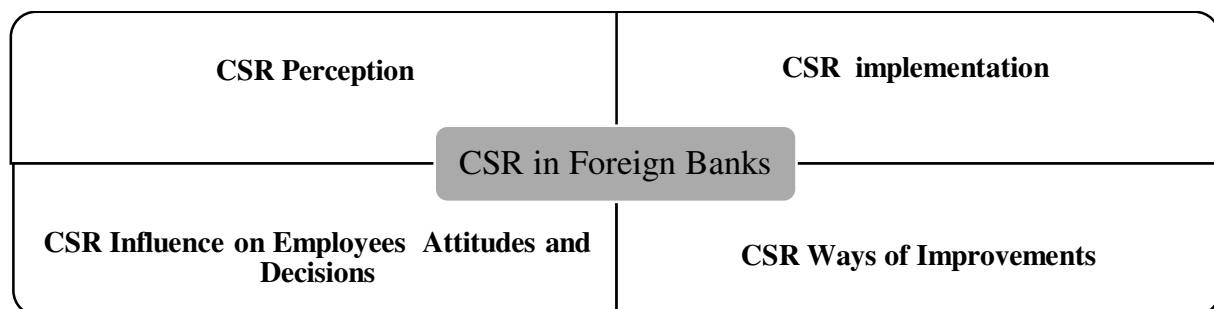


Figure 4-4: The main categories of the interview

Source: Author Private Research (2019)

4.4.1. CSR Perception

The participants were asked about this issue to find out their personnel understanding of CSR concepts and what it means to them personally and to see if they have a clear definition of CSR and what it means to their banks. Accordingly, there were various views of how CSR is understood, and the researcher has noticed that almost all participants agree that CSR is about giving back to the community and serving the whole society. The analysis of the respondent answers revealed three themes under this category a) The nature of CSR. b) The beneficiary groups. c) CSR dimensions.

Figure 4-5 illustrates the main themes and sub-themes of the definitions reported by participants.

CSR Nature	Beneficiary Groups	CSR Dimension
•Voluntarily •Compulsory •Variable definitions	•Society •Employees •Customers •Environment •Shareholders	•Community involvement •Environment •Social dimension •Human resources •Legal dimension •Economic dimension

Figure 4-5: Reported themes and sub-themes of CSR definitions

Source: Author Private Research (2019)

a) Nature of CSR

The participants have raised the issue of the disagreement with the unified CSR definition, and they mention there is a debate over the concept. One of the government representatives stated that: *“In the whole world there is no unified or agreed-upon definition for CSR, it has varied meaning and definitions accordingly, it is still under debate where some consider it as voluntary work while other as compulsory.”* (G.R)

CSR directors stated that *“I think in the last a few decades the concept has been changed and becoming more strategic and also become an obligation more than a choice for the business where the business should give back something to the community.”* (D.1)

One employee added, *“Here in Jordan, I think It is still a business choice, and it is an option for being socially responsible.”* (E.3)

b) The Beneficiary Groups

The participants viewed the concept at different angels that somehow proposed a wide variety of definitions, taking into consideration the interest of the stakeholder involved.

“Our Bank’s social responsibility is characterized by the multiplicity of beneficiaries and the diversity of activities that serve our community and environment.” (D.3)

“Not only provide sustainable and long-term value to shareholders but also by our contribution to social investments as well as for both the environment and society.” (D.1) The employee’s definition and understanding of CSR were similar to the managers, with more specifications and included more groups within the society targeted by CSR. *“Our purpose not serving the interest of shareholders only, but includes serving the interest of the community, employees, customers, and the environment.”* (E.1)

c) CSR Dimensions

The understanding and definitions of CSR that were reported by the interviewees included the following dimensions:

“It is important for a business to achieve sustainability for integrating social and environmental issues into banks' business operations.” (D.3)

“Provide a sustainable and long-term value to shareholders as well as for both the environment and society.” (D.1)

“The banks should be aware of their duty to comply with ‘local laws and international guidelines.’ (G.R)

4.4.2.CSR Implementation

The participant’s views on the implementation of CSR will be displayed in the second category. Four main themes have been generated, society, environment, employees, and customers, including their areas of interest with examples of the banks' latest CSR activities.

Themes are displayed in Figure. 4-6.

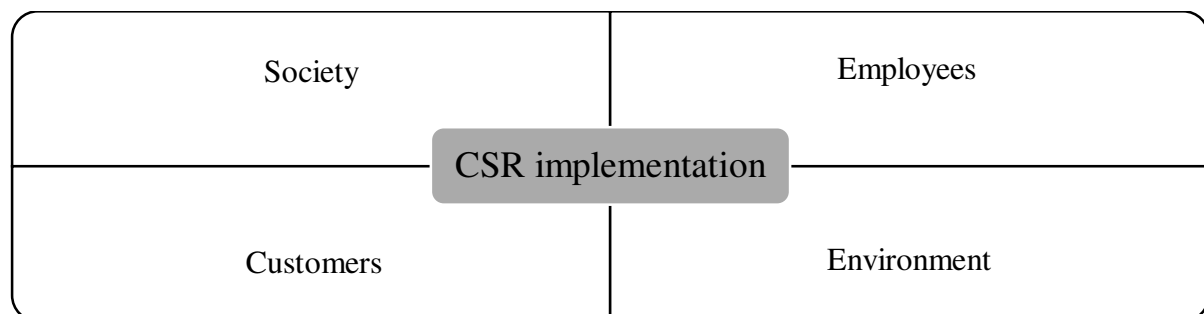


Figure 4-6: The major interview themes of the CSR implementation

Source: Author private research (2019)

- **CSR Implementation towards Society**

The interview analysis identified three sub-themes related to CSR and society shown in Figure 4-7.

Youth empowerment Supporting youth • Skills development • Technical training • Voluntary work • Labour market training Financial education • Promoting youth financial knowledge • Creating a culture of voluntary work Support youth activities Sponsoring youth sport teams	Volunteerism Practical activities • Planting fruit trees • Volunteer for charity work • Food distribution Emotional activities • Elderly visit's • Entertaining orphan • children's villages visiting's
Creating jobs • Supporting SMEs • Open new branches • Training programs	Charitable work Financial donations for • The neediest families • Health institutions • Patients with hearing problems • AIDS patients Educational institutions

Figure 4-7: The sub-themes that were identified relating to CSR and society

Source: Author private research (2019)

a) Youth Empowerment

The interviewees agreed that businesses should support society as a whole. In particular, the youth sector. Where they believe in the role of young people as the prime engine of the economy, and there is a necessity to empower them by developing their skills.

“The Bank's investment in the community includes working in partnership with civil society organizations in building youth capacity and provide them with technical skills and training opportunities in the labour market and improve the employability through an internship program for 6-8 years Weeks during the summer vacation “(D.2)

“Our bank is always striving to participate in various activities that enhance our vision of social responsibility; accordingly, our bank seeks to support various types of youth activities, especially sports activities, and sponsoring the junior football leagues.” (D.3)

The central bank regulator in the interview expresses their interest in supporting youth education in the field of finance as part of the bank's CSR.

“Under the supervision of the central bank, banks in Jordan has launched an initiative in 2014 that aims to support the ministry of education financially to provide financial education courses for school students”. (G.R.2)

b) Creating Jobs

The majority of interviewees considered creating jobs as a vital issue of banks social responsibility towards society to alleviate poverty. Also, to reduce the high rates of unemployment and help the national economy.

“The Bank has worked to incorporate the concept of sustainability in the bank's business practices and contribute to alleviating poverty and unemployment and improve economic growth by expanding our financial services in the market.” (D.1)

“I believe that we are serving our community by opening new branches and hiring more people as well as supporting SMEs and providing training programs that will help individuals to launch their own business.” (E.6).

c) Volunteerism

All participants agreed on promoting corporate volunteerism. Moreover, it is considered an urgent matter based on the norms and values of society and can be achieved by contributing to various community activities. However, there were similarities in how volunteering is applied, where participants reported some similar activities, such as participating in visiting activities.

“Within the activities of the social responsibility program a group of our bank employees, in cooperation with Tkiyet Um Ali, visited Dar Shamma for the elderly to celebrate with them on the occasion of Mother's Day within the Volunteer Elderly Visit Program” (E.5)

“A team of our bank volunteered within the “Green Caravan” program launched by the Arab Society for the Protection of Nature. The team visited the city of Salt and participated in the planting of fruit trees in the Subaihi area”. (D.2)

“We organized a visit to the SOS Children's Villages Association, and volunteers gave gifts to children” (E.2)

The government regulations encourage volunteering in the banking sector and consider it as a duty of each citizen and part of the bank's responsibility towards the community.

“It should be a core of banks CSR work, and they usually took this into consideration and acted on it.” (G.R)

It has been noticed that those activities were driven by emotional motivations such as visiting individuals in various places, hospitals, elderly and orphan's homes and children's villages.

“Visiting the elderly or orphan's homes makes us feel with others.” (E.3)

d) Charitable Work

In the interview, the researcher found that the participants believe in supporting society through charitable work and donations, and they agreed that it is an essential element of CSR. Also, participants focus on implementing CSR activities in a partnership with NGOs and other local institutions and targeting fields, such as health and education, as well as supporting low-income families.

“We are always striving to support constructive initiatives that will support our philosophy of social responsibility towards our society, for example, we support king Hussein cancer centre health programs and signed an agreement that provides support for their patient in the journey of recovery.” (D.1)

“In partnership with the ministry of health, we launched an initiative called seeing is believing which is part of the global bank campaign that aims to treat blindness and visual impairment, and we donate one million and a half.” (D.2)

“It is part of our strategy to invest in our community, and we give priority to health services and education areas as well as we intend to strengthen the principle of helping and assisting the neediest families in the society, for example, donate for education and training programs in a partnership with local institutions (E.4)

“We work as part of a global campaign in the program that aims to empower AIDS patients and support them to achieve acceptance and reintegration into society.” (E.3)

“In the field of health, we usually buy hospital beds and donate them to hospitals also, and we provide outstanding initiatives such as hosted the German Dr Ralf Hofmann to launch a program to support people with hearing needs. This initiative is part of the Bank's social responsibility to assist patients with hearing problems and provide them with implants to improve their hearing abilities.” (D.3)

The government regulator mentioned the importance of donations as a vital element of banks CSR.

“Banks in Jordan agree to pay their share and donate a fixed percentage of their income for educational programs and support the government initiatives as part of their CSR towards the community” (G.R.1)

- **CSR and Environment**

The interview analysis identified two subthemes that explain the CSR activities towards the environment. Those themes are presented in Figure 4-8, and they were addressed separately.

Saving the energy resources 1. Using renewable energy • Building a solar energy power plant 2. Adopting a clean energy policy 3. Reduce energy consumption • Internal awareness campaign	Protect the environment 1. Support agricultural, environmental programs 2. Reducing waste • Electronic record-keeping • Reduce internal and external printing • Water-saving 3. Control the banks' environment • Prohibiting smoking 4. Internal policies 5. Government policies 6. International regulations • Project finances
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Figure 4-8: Subthemes related to CSR and environment

Source: Author Private Research (2019)

a) Saving the Energy Resources

The participants show their interest in energy-saving resources and present their achievements in this field. For example, one director expresses the importance of adopting a clean energy policy and using renewable energy.

“The bank is keen on adopting a clean energy policy that includes the use of renewable energy sources where the Bank has launched a renewable energy project in Jordan, a project to produce electricity through photovoltaic cells, to cover the electricity needs of Jordan's branches (D.2)

“In line with the National Energy Policy and the Bank Social Responsibility Policy, we signed an agreement on 2018 with the local power company that included the construction of Solar energy power plant and was connected to the Jordan Electric Power Company's network. To cover 100% of the bank's energy consumption.” (E.3)

Some indicate the importance of spreading awareness of energy saving.

“In the internal level, we launched an awareness campaign for Our employees to save energy which will have a long-term positive impact on the bank and the environment” (D.3)

b) Environment Protection

The participants agreed that the banking industry does not harm the environment. However, it is still in their obligation to support environmental issues.

“But we always spread awareness among our employees to save energy and water, minimize paper waste, as part of our internal CSR policy” (D.2).

“I think there is no direct impact of banking business on the environment. However, it is part of our SCR global agenda, as we support programs that protect the environment, such as the “Green Caravan” program.” (D.3).

“As well as we support the banks' internal environment by prohibiting smoking inside the bank's premises” (E.4).

“Banks should comply with global policies as well as the international standards that forbidden banks are participating in finance projects that harm the environment.” (G.R.1)

• CSR and Customers

The participants express their interest in serving their customers and building a positive relationship and revealed the subthemes presented in Figure 4-9. There will be discussed subthemes in details in the below subsections,

Best products and services	Customer financial relation
1. Innovative services, lending models 2. High-quality products and programs 3. International recognition 4. The highest standards of protection 5. Prevent corruption • Compliance with laws	1. Professional 2. Fair treatment 3. Banker-customer relationship • Build a Trust • Long-lasting relations • Understanding their needs • Easy Access to services • Low-cost products and services
Protecting customer financial interests 1. Anti-fraud 2. Prevent cyber-attacks 3. Government control • Policies, rules, and regulation • Costumer protection guidelines • Receiving complaints	

Figure 4-9: Subthemes relating to CSR and customers

Source: Author Private Research (2019)

a) Best Products and Services

Participants describe their financial service and products as the best in the market.

“Always we apply international standards in our operations and provide our customers with best products and services of integrated banking solutions and innovative services” (D.1)

“They are our main stakeholders, and we provide them with high-quality products, lending models and programs such as the Golden Points Loyalty Program the first of its kind in Jordan.” (E.2)

“The bank received international certifications for information security standards “PCI DSS” certificate on-site Assessments -Service Providers, and we will continue with this approach.” (D.2)

“The central bank has a special unit that handling the client's complaints against banks and developed customer protection guidelines.” (G.R.2)

“A business that is free of corruption to achieve success in the market, which is part of its social responsibility.” (G.R.1)

b) Customer Financial Relation

The government and banks make efforts to ensure a proper relation between banks and their customers and through fair, professional, and safe treatment.

“Our international professional experience associated with our deep understanding of the local markets has given us the prestigious position as a leading bank that continues to provide good products and service and treating our customers in a fair, professional manner; it is part of our commitment to Jordan.” (D.2)

“I believe that all banks in Jordan must always comply with rules and regulations issued by the central bank and the international standards as well as its internal regulations to guarantee clients a fair treatment at a reasonable cost.” (G.R.1)

“And It was honoured to be recognized by internationally respected magazines. Its recognition of our efforts in serving our customers. An achievement reflects the level of trust and trust we have in our customer”. (E.6)

“Upgrade our banking services that guarantee easy access to the bank products services with low cost and reach all segments of customers and improve the level of credit risk management” (D.3)

“Providing more money to grant housing loans to our customers at fair prices and competitive interest rates and maturities commensurate with their ability to repay and achieve long-lasting relationships.” (E.2)

“Our bank signed a credit information service agreement which reflects the bank's strategy to provide financing to companies, medium and small enterprises and individuals under more favourable conditions” (E.4)

c) Protecting Customer Financial Interests

The participants consider customer protection as a vital element of the banks’ business, and banks must use up to date security measures to protect clients from fraud and cyber-attacks.

“We always strive to achieve the best, as we pay special attention to the upgrading of banking operations through the use of effective and reliable technology systems that ensure the safety of our customer’s financial transactions” (D.3)

“Financial institutions should provide oversight mechanisms to protect customer deposits, savings, and other financial assets by establishing highly efficient and effective regulatory systems to protect consumer assets including protection against fraud, embezzlement or misuse.” (G.R.2)

• CSR and Employees

The participant agreed on the vital role of the human resource aspect inside their organization and recognized the role of their employees as the driving force behind its continued success. The interview revealed the sub-themes presented in Figure 4-10.

Training and development	Working environment	Salaries and benefits
Target groups • Upper Management level • Individual-level • Branches Types • In house • Externally	• Behave ethically • Pleasant, • Safe • Respectful • Healthy	• Salaries based on banks assessment • Sufficient bonus • Health care insurance

Figure 4-10: Subthemes relating to the theme CSR and employees

Source: Author Private Research (2019)

a) Training and Development

The interviewees agree that as international organizations, they respect their human factor and behave ethically towards them. They strongly recognized the importance of developing their skills through training and development programs.

“The human factor is a vital element in the banks' business, and we are working to keep them satisfied, and fully-trained as possible, we strongly value our human capital.” (D.2)

“We have different types of training programs designed for management level and others for individual according to his speciality or business needs.” (D.3)

b) Working Environment

The participant revealed the importance of creating a healthy and safe working environment for their employees, as well as behaving ethically towards them and respecting their rights.

“We believed that our human factor is the key element in achieving our goals, and we are working hard for them by creating the right environment where they can excel.” (D.3)

“On some occasions, the bank staff gathered from all its branches in Jordan and got acquainted with the colleagues in the other branches.” (E.3)

c) Employees Salary and Benefits

The findings reveal that such activities are similar among banks.

“I believe that our bank is providing sufficient salaries based on employee type of work and performance.’ As well as we offer bonuses for excellence in achieving”. (E6)

“The bank's approval to pay the 16th salary to the bank's employees and Housing loans for the Bank's employees, as well as the payment of twenty Jordanian dinars per child under the age of four as an alternative to establish a nursery for the children of workers” (D.3)

“The bank offers attractive compensation, also a premium healthcare insurance for the employee and his family members.” (E.4)

4.4.3.CSR Influence on Employees Attitudes and Decisions

The third category will display the influence of CSR on employees' attitudes and decisions. The participants were asked to give their opinions on how CSR affects an employee's attitude and employer decision and their stance towards the CSR concept.

Two themes were generated, including employment decision and work attitude. Themes are displayed in Figure 4-11.

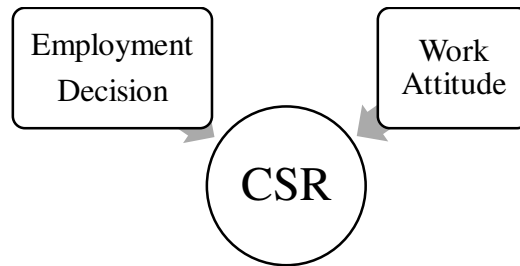


Figure 4-11: The main themes of CSR influence on employee’s attitudes and decisions

Source: Author Private Research (2019)

- **An Employment Decision**

The participants were asked about the influence of CSR on their job choice, and if the CSR concept affects their employment decisions in joining the bank. Figure 4-12 shows two subthemes of the analysis.

CSR Influences	Justifications
• Negative effect	• High rates of unemployment’s • Scarcity of jobs

Figure 4-12: Subthemes relating to the theme ‘employment decision

Source: Authors’ Research (2019)

a) CSR Influences

However, none of the interviewees mentioned CSR as a job choice or a reason for joining the bank.

“I will not decline an attractive job offer because the organization does not have a CSR record.” (E.2)

b) Justification

“I think it is too early for us to say that CSR affects the job choice, and It will take more time before getting to this point due to high rates of unemployment and the scarcity of jobs.” (D.1)

- **Work Attitude**

Participants expressed the influence of CSR practices on employee’s attitude and behaviour and agreed that it affects their work attitude positively. Figure 4-13 presents two subthemes of the analysis.

CSR Influence	Types of Attitude
• Positive effect	• Increasing loyalty • Feel proud • Committed • More satisfied • More productive

Figure 4-13: Subthemes related to employee working attitude

Source: Author Private Research (2019)

a) CSR Influence

It seems that CSR practices have a positive influence on the employee's work attitude.

“I believe that it has a positive effect on their attitude, it is something visible, and I can feel it also” (D.2)

b) Types of Attitude

“I feel happy when I engage in CSR practice of my bank; it makes me more committed and loyal to my work and gives me a positive feeling towards my employer.” (D3)

“I like to be a part and participate in such activities. It is a nice feeling that’s made us more productive”. (E.5)

“It makes me proud of my bank and more satisfied working in such place.”. (E.2)

4.4.4. CSR Ways of improvement

This section will review the ways of improving CSR practices from the viewpoints of the participants. The interviewees mentioned their CSR current challenges and their opinion about their prospects. The analysis revealed two main themes, current challenges and prospects. Themes are displayed in Figure 4-14.

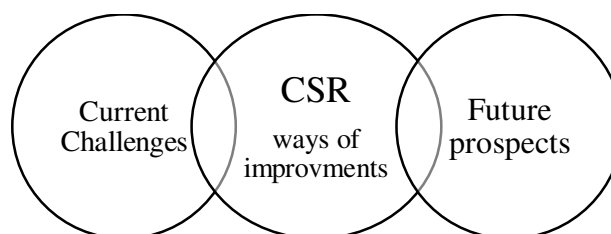


Figure 4- 14: Themes of the participants’ Perceptions about Improving CSR practices

Source: Author private research (2019)

- **CSR Current Challenges**

The participants were asked to identify the current challenges facing the CSR concept in their banks to improve CSR in the future. Those challenges were organized and displayed in Figure 4-15 within three subthemes.

Global framework	Internal challenges	External challenges
• Strategic Approach • Global Recognition • Long Experience	• Establish CSR Departments • Limited Programs • CSR Communication • Limited Partnership	• Economic situation • Lack of Powerful NGOs • Lack of awareness • Lack of government support

Figure 4-15: Subthemes relating to CSR challenges

Source: Author Private Research (2019)

a) Global CSR framework

Interviewees believed that their CSR practices are the best and applied within a global framework.

“I believed that our CSR is a strategic issue, it is recognized globally, and we have a long experience for more than 80 years in serving communities” (D.2)

“Although the CSR concept is new in Jordan, I believe that we have a long experience in the social concerns of the societies and environmental protection.” (E.1)

b) Internal Challenges

The participants presented internal challenges that affect their current CSR practices.

Including a limited number of local activities, establish CSR departments, limited programs and CSR communication and limited partnership.

“I think those Banks need to spend more money on social activities. We understand that those banks are just branches in Jordan and have to follow the rules set by their parent company” (G.R.1).

“As a result of their long experience in the global market, I believe they should establish independent CSR departments.” (GR.2)

“I think we need to come closer to our local community and communicate more as well as focus more on CSR, sustainable projects, and activities with more local partners.” (E.5)

c) External Challenges

The interviewees reported that the economic situation as an external factor affects their performance as their banks' contribution will increase, with the growth of the economy.

“Our programs are targeting social issues at the global level, as well as it meets the local needs but with limited programs, budget, and this is related to the economic situation.” D.1

It was mentioned that there was a lack of influential NGOs in the community.

“NGOs playing a significant role in the development of CSR, and I think we still need an effective and powerful NGO and community that does not tie CSR to cash donations but understands the CSR with more professional, clear sustainable programs.” (D.2)

The need for government support has been mentioned as an external challenge.

“I also believe the government should put more efforts to encourage business to involve in social activities, with more incentives.” (E.6)

• CSR Prospects

The participants were asked to give their opinions about ways to improve CSR and its prospects. They agreed that there is a lot to be done in this area and suggested many ways that are included in the subthemes. The analysis revealed the subthemes presented in Figure 4-16.

Fields of support • More of environmental issue • Targeting more social issues • Being sustainable	CSR Management • Increase the budget • Established an independent CSR unit
Stake holder's involvement • Expanding partnership • Make a balance between internal and external stakeholders • More education and Spread awareness	CSR communication • More communication channels • More media coverage • Being visible

Figure 4-16: Subthemes relating to the theme CSR prospects

Source: Author Private Research (2019)

a) Fields of support

To improve their CSR practices, the participants suggested that banks should target more social issues and focus more on environmental and expand their partnership with more NGOs.

“We need to invest more in environmental protection issues as part of our sustainability approach.” (D.2)

“They need to expand their activities and targeted more social issues with sustainable solutions and put more money to improve their CSR agenda.” (G. R)

b) Stakeholder involvement

Participants consider stakeholder involvement as an essential aspect, and in their opinion, they should engage more with them.

“I think we need to engage more with our external stakeholders.” (D.3)

“I think they should expand their partnership and include more NGOs as well as include a wider range of social issues with more sustainable projects.” (D.2)

c) CSR Management

Participants suggest some internal managerial improvements that should be done to enhance their practices, including having specialized departments dictated to CSR.

“Become closer to local issues and have a special department in charge of developing and executing CSR strategy” (D.1)

“I believe that we need to invest more in our community.” (D.2)

d) CSR communication

We see that the understanding of CSR in our country still in the early stages, and banks need to work more to educate our public and spread awareness among them”. (D.5)

Participants mentioned the media's role in facilitating CSR in society.

“I think we need to use more communication channels and more media coverage to achieve better communication with our stakeholders and to be more visible.” (G. R.1)

4.5. Interview –Findings and Evaluation

This study has explored CSR in foreign banks subsidiaries in Jordan in four interrelated areas: (a) CSR understanding (b) CSR implementation (c) CSR influence on employee's attitudes and decisions (d) CSR ways of improvement. These are discussed in the below sections.

a) CSR Understanding

The interview results revealed that all participants are aware of the CSR concept and leaning more towards the stakeholder approach in their definitions. This conforms with the bank's document analysis and different global principles and definitions. It is also consistent with

other studies that have been conducted in Jordan, which found an increase in the level of awareness among banks in Jordan. See, for example (AL-DAAJA, 2017; AL-ZYOUND et al., 2011; SCHEMA, 2013). However, the participants have differed in the level of awareness. They held mixed views regarding the nature of the concept and the areas of support, as well as in identifying the CSR beneficiaries and needy groups. The interviewees recognized the importance of being a socially responsible organization. They voluntarily participated in social activities as part of the organizational culture and standards, that meet their stakeholder's expectations. Therefore, increasing the shareholders' value, as proclaimed by the new classical theory, which does not explain this approach.

The results also showed that all banks under the study did not have an independent entity to coordinate CSR activities. They usually have CSR managed under other departments such as marketing or public relations departments. This aligns with the findings of a study conducted by (SCHEMA, 2013). It revealed that most banks in Jordan have CSR as part of their corporate communications, public relations, or marketing departments. However, all employees in such positions were local, which is the most preferred, because they could understand the culture and society and are more suitable to address the host country social issues.

b) CSR Implementation

The results of the interviews and the analysis of the bank's branch websites showed a limited range of CSR activities implemented by foreign banks subsidiaries in Jordan. Their contribution did not reach the desired level when compared with some local counterparts. Also, there are several CSR activities similar to the practices of local companies. It is constant with the findings of the study conducted by AL-DMOUR and ASKAR (2011) that showed no differences in CSR practices among local and foreign companies in Jordan even though foreign companies should be more aware of CSR concept.

The majority of banks' social activities were carried out in areas such as reducing unemployment, youth empowerment, health, education, products, and service development, improving the bank's workplace, environment and sponsoring events. Although the participants recognize the contributions to their surrounding communities as a significant part of their CR efforts, they are mainly philanthropic and addressing the community's social needs, through their global initiatives. Moreover, it is implemented on a selective basis with limited partnership. On many occasions, they lacked diversity, impact assessment, sustainability, and continuity features. Some activities, such as sponsored events were used as a tool for marketing

or public relations to polish their image. The results were constant with the findings of a study conducted by VISION INSTITUTE (2014) on the Jordanian CEO's perception of CSR in 2014.

It has been observed that most of the managers of subsidiaries significantly recognize the community involvement, human resource, products /services and the environment as their main CSR dimensions. More so, the philanthropic responsibilities were seen as a priority, and this may be explained by the perceptions of the banks as they have a moral obligation to give something back to their host country by conducting CSR. Also, this may refer to the lack of proper understanding of CSR concept amongst the society, where the demand is mainly about donations and philanthropy issues, unlike the banks home countries and societies. It may also reflect the cultural framework of the society, in which Islamic cultural tendency in the country tends to limit CSR to philanthropic activities. This case has been observed by the study of (SCHEMA, 2013). This is common in Jordan, seeing civil society organizations approaching banks every year for financial support. It is also consistent with Carroll's classification of CSR and philanthropic responsibilities.

The interview results also revealed that the human resource dimension of CSR is highly adopted by foreign banks in Jordan. It is implemented through providing employees with a fair and competitive salary, a pleasant, healthy and safe working environment, training and development programs. It is aligned well with the bank's business vision and objectives, as well as confirmed by the results of the document analysis. However, in the case of foreign banks, the CSR dimension was managed globally and implemented with no need for customization. On the other hand, foreign banks tend to concentrate on their relationship with their employees and focus more on their internal stakeholders. This is to maintain employee loyalty and achieve business enhancement, longevity, and, to a large extent, to serve the shareholders' interest. This finding is consistent with CARROLL (1979), who argues that economic responsibility is the first and foremost responsibility of business.

The interviewees also show their commitment to treat their customers fairly and serve them with best financial practices through high-quality products/services, that attached with up to date security measures as well as innovative banking solutions and lending models that responsibly meet their needs. However, this was driven by the self-interest of the businesses. Banks should start considering communicating this commitment and pave the way for better communication with relevant stakeholders. Also, to adopt more of CR practices to ensure their consistency for their sustainability. The environmental responsibility of foreign banks in Jordan may be viewed as complying with local laws, and the bank's head office environmental policies

and standards. It was evident that the pressure on subsidiaries to recognize employees and the environment as the parent company drove significant stakeholders through global employee, health, safety, training policies, and environmental standards. To which they must comply to respond to any international stakeholder demands. Although the banking sector is traditionally perceived as relatively less-polluting in its direct business compared to other industrial sectors, it was believed that the environmental activities were limited and practised on ethical bases. This was reflected in the bank's internal policies, and it is constant with other studies conducted on banks in Jordan, such as SCHEMA, 2013 and VISION INSTITUTE, 2014. This could be due to a lack of regulation, stakeholder pressures affecting such practices in Jordan, as well as for banks to be recognized as an ethical corporation. However, there is a significant opportunity for the foreign banking sector in Jordan to take steady steps regarding environmental responsibility. This is through raising awareness within its large base of stakeholders, and leading initiatives through its business processes and services.

c) CSR Influence on Employee's Attitudes and Decisions

The third question in the interview investigated the influence of CSR on the employee's work attitude and employer decision. The participants reported a positive relationship between CSR and employee's work attitude. It was evident that it affects employees' work attitude positively, through increasing employee job satisfaction and loyalty and consequently improves their productivity. This was consistent with previous studies conducted in Jordan that reported a significant relationship between internal CSR practices and employee engagement to see, for example, (ALBDOUR and ALTARAWNEH, 2012). However, the interviewees decline any relationship between CSR and job selection decision.

d) CSR Ways of improvement

Although the concept is entirely new in the country, the interviewees expressed their interest in tackling today's challenges to improve their CSR practices based on their global framework, institutional mindset, and long experience. However, those banks' contributions fluctuating year over year, depending on economic status and the growth of the business. It is common in Jordan, particularly in the banking sector, to find a positive relationship between the increase in social responsibility and the growth in banks profit. This has been confirmed by previous studies conducted in Jordan, see, for example (ABJ, 2012; SCHEMA, 2013). The participant's suggestions include targeting more diverse environmental and social issues on a sustainable basis with more partners and governmental support. As well as improve the CSR management

and CSR communications channels with stakeholders. However, this suggests that these subsidiaries are operating in a unique country that demands more effort in CSR practice, and banks need to conduct effective CSR. Therefore, ensuring they give back to the host country and secure their sustainable and long-term existence in Jordan.

4.6. Results of The Quantitative Study

In the below section, the results of analysis and testing the hypotheses will be presented. A total of 800 questionnaires were distributed during the three months from August through October 2019. 721 questionnaires were completed and returned with an overall response rate of 90%.

Table 4-1: Questionnaire distributed, completed, response rate and methodology used

Target Group	Distributed Questionnaire	Completed Questionnaire	Response Rates %	Methodology Adopted in Distributing Questionnaire
Customers	400	358	89.5	Off line mode/by hand
NGOs	400	363	90.0	On line mode
Total	800	721	90.0	

Source: Authors Calculation (2019)

The high response rate was due to the methodology that was used in distributing the questionnaire by approaching customers at different locations over three months. Also, the researcher used his social network as a government employee and contacted NGOs through proper channels and achieved a higher response.

4.6.1. Demographical Data

The demographic part of the questionnaire consisted of seven categories, namely, gender, age, marital status, education, monthly income, experience and occupation of the respondents.

The demographic analysis considered the NGOs as one independent person, regardless of the nature of their work. They were represented by one decision-maker or the person who is in charge of their work. Their features are valid for members of the NGOs and not the NGOs themselves.

The details of demographic categories will be discussed in detail in the below section.

4.6.1.1. Distribution of the Sample Based on, Gender, Age and Marital Status

Table 4-2 shows the distribution of the sample as to their, personal data, gender and age.

Table4-2: The Distribution of the sample based on gender, age and marital status

Personal Data	Categories	Type of stakeholders				Total	
		NGOs decision-makers		Clients/Customers			
		Counts	%	Counts	%	Counts/whole sample	%/whole sample
Gender	Male	237	65.3%	250	69.8%	487	67.5%
	Female	126	34.7%	108	30.2%	234	32.5%
	Subtotal	363	100.0%	358	100.0%	721	100.0%
Age	Below 24	7	1.9%	6	1.7%	13	1.8%
	25-29	30	8.3%	47	13.1%	77	10.7%
	30-39	43	11.8%	143	39.9%	186	25.8%
	40-49	164	45.2%	83	23.2%	247	34.3%
	Above 50	119	32.8%	79	22.1%	198	27.5%
	Subtotal	363	100.0%	358	100.0%	721	100.0%
Marital Status	Single	15	4.1%	38	10.6%	53	7.4%
	Married	339	93.4%	316	88.3%	655	90.8%
	Others	9	2.5%	4	1.1%	13	1.8%
	Subtotal	363	100.0%	358	100.0%	721	100.0%

Source: Author's Calculation (2019)

The result of NGOs respondents shows that the majority of the sample was male, with (65.3%), and the female sample was 34.7% of participants. Also, the table shows the distribution of the sample as to their age. It was noted that participants with age category 40-49 years old had the highest percentage of participants, with a percentage of 45.2% and the lowest percentage of NGOs stakeholder's participants' age was assigned to (below 24), which recorded a percentage of 1.9% of participants. So, generally speaking, it can be said that the majority of the participants were older people. The highest percentage of the marital status of the NGOs stakeholders' participants were married (93.4%), and the lowest percentage was "others" (2.5%).

Regarding the customer's participants, it was clear that the majority of the sample was male with 69.8%, but the female was 30.2% of participants. Also, the table shows the distribution of

the sample as to their age. It was noted that participants with age category 30-39 years old had the highest percentage of participants with 39.9% and the lowest percentage of client's/customers stakeholders age was assigned to (below 24) which recorded a percentage of 1.7% of participants. So it can be said that the majority of the participants were mid-age people. The highest percentage of the marital status of the customer's stakeholders' participants were married with 88.3%, and the lowest percentage was "others" with 1.1%.

4.6.1.2. Distribution of the Sample Based on Education, Working Experience

Table 4-3 shows the distribution of the sample as to their education and working experience.

Table4-3: The Distribution of the sample based on education, working experience

Personal Data	Categories	Type of stakeholders				Total	
		NGOs decision-makers		Clients/ Customers			
		Counts	%	Counts	%	Counts / whole sample	% / whole sample
Education	High school or less	7	1.9%	10	2.8%	17	2.4%
	Diploma	10	2.8%	8	2.2%	18	2.5%
	Bachelor's degree	307	84.6%	293	81.8%	600	83.2%
	Higher diploma	7	1.9%	8	2.2%	15	2.1%
	Postgraduate	32	8.8%	39	10.9%	71	9.8%
	Subtotal	363	100.0%	358	100.0%	721	100.0%
Working experience	Less than 1 year	4	1.1%	4	1.1%	8	1.1%
	1-5 years	9	2.5%	10	2.8%	19	2.6%
	6-10 years	15	4.1%	50	14.0%	65	9.0%
	More than 10 yr	335	92.3%	294	82.1%	629	87.2%
	Subtotal	363	100.0%	358	100.0%	721	100.0%

Source: Author's Calculation (2019)

Based on the above table it can be noticed that most of the NGOs stakeholders' participants' education level was a bachelor's degree with 84.6% but "high school and higher diploma" presented the lowest percentage with (1. 9%). The table shows the distribution of the sample as to their working experience. It was noticed that the highest category was more than 10 years,

with 92.3%, and the lowest percentage of sample working experience goes to less than 1-year category with 1.1%. Customers' stakeholders' participant's education level was a bachelor's degree with 81.8% but “diploma and higher diploma” presented the lowest percentage with 2.2%. The table shows the distribution of sample as to their working experience, it was noticed that highest category was more than 10 years with 82.1%, and the lowest percentage of sample working experience goes to less than 1 category with 1.1%.

4.6.1.3. Distribution of the Sample Based on Occupation and Monthly Income

Table 4-4 shows the distribution of the sample as to their occupation and monthly income.

Table4-4: The Distribution of the sample based on occupation and monthly income

Personal Data	Categories	Type of stakeholders				Total	
		NGOs decision-makers		Clients/Customers			
		Counts	%	Counts	%	Counts / whole sample	%/whole sample
Occupation	Private /public sector employee	275	75.8%	326	91.1%	601	83.4%
	Student	1	0.3%	2	0.6%	3	0.41%
	Retired	46	12.7%	4	1.1%	50	6.4%
	Self Employed/Own Business	36	9.9%	24	6.7%	60	8.3%
	Unemployed	5	1.4%	2	0.6%	7	1.0%
	Subtotal	363	100.0%	358	100.0%	721	100.0%
Monthly Income (JD)	Less than 500	25	6.9%	113	31.6%	138	19.2%
	500-less than 1000	293	81.2%	204	57.0%	497	69.1%
	1000 - less than 1500	43	11.9%	36	10.1%	79	11.0%
	1500 or more	2	0.6%	5	1.4%	7	0.97%
	Subtotal	363	100.0%	358	100.0%	721	100.0%

Source: Author's Calculation (2019)

The table shows the distribution of NGOs sample as to their occupancy. It was noticed that the highest category was “private or public sector employee” with 75.8%, and the lowest percentage of sample occupancy participate in the study goes to “student category with 0.3%. The highest percentage of income was JD500-1,000category with 81.2%, and the lowest percentage of income goes to more than JD1,500 with 0.6%. The table shows the distribution of customer's sample as to their occupancy. It was noticed that the highest category was “private or public sector employee” with 91.1%, and the lowest percentage of sample occupancy participate in the study goes to “student” category with 1.0%. The highest

percentage of income was in JD500-1000 category with 57%, and the lowest percentage of income goes to more than JD1,500 with 1.4%.

Overall, the study can conclude that 68% of the sample respondents were males, and the majority of the respondents were married and over 30 years old. Thus, the opinion expressed in this survey reflects the perception of middle-aged and older respondents. Based on the researcher's working experience, it is common in Jordan to see old aged people manage NGOs. This may reflect the ages of individuals who are in charge of managing NGOs in the country. The research also observed that more than half of the respondents earned between 500JD and 1000JD. The majority of the respondents also held a bachelor's degree and were working in the private or public sectors and have more than ten years' working experience.

4.6.2. Distribution Normality

There are several methods to know if data is normally distributed or not, but preferable methods used are sample size, visually method (P-P plots) and values of skewness and kurtosis. If these conditions are not available, the researcher should not use T-test but should use non-parametric tests like the Mann-Whitney test.

The normality assumption is only needed for small sample sizes of – say - $N \leq 20$ or so. For larger sample sizes, the sampling distribution of the mean usually shows a normal distribution, regardless of how values are distributed in the population. This phenomenon is known as the central limit theorem. In this research, our sample is 721 and its large sample (GHASEMI and ZAHEDIASL, 2012).

The values of the variable's residuals are normally distributed. The P-P plot for all variables showed residuals is close or near of the probability line, and this indicates the variables are distributed normally (see appendix 4).

Table 4-5 shows that all the skewness and kurtosis values range from ± 2.58 , which means that the mean, median, and mode match. This indicates that the data of the research variables are generally distributed normally (HAIR et al., 2007).

Table 4-5: Skewness and kurtosis and Z value of all variables

Research variables	Skewness	Kurtosis
Social objectives	.075	.144
Commercial objectives	-.169	-.129
CSR in foreign banks	.084	-1.064
Service quality	-.790	.495
Products/services prices & convenience	.060	.114
Human Resource Dimension	-.369	1.748
Environmental Dimension	-.376	-.553
Financial and Social Inclusion	-.156	-.104
Community involvement	-.345	-.570

Source: Author's Calculations (2020)

4.6.2.1. Important assumptions of T-Test

To answer research questions and examine their hypotheses, the researcher needs to apply the T-test. However, there are some prior conditions and requirements that must be met to ensure the integrity and correctness of T-test:

- A Data must be distributed normally (Normal Distribution), and this assumption is met
- B Homogeneity of variance

Table4- 6: Levene's Test for Equality of Variances

Research variables	F value	Sig (p-value)
Social objectives	0.775	.610
Commercial objectives	0.838	.380
CSR in foreign banks	1.580	.105
Service quality	0.226	.713
Products/services prices & convenience	0.128	.253
Human Resource Dimension	0.324	.569
Environmental Dimension	1.174	.171
Financial and Social Inclusion	0.651	.320
Community involvement	0.950	.109

Source: Author's Calculation (2019)

Table 4-6 also shows Levene's Test for Equality of Variances. There are no statistically significant differences for all variables covered in this research at a significance level of 0.05.

This means that the variance is equal in all groups inside the variables, and all assumption of T-Test is met. The study proceeds and tests the research hypothesis and investigates the difference in perceptions among stakeholder groups by using independent-samples t-test.

4.6.3. Instrument Items Description

Instrument items should be assigned levels for the mean values obtained. Therefore, the following formula was used to assign mean levels:

$$\text{Category length} = \frac{(\text{Highest weight } 5 - \text{lowest weight } 1)}{\text{No. of categories (3)}}$$

$$\text{Category length} = \frac{4}{3} = 1.33$$

- 1.00 – Less than 2.33 Low
- 2.34- Less than 3.67 Moderate
- 3.68– Less than 5.00 High

4.6.4. Reliability Analysis

A summary of the Cronbach's alpha values presented in Table 4-7.

Table 4-7: Reliabilities Statistics Cronbach's Alpha

Main factors	Dimensions	No. of items	Cronbach alpha
Foreign Banks Objectives	Social objectives	4	0.839
	Economic objectives	4	0.842
Banking selection variables and factors	Products/services prices & convenience	4	0.703
	CSR in foreign banks	3	0.932
	Service quality and bank's reputation	5	0.812
CSR variables and dimensions	Human Resource Dimension	3	0.934
	Environmental Dimension	3	0.931
	Financial and Social Inclusion	3	0.730
	Community Involvement	3	0.901
Overall scale	All questions	38	0.885

Source: Author's calculations (2019)

The table 4-7 reflects the results of the reliability of the dimensions, represented using Cronbach alpha method for internal consistency. Foreign banks objectives were 0.839-0842. The reliability results concerning banking selection variables and factors were divided to three dimensions, and it ranges from 0.703 to 0.932, and the CSR variables and dimensions divided to four items and it ranges from 0.730 to 0.901. Finally, the total Cronbach alpha score for all dimension is 0.885, and its high score reflects high reliability. All the values presented in the table were > 0.60 , suggesting acceptable reliability, noting that most of the values were > 0.70 , telling that the obtained values reflect high reliability (SANTOS, 1999).

4.6.5. Perceived Foreign Banks Objectives

The below section presents the results of an analysis of respondent's perception regarding the foreign bank's objectives. Items were selected based on the review of banking industry literature.

4.6.5.1. Factor Analysis: Perceived Foreign Banks Objectives

Factor analysis was conducted on eight items that measured foreign banks objectives, following the conditions discussed in the previous chapter. Table 4-8 displays the results of the total variance explained by banking selection variables and factors.

Table 4-8: Total variance explained by foreign banks objectives

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Eigenvalue	% of Variance	% Cumulative	Eigenvalue	% of Variance	% Cumulative
1	3.026	37.824	37.824	2.762	34.521	34.521
2	1.961	24.517	62.341	2.226	27.819	62.341
3	.874	10.925	73.266			

Source: Author's Calculation (2019)

From Table 4-10, it noticed that the Foreign Banks Objectives scale consists of two factors that it depends on. Eigenvalues are greater than one "Kaiser's criteria (Eigenvalue > 1 rule)" and the cumulative per cent of variance extracted > 0.50 for two factors together, and the two factors are:

1. The first factor has 3.026 as initial eigenvalue with 37.83% of variance extraction and after rotation became as 34.52%.
2. The second factor has 1.961 as initial eigenvalue with 24.51% of variance extraction after rotation is 27.82%.

Cumulative per cent of variance extracted from four factors are 62.34%, and this value is accepted. In multivariate statistics, a scree plot is a line plot of the eigenvalues of factors or principal components in an analysis. A scree plot always displays the eigenvalues in a downward curve, ordering the eigenvalues from largest to smallest (HAIR JR et al., 1995).

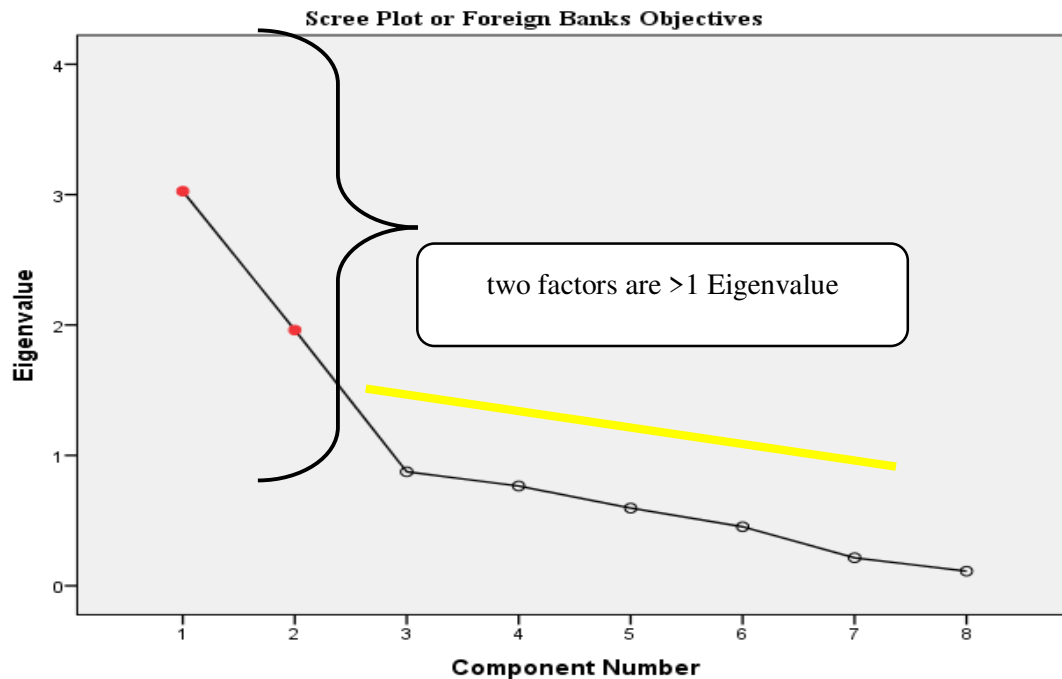


Figure 4-17: Scree test criterion
Source: Author's calculation (2019)

In Figure 4-17, the inspection of the scree plot and eigenvalues produced a departure from linearity coinciding with a 2-factor result. Therefore, this Scree Test figure indicates that the data should be extracted for 2 factors.

Table 4-9 illustrates eight questions relating to the Foreign Banks Objectives. The dimension was analysed using principal component analysis with Varimax (orthogonal) rotation.

Table 4- 9: Matrix of factors, Loadings, and Communalities for Foreign Banks Objectives

Items	Loadings		Communalities
	Factor 1*	Factor 2*	
Contribute to the social needs of society	.900	----	.498
Contribute to reducing poverty and unemployment	.815	----	.415
Enhance the sustainable growth of the economy large projects	.656	----	.716
Promoting universal values and norms such as environmental problems, human rights. Etc. towards their stakeholders	.644	-----	.814
Profit maximization.	----	.827	.607
Provide high quality of financial product & services	----	.750	.818
Offer a wide variety of innovative financial products and services to individual and business customers	----	.705	.736
Minimize transaction and operating costs	----	.601	.403
Eigenvalue	3.026	1.961	62.341 (% Cumulative of Variance)
% of Total Variance after rotation	34.521	27.819	

* Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization

Source: Author's Calculation (2019)

The analysis yielded two factors explaining a total of 62.34% of the variance for the entire set of variables. The first factor (Factor 1), was labelled the Social objectives of Foreign Banks Objectives due to the high loadings by the following items: *Contribute to the social needs of society*. This first factor explained 34.52% of the total variance. The second factor (Factor 2) derived, was labelled Economic objectives of Foreign Banks Objectives. This factor was labelled as such due to the high loadings by the following items: Q12, Q11. The variance explained by this factor was 27.82%. All the communalities values of Foreign Banks Objectives items were between (0.403-0.818) and were all higher than (0.30). The values of the communalities indicate the percentage of variation in the given by variable, which the extracted factors were able to interpret.

Substantively, this means that we have identified two clear patterns of response from the Foreign Banks Objectives respondents: pattern of Social objectives and the pattern of Economic objectives.

4.6.5.2. Descriptive Analysis: Perceived foreign banks objectives

In the below, a descriptive Statistics was conducted on eight items that were incorporated in the questionnaire and were measured on a five-point Likert scale. Based on previous analysis, it was represented in a smaller number and grouped under two proposed factors 1) social objectives 2) economic objectives.

1. Social Objectives

Table 4-10 examines the perception of stakeholder groups towards the social objectives of foreign banks in Jordan. It shows means, standard deviations of the items reflecting the social objectives of foreign banks according to stakeholders' groups, mainly customers and NGOs members.

Table4- 10: Stakeholder perception towards the social objectives of foreign banks in Jordan

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	S.D	N	Mean	S.D
q9	Contribute to the social needs of society	358	4.56	.569	363	4.40	.665
q10	Contribute to reducing poverty and unemployment	358	4.12	.712	363	4.06	.802
q11	Support sustainable development projects.	358	4.37	.649	363	4.15	.732
q15	Promoting the universal values and norms such as environmental problems, human rights, etc. towards their staff, clients and general public	358	3.55	.977	363	3.50	.937
Social objectives		358	3.76	.373	363	3.74	.438

Source: Author's Calculation (2019)

The table above shows that stakeholders (customers and NGOs members) consider the statement "Contribute to the social needs of society" as highly important from stakeholders (Customer's, NGOs members) perception, with a mean (4.56, 4.40) sequentially. The weak item effect on objectives of foreign banks is "Promoting the universal values and norms such as environmental problems, human rights, etc. towards their staff, clients and the general public" from stakeholders (Customer's, NGOs members) perception with a mean (3.55, 3.50) sequentially. From above, the results indicate that the high value of mean goes to customers with 3.76 and the mean value of NGOs members with 3.74. However, both groups of stakeholders have a positive perception of the social objectives of foreign banks. This may be attributed to the global image and distinctive corporate culture of those banks that exist in the

Jordanian society, as well as, the desire of both groups to see foreign banks doing more to contribute to the nation.

2.Commercial Objectives

Table 4-11 examines the perception of stakeholder groups towards the commercial objectives of foreign banks in Jordan. It shows Means, standard deviations of the items reflecting the commercial objectives of foreign banks according to stakeholders' groups, mainly customers and NGOs members).

Table4- 11: Groups Perception towards the Commercial Objectives of Foreign Banks.

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q8	Emphasizing on Profit Maximization.	358	1.91	1.054	363	2.45	1.193
q12	Minimize transaction and financial operations costs	358	3.44	1.024	363	3.34	1.080
q13	Provide high quality of financial product & services	358	3.99	.892	363	4.13	.601
q14	Offer a wide range and updated financial Products and services to individual and business	358	4.00	.878	363	4.30	.667
Commercial Objectives		358	3.73	.739	363	3.82	.548

Source: Author's Calculation (2019)

The above table showed that the highest items' means of commercial objectives of foreign banks operating in Jordan is "Offer a wide range and updated financial Products and services to individual and business" from stakeholders (customers, NGOs members) perception with means (4.00, 4.30) sequentially. The weak item in economic objectives of foreign banks is "Emphasizing on Profit maximization." from stakeholders (Clients, NGOs members) perception with means (1.91, 2.45) sequentially. When comparing both stakeholders (customers, NGOs members), the high mean goes to NGOs members with 3.82 and the mean value of clients with 3.73. However, both groups of stakeholders have a positive perception of the commercial objectives of foreign banks. They agree that foreign banks should not focus solely on achieving social goals as the results indicate that foreign banks are also established to provide a wide range and high-quality financial products and services. Consequently, foreign banks should not be just profit-oriented organizations; they must fulfil stakeholder expectations and compete in the market with a wide range of financial services and products.

4.6.5.3. Independent T-test: Comparing Stakeholder Groups' Perception

It is assumed that stakeholder groups of foreign banks in Jordan, mainly customers and NGOs, are concerned and will have the same perception of foreign banks' objectives. To examine the perception of NGOs and customers towards the social and commercial objectives of foreign banking business, independent t-test was employed as presented in the tables below.

Table 4-12: T-test results of the stakeholder perceptions towards foreign banks social objectives

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>Social objectives of foreign banks</i>	NGOs member's	363	3.74	.438	0.734	719	0.463
	Clients/Customer s	358	3.76	.373			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

Table 4-12 based on T-test indicated that: There was no significant effect for stakeholders' group, $t(719) = 0.734$, $p = 0.463$, despite NGOs members ($M = 3.74$, $SD = 0.438$) attaining higher scores than clients/customers ($M = 3.76$, $SD = 0.373$). The t-test is the most commonly used method to evaluate the differences in means between two groups. The results indicate that there are no significant differences among both groups towards the social objectives of foreign banks and both groups are concerned about the social objectives. This may be attributed to the global image and distinctive corporate culture of those banks that exist in the Jordanian society. As well, it is not surprising to see NGOs concerned about CSR, due to their role in society as significant partners in social development. It also showed customers desire to see foreign banks doing more to contribute to the nation.

Table 4-13: T-test results of stakeholder perceptions towards commercial objectives of foreign banks in Jordan

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>Commercial objectives of foreign banks</i>	NGOs member's	363	3.82	0.548	1.510	719	0.131
	Clients/Customer s	358	3.73	0.739			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

Table 4-13 indicated that: There was no significant effect for stakeholders' group, $t(719) = 1.510$, $p = 0.131$, despite NGOs members ($M = 3.82$, $SD = 0.548$) attaining higher scores than

customers ($M = 3.73$, $SD = 0.739$). The results indicated that both groups have a positive perception of the commercial objectives of foreign banks and show their approval for banks to compete in the market. As mentioned before and based on previous studies conducted in Jordan, it is not surprising to see NGO members concerned about the commercial objective of foreign banks. Since it is common in the country seeing civil society organizations approaching banks every year for financial support. Also, it may reflect people's ways of thinking about making business.

Based on the above tables (4-12, 4-13) results, the **H1** stated that *The different groups of stakeholders in Jordan have similar perceptions towards the social and commercial objectives of foreign banks* can be accepted. Accordingly, foreign banks are required to balance their objectives and focus more on the society social needs, rather than just increasing their shareholder's wealth.

4.6.6. Banking selection criteria

In the below section, the research presents the results of the analysis of the respondent's perception towards CSR, along with other banking selection factors when forming a decision on banks in general. Items were selected based on the review of banking industry literature.

4.6.6.1. Factor analysis: Banking selection factors

Factor analysis was run on 12 items that measured banks selection criteria following the conditions discussed in the previous chapter. The table below displays the results of the Total Variance Explained by Banking selection variables and factor

Table 4-14: Total Variance Explained by Banking Selection Variables and Factors

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Eigenvalue	% of Variance	% Cumulative	Eigenvalue	% of Variance	% Cumulative
1	3.967	33.062	33.062	3.147	26.222	26.222
2	2.782	23.179	56.241	2.443	20.360	46.582
3	1.186	9.882	66.123	2.345	19.542	66.123
4	.963	8.029	74.152			

Source: Author's calculation (2020)

From Table 4-14, it noticed that Banking selection variables and factors consist of three factors. This depends on eigenvalues that are greater than one (Kaiser's criteria) and the cumulative per cent of variance extracted (if they are > 0.50), and the factors are:

- The first factor has an initial eigenvalue of 3.967, with per cent of variance extraction of 33.06% and after rotation became 26.22%.
- The second factor has an initial eigenvalue of 2.782, with per cent of variance extraction of 23.18% after rotation is 20.36%.
- The third factor has an initial eigenvalue of 1.186, with per cent of variance extraction of 9.88% after rotation is 19.54%.

Cumulative per cent of variance extracted from three factors is 66.12%, and this value is accepted according to Hair et al. (1995).

Figure 4-18 shows the scree plot and eigenvalues produced.

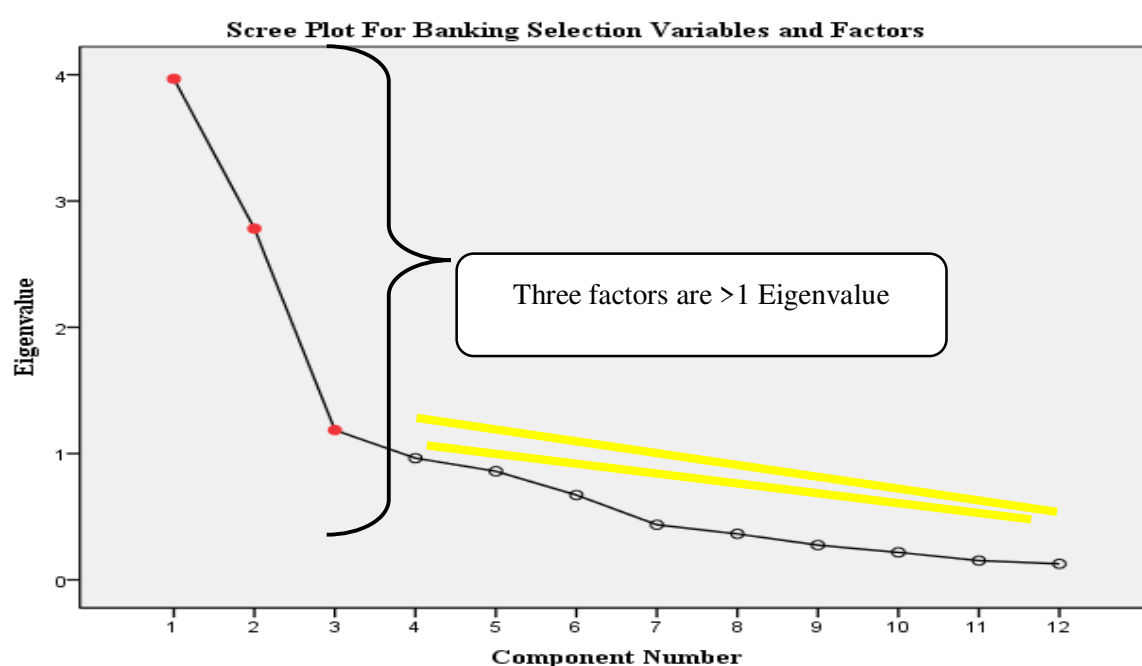


Figure 4- 18: Scree Test Criterion
Source: Author's calculation (2019)

The inspection of the scree plot and eigenvalues produced a departure from linearity coinciding with a 3-factors result. Therefore, this Scree Test figure indicates that the data should be extracted for 3 factors.

Table 4-15 illustrates that 12 questions relating to banking selection variables and factors dimension were analysed using principal component analysis with Varimax (orthogonal) rotation.

Table 4-15: Matrix of factors, Loadings, and Communalities for Banking selection variables and factors

Items	Loadings			Communalities
	Factor 1*	Factor 2*	Factor 3*	
Bank product and service prices	.872	----	----	.483
Convenient ATM locations	.871	----	----	.771
Convenient branch locations	.758	----	----	.856
The bank has Several branches	.616	----	----	.613
The Bank has respect for human rights	----	.875	----	.655
The bank helps the surrounding communities in need (e.g. charitable work, support health projects, and student scholarships, etc.	----	.771	----	.620
The bank supports the environmental practices and considers the impact of its operation on the environment	----	.591	----	.516
The bank has knowledgeable, professional, skilled personnel	----	----	.891	.861
The bank has a universal branch network	----	----	.835	.782
The bank offers a high-quality service	----	----	.679	.789
The bank has a financial reputation	----	----	.475	.401
The bank has a universal working environment	-----	----	.530	.685
Eigenvalue	3.967	2.782	1.186	66.123(%
% of Total Variance	26.222	20.360	19.542	Cumulative of Variance)

* Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization

Source: Author's Calculation (2020)

The analysis yielded three factors explaining a total of 66.12 % of the variance for the entire set of variables.

The first factor (Factor 1) was labelled the products/services prices & convenience of Banking selection variables and factors, due to the high loadings by the following items: *Bank product and service prices*. This first factor explained 26.22% of the total variance.

The second factor (Factor 2) derived was labelled CSR factor of selection variables and factors. This factor was labelled as such due to the high loadings by the following items: *The Bank has respect for human rights.*, *The bank helps the surrounding communities in need*. The variance explained by this factor was 20.36%.

The third factor (Factor 3) derived was the service quality and the bank's reputation selection variables and factors. This factor was labelled as such due to the high loadings by the following items: *The bank has knowledgeable, professional, skilled personnel, the bank has a universal*

branch network. The variance explained by this factor was 19.54%. All the communalities values were between (0.401-0.861) and were all higher than (0.30). The values of the communalities indicate the percentage of variation in the given by variable, which the extracted factors were able to interpret.

4.6.6.2. Descriptive Analysis: Banking selection factors

A descriptive Statistic was conducted on twelve banking selection variables. It represented in a smaller number and grouped under three proposed factors, namely

- 1) CSR factor;
- 2) Service quality and bank's reputation factor;
- 3) Products/services prices & convenience factor.

1. CSR Factor

Table 4-16 examines the perception of stakeholder groups towards the banking selection variables (CSR in banks) and shows means and standard deviations for the items reflecting banking selection variables (CSR in banks) according to stakeholders' groups.

Table 4-16: stakeholder groups perception towards banking selection variables (CSR in banks)

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q21	The bank has respect for human rights	358	3.15	1.007	363	2.72	1.020
q22	The bank helps the surrounding communities in need (e.g. charitable work, support health projects, and student scholarships, etc.	358	2.88	.878	363	2.60	.973
q23	The bank supports the environmental practices and considers the impact of its operation on the environment	358	2.87	1.037	363	2.07	.533
CSR in foreign banks		358	2.97	.901	363	2.46	.724

Source: Author's Calculation (2019)

Noticed from the above table is the highest items' means of banking selection variables (CSR in banks) is "The bank has respect for human rights" from stakeholders (Customers, NGOs members) perception with means (3.15, 2.72) sequentially.

This may refer to society's desire to see a more humane private sector. The weak item in banking selection variables (CSR in banks) is “The bank supports the environmental practices and considers the impact of its operation on the environment.” From stakeholders (Customers, NGOs members) perception with means (2.87, 2.07) sequentially. This may attribute to the lack of a negative impact of banks on the environment and the lack of a direct relationship between the banking industry and the environment.

When comparing between two stakeholders (Customers, NGOs members) based on banking selection variables (CSR in banks), the high mean goes to customers with 2.97 and the mean value of NGOs with 2.46. However, this moderate level of perception may refer to the lack of proper understanding of the CSR concept amongst the society in Jordan. Also, the groups' tendency to serve their interests when making investment decisions by searching for other aspects that satisfy their needs

2. Service Quality and Bank's Reputation Factor

Table 4-17 examines the perception of stakeholder groups towards the banking selection variables (service quality and bank's reputation) and shows means and standard deviations for the items reflecting banking selection variables (service quality and bank's reputation) according to stakeholders' groups.

Table 4-17 shows that the highest items' means of service quality and bank's reputation is “The bank offers a high-quality service” from stakeholders (Customers, NGOs members) perception with means (4.40, 4.53) sequentially. The weak item service quality and bank's reputation is “The bank has a universal branch network” from stakeholders (Customers, NGOs members) perception with means (2.77, 3.24) sequentially.

The stakeholder's response showed that both groups are more likely to be attracted by service quality and the bank's reputation factor when making their investment decision. It was essential and more important to both groups when compared to CSR factor.

This result is consistent with other studies that have been conducted in Jordan see, for example, (DI BELLA and AL-FAYOUMI, 2016). The differences between both groups towards the service quality and bank's reputation factor may attribute to their tendency to serve their interest and based on their personal banking experience.

**Table 4-17: Stakeholder group's perception towards banking selection variables
Service quality and bank's reputation**

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q24	The bank has knowledgeable, professional, skilled personnel	358	3.49	.938	363	3.93	1.177
q25	The bank has a universal branch network	358	2.77	1.083	363	3.24	1.341
q26	The bank offers a high-quality service	358	4.40	.606	363	4.53	.597
q27	The bank has a financial reputation	358	3.75	1.168	363	4.18	.788
q28	The bank has a universal working environment	358	3.44	1.269	363	4.15	.874
Service quality and bank's reputation		358	3.57	.753	363	4.01	.599

Source: Author's Calculation (2019)

3. Products/Services Prices & Convenience Factor

Table 4-18 examines the perception of stakeholder groups towards the banking selection variables (products/services prices & convenience) and shows means, standard deviations for the items reflecting banking selection variables (products/services prices & convenience) according to stakeholders' groups NGOs member's and customers.

Table 4-18: Stakeholder Groups perception towards products/services prices & convenience dimension

No.	Item(s)	Clients/ Customers			NGOs member's		
			Mean	Std. Deviation	N	Mean	Std. Deviation
q17	Bank product and service prices	358	4.50	.726	363	4.57	.752
q18	Convenient ATM locations	358	2.27	.797	363	2.80	1.320
q19	The Bank has several branches in Jordan covering wide geographical areas	358	2.34	.846	363	2.39	.884
q20	Proximity to work or home.	358	2.14	.646	363	2.06	.555
Products/services prices & convenience		358	2.81	.542	363	2.96	.532

Source: Author's Calculation (2019)

Noticed from the above table is the highest items' means of banking selection variables (products/services prices & convenience) of foreign banks operating in Jordan is "Bank product and service prices" from stakeholders (customers, NGOs member's) perception with means (4.50, 4.57) sequentially. Both groups may explain this tend to serve their interests. Also, the table showed that the weak item is "proximity to work or home" from stakeholders (customers, NGOs members) perception with means (2.14, 2.06) sequentially. This can be explained by the spread of bank branches in various regions of the kingdom; thus, reaching branches is not considered as an essential issue. However, it can be observed from the above table that two means of stakeholder are at a moderate level of perception. Both groups have the same view when considering the products/services prices and convenience as one of the banking selection criteria.

Overall, the study can conclude that the selection of banks can be described as a combination of service quality and the bank's reputation offered by the bank. Foreign banks must enhance their reputation with more public relations and build good customer and employee relations to attract more customers. The CSR factor was considered as part of the banking selection criteria but as the least important factor in the NGOs members and a customer's banking selection criteria. Both groups may explain this to serve their interests through searching for another aspect, such as the product and services price, service quality, and bank's reputation that satisfy their needs. Also, this may justify the differences between both groups.

4.6.6.3. Independent t-test Comparing Stakeholder Groups' Perception

CSR factor expected to be evident and less important in the stakeholder's choice when making decisions on buying banks products and services. It is important to examine if there are any differences in the perception of stakeholder groups towards CSR as one of the banking selection criteria.

Table 4- 19: Independent t-test results of banking selection variables (CSR in banks) according to stakeholders' groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>CSR factor</i>	NGOs members	363	2.46	.724	8.293	719	.000*
	Clients/Customers	358	2.97	.901			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

The t-test for the (perceptions of stakeholders group on banking selection variables (CSR in banks factor) indicated that: There was a significant difference in the scores for clients/customers (M=2.97, SD=0.901) and NGO members (M=2.46, SD=0.724) Groups; $t(719) = 8.293$, $p = 0.000$. These results suggested that customers do have a perception of the criteria of selection of a bank (CSR in banks) more than NGOs members. The results indicate that CSR commitments of banks are not taken into consideration as an important factor by both groups of stakeholders when making investment decisions. At the same time, it is surprising to see NGOs were less concerned about CSR factors, and this result may indicate that the idea of CSR is not well defined in Jordan society. The groups' differences can be explained by the groups' tendency to serve their interests when making investment decisions, through searching for another aspect that satisfies their needs.

Table 4-20: Independent T-test results of banking selection variables (Service quality and bank's reputation) according to stakeholders' groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>Service quality and bank's reputation factor</i>	NGOs members	363	4.01	.599	8.616	719	.000*
	Clients/Customers	358	3.57	.753			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

The independent-samples t-test for (perceptions of stakeholder groups on banking selection variables (service quality and bank's reputation) indicated that: There was a significant difference in the scores for Clients/Customers (M=3.57, SD=0.753) and NGOs members (M=4.01, SD=0.599) Groups; $t(719) = 8.616$, $p = 0.000$. These results suggest that both groups do differ statistically, and NGO members do have a perception of the criteria of selection of the bank (service quality and bank's reputation) more than clients/customers. The groups' response showed that they are more likely to be attracted by service quality and the bank's reputation factor when making their investment decision. Also, NGO members were more driven by their self-centred behaviour than customers.

The independent-samples t-test for (perceptions of stakeholders group on banking selection variables (products/services prices and convenience) indicated that: There was a significant difference in the scores for clients/customers (M=2.81, SD=0.532) and NGOs members (M=2.96, SD=0.542) Groups; $t(719) = 3.585$, $p = 0.000$. These results suggest that NGO members do have a perception of the criteria of selection of the bank (products/services prices & convenience) more than clients/customers.

Table 4-21: Independent T-test Results of Banking Selection Variables (Products/Services Prices & Convenience) According to Stakeholders' Groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>Products/services prices & convenience factor</i>	NGOs members	363	2.96	.532	3.585	719	.000*
	Clients/Customers	358	2.81	.542			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

Based on the above results showed in tables (4-19 ,4-20,4-21), **H2** stated that *The different groups of stakeholders in Jordan show different patterns towards CSR and other banking selection criteria when deciding on buying a product or service from banks in Jordan* can be accepted.

4.6.7. CSR Dimensions

This section describes the stakeholder group's level of perception towards dimensions that foreign banks should support and shape the concept of CSR. The stakeholder groups (NGOs members and customers) were asked to rate CSR areas that foreign banks should support based on the degree of importance. Items were selected based on the review of banking industry literature.

4.6.7.1. Factor analysis: CSR Dimensions

In the below section, factor analysis was run on twelve items that measured foreign banks CSR dimensions following the conditions discussed in the previous chapter. Table 4-22 displays the results of the Total Variance Explained by the CSR variables and dimensions.

Table 4-22: Total Variance Explained by the CSR variables and dimensions

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Eigenvalue	% of Variance	% Cumulative	Eigenvalue	% of Variance	% Cumulative
1	3.424	28.531	28.531	3.063	25.522	25.522
2	2.225	18.546	47.077	2.203	18.360	43.882
3	1.707	14.228	61.305	1.799	14.993	58.875
4	1.250	10.420	71.726	1.542	12.851	71.726
5	.775	6.461	78.187			

Source: Author's Calculation (2020)

From the previous table, noticed that the CSR variables and dimensions consist of four factors depending on Eigenvalues that are greater than one “Kaiser’s criteria (Eigenvalue > 1 rule)” and the cumulative per cent of variance extracted > 0.50, and the factors are:

1. The first factor has an initial eigenvalue of 3.424, with per cent of variance extraction of 28.53% and after rotation became 25.52%.
2. The second factor has an initial eigenvalue of 2.225, with per cent of variance extraction of 18.55% after rotation is 18.36%.
3. The third factor has an initial eigenvalue of 1.707, with per cent of variance extraction of 14.23% after rotation is 14.99%
4. The fourth factor has an initial eigenvalue of 1.250, with per cent of variance extraction of 10.42% after rotation is 12.85%

Cumulative per cent of variance extracted from four factors are 71.73%, and this value is accepted according to Hair et al (1995). Figure 4-19 shows the scree plot for CSR variables and dimensions.

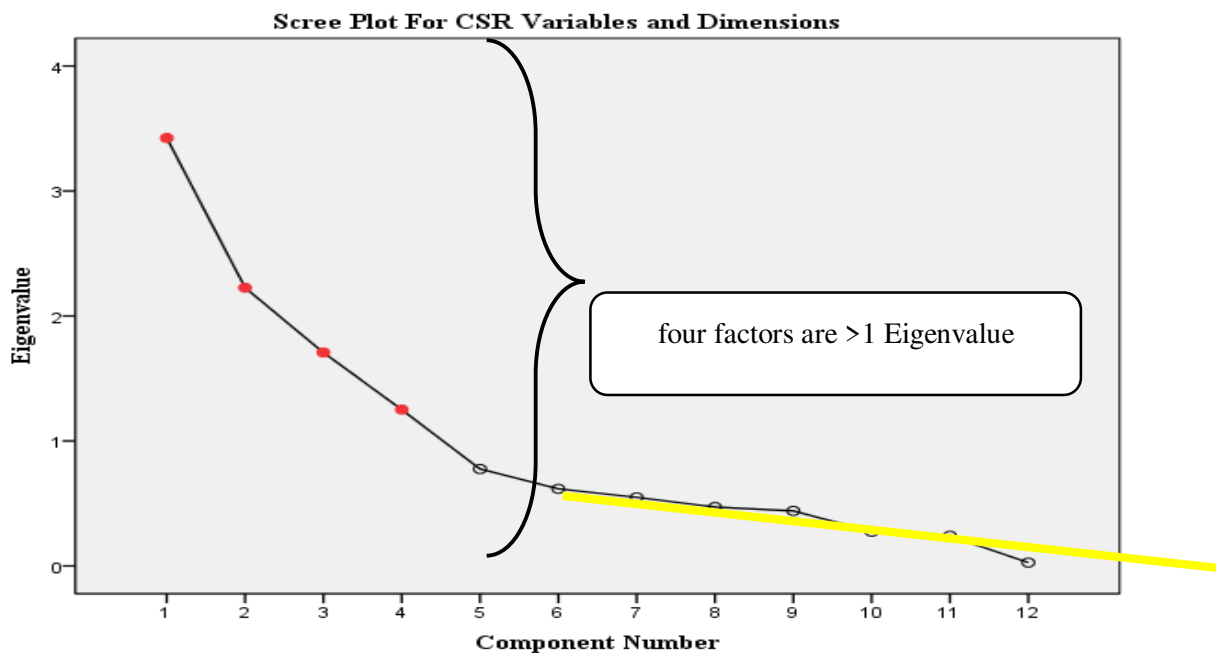


Figure 4- 19: Scree Test Criterion
Source: Author’s calculation (2019)

From above in the scree plot, we can see that the amount of variation explained, drops dramatically after the four components. This suggests that just four components may be sufficient to summarize the data.

Table 4-23 illustrates that 12 questions relating to the CSR variables and dimensions were analysed using principal component analysis with Varimax (orthogonal) rotation

Table 4-23: Matrix of factors, Loadings, and Communalities for trust *

Items	Loadings				Communalities
	Factor 1*	Factor 2*	Factor 3*	Factor 4*	
Protecting the health and safety of its staff	.903	----	----	----	.668
Investing in Human Resource Development	.882	----	----	----	.817
Treating fairly all of its employees and job applicants without discrimination	.720	----	----	----	.765
Support activities aimed at increasing awareness of the importance of the environment	----	.864	----	----	.838
Conserving energy and water consumption in banking premises	----	.587	----	----	.862
Financing environmental protection investments	----	.673	----	----	.554
Spreading financial and banking literacy	----	----	.914	----	.549
Support Financing SME's and micro enterprises	----	----	.859	----	.850
Providing affordable financial Services to the deprived and poor areas	----	----	.736	----	.842
solve social problems in the community such as poverty, unemployment	----	----	----	.907	.593
Supporting Community projects	----	----	----	.839	.731
Sponsoring cultural, social and sports activities	----	----	----	.688	.539
Eigenvalue	3.424	2.225	1.707	1.250	71.726(% Cumulative of Variance)
% of Total Variance	25.522	18.360	14.993	12.851	

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization

Source: Author's Calculation (2019)

The analysis yielded two factors explaining a total of 71.73% of the variance for the entire set of variables. The first factor (Factor 1) was labelled Human Resource Dimension of the CSR variables and dimensions, and this was due to the high loadings by the following items: *Protecting the health and safety of its staff*. This first factor explained 25.52% of the total variance. The second factor (Factor 2) derived was labelled Environmental Dimension of the CSR variables. This factor was labelled as such due to the high loadings by the following items: *Support activities aimed at increasing awareness of the importance of the environment*. The variance explained by this factor was 18.36%. The third factor (Factor 3) derived was the

Financial and Social Inclusion. This factor was labelled as such due to the high loadings by the following items: *Spreading financial and banking literacy*. The variance explained by this factor was 14.99%. The fourth factor (Factor 4) derived was Community Involvement. This factor was labelled as such due to the high loadings by the following items: *solve social problems in the community such as poverty, unemployment*. The variance explained by this factor was 12.85%.

All the communalities values of trust items were between (0.539-0.862) and were all higher than (0.30), and the values of the communalities indicate the percentage of variation in the given variable, which the extracted factors were able to interpret.

4.6.7.2. Descriptive Analysis: CSR Dimensions

Based on the previous analysis, the twelve CSR dimension variables were represented in a smaller number and grouped under four proposed dimensions. Namely, the human resource dimension, environmental dimension, financial and social inclusion dimension and community involvement dimension.

- **Human Resource Dimension**

Table 4-24 examines the perception of stakeholder groups towards the CSR dimension that foreign banks should subscribe to. It shows the means, standard deviations for the items reflecting which are the important CSR areas that foreign banks should support (Human Resource Dimension) according to stakeholders' groups.

Table 4-24: Stakeholder Group's Perception towards Variables related to Human Resource Dimension

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q35	Protecting the health and safety of its staff	358	3.64	.813	363	3.72	.791
q36	Investing in Human Resource Development (e.g. Education, Training Program/Scheme)	358	3.65	.825	363	3.73	.808
q37	Treating fairly all of its employees and job applicants without discrimination	358	3.84	.624	363	3.92	.582
Human Resource Dimension		358	3.71	.675	363	3.79	.653

Source: Author's Calculation (2019)

We can observe from the above table that the highest items' means of Human Resource Dimension are "Treating fairly all of its employees and job applicants without discrimination" from stakeholders (customers, NGOs members) perception with a mean (3.84, 3.92) sequentially. The weak item within the human resource dimension is "Protecting the health and safety of its staff" from stakeholders (customers, NGOs members) perception with means (3.64, 3.72) sequentially. From the above table, it concluded that NGOs member's and customers have a positive perception of the importance of the human resource dimension as one of the CSR areas that foreign banks should support. It reflects the stakeholder's support to foreign banks in combating the country's high rates of unemployment, by creating jobs and treating job applicants fairly. The results of the interview also confirm this result.

- **Environmental Dimension**

Table 4-25 examines the perception of stakeholder groups towards the CSR Environmental dimension that foreign banks should subscribe to. It shows the means, standard deviations for the items reflecting which are the important CSR areas that foreign banks should support (Environmental Dimension) according to stakeholders' groups.

Table 4-25: Stakeholder Groups perception towards Variables related to the Environmental Dimension

No.	Item(s)	Clients/ Customers			NGOs		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q38	Support activities aimed at increasing awareness of the importance of the environment	358	3.86	.649	363	3.30	.976
q39	Conserving energy and water consumption in banking premises	358	3.55	.886	363	3.18	1.001
q40	Financing environmental protection investments	358	3.25	1.024	363	2.98	.921
Environmental Dimension		358	3.55	.721	363	3.16	.891

Source: Author's Calculation (2019)

Noticed from Table 4-25 is that the highest items' means of environmental dimension is "Support activities aimed at increasing awareness of the importance of the environment" from stakeholders (customers, NGOs members) perception with a mean (3.86, 3.30) sequentially. The weak item within the Environmental Dimension is "Financing environmental protection investments" from stakeholders (customers, NGOs members) perception with means (3.25, 2.98) sequentially. From Table 4-25 it concluded that NGOs member's and customers showed

a moderate level of support towards the environmental dimension. This may attribute to the lack of a direct relationship between the banking industry and the environment. It reflects the role of the environmental dimension as part of banks CSR that needs more awareness.

- **Financial and Social Inclusion**

The table below examines the perception of stakeholder groups towards the CSR financial and social inclusion dimension that foreign banks should subscribe to. It shows the means, standard deviations for the items reflecting which are the important CSR areas that foreign banks should support (Financial and Social Inclusion) according to stakeholders' groups.

Table 4- 26: stakeholder groups perception towards variables related to CSR financial and Social inclusion dimension

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q41	Spreading financial and banking literacy (e.g. financial literacy education.)	358	3.77	.650	363	3.96	.880
q42	Support Financing SME's and micro enterprises	358	4.21	.519	363	4.41	.605
q43	Providing affordable financial Services to the deprived and poor areas	358	4.25	.478	363	4.61	.614
Financial and Social Inclusion		358	4.08	.395	363	4.33	.542

Source: Author's Calculation (2019)

Noticed from the above table is that highest items' means of Financial and Social Inclusion is "Providing affordable financial services to the deprived and poor areas" from stakeholders (customer's, NGOs members) perception with means (4.25, 4.61) sequentially. The weak item within Financial and Social Inclusion is "Spreading financial and banking literacy (financial literacy education." From stakeholders (customers, NGOs members) perception with means (3.77, 3.96) sequentially. From Table 4-26, it concluded that NGOs members and customers have positive perception towards providing affordable financial services to society and considered the financial and social inclusion as a highly important dimension of CSR, that foreign banks should support.

- **Community Involvement Dimension**

Table 4-27 examines the perception of stakeholder groups towards the CSR Community Involvement Dimension that foreign banks should support. It shows the means, standard

deviations for the items reflecting which are the important CSR areas that foreign banks should support (Community Involvement Dimension) according to stakeholders' group

Table 4-27: Stakeholder Groups Perception towards Variables related to Community Involvement Dimension

No.	Item(s)	Clients/ Customers			NGOs members		
		N	Mean	Std. Deviation	N	Mean	Std. Deviation
q44	To solve social problems in the community such as poverty, unemployment	358	4.29	.465	363	4.66	.531
q45	Supporting Community projects	358	4.25	.460	363	4.59	.562
q46	Sponsoring cultural, social and sports activities	358	4.37	.485	363	4.67	.482
Community Involvement		358	4.30	.432	363	4.64	.471

Source: Author's Calculation (2019)

Based on the above table the highest items' means of Community Involvement is "Sponsoring cultural, social and sports activities" from stakeholders (Clients, NGOs members) perception with means (4.37, 4.67) sequentially CSR as mentioned. The weak item within community involvement is "Supporting Community projects." from stakeholders (Customers, NGOs members) perception with means (4.25, 4.59) sequentially. However, the results are not surprising and may show the lack of proper understanding of the CSR concept amongst the society in Jordan. The demand is mainly about low budget donations for supporting short-run activities as well as depicting the current practices of CSR by business organization in Jordan. The lack of sustainability and using CSR as a marketing tool is a common problem for CSR implementation in the country. It was reported by other studies mentioned in the previous chapter. When comparing two stakeholders (customers, NGOs member's) based community involvement, the high value of mean goes to NGOs with (4.64) and the mean value of clients with (4.30). The results indicate that both groups highly regarded this dimension.

Overall, we can conclude that although the stakeholder group appears to support all dimensions of CSR, they perceived the community involvement dimension as the highest amongst the other aspects of CSR. They ranked this dimension as the first that should be supported by foreign banks. This may refer to the lack of proper understanding of CSR amongst the society in Jordan, where the demand is mainly about donations issues. It also may reflect the cultural framework of the society in which Islamic cultural tendency in the country is to limit CSR to philanthropic

activities. Therefore, foreign banks should support CSR community activities and focus more on sustainable projects. In the ranking of CSR dimensions that foreign banks should support, the financial and social inclusion was rated the second, and the human resource dimension was ranked the third as the most important dimensions of CSR. The environmental dimension was considered less of a priority than other areas. This may attribute to the lack of a negative impact of banks on the environment and the lack of a direct relationship between the banking industry and environment.

4.6.7.3. Independent t-test Comparing Stakeholder Groups' Perception

Table 4-28: Independent t-test results of important CSR areas that foreign banks should support (Human Resource Dimension) according to stakeholders' groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>Human Resource Dimension</i>	NGOs member's	363	3.79	.653	1.536	719	.125
	Clients/Customers	358	3.71	.675			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

Based on T-test table for (Perceptions of stakeholder groups on important CSR areas that foreign banks should support (Human Resource Dimension) indicated that: There was no significant effect for stakeholders' group, $t(719) = 1.536$, $p = 0.125$, despite NGOs members ($M = 3.79$, $SD = 0.653$) attaining higher scores than clients/customers ($M = 3.71$, $SD = 0.675$). The results indicate that both groups support the foreign bank's human resource dimension.

Table4- 29: Independent t-test results of important CSR areas that foreign banks should support (Environmental Dimension) according to stakeholder groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
<i>Environmental Dimension</i>	NGOs member's	363	3.16	.891	6.527	719	.000*
	Clients/Customers	358	3.55	.721			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

Based on an independent-samples t-test table for (Perceptions of stakeholders group on important CSR areas that foreign banks should support (Environmental Dimension)) indicated that: There was a significant difference in the scores for Clients/Customers ($M=3.55$, $SD=0.721$) and NGOs members ($M=3.16$, $SD=0.891$) Groups; $t(719) = 6.527$, $p = 0.000$. The results show that both groups are supporting the environmental dimension and based on an

independent-samples t-test table, the results suggest that customers do have a perception of important CSR areas that foreign banks should support (Environmental Dimension) more than NGOs members. This may reflect customers with a better understanding of foreign banks global business than NGOs members. The environmental dimension is a distinctive feature of banks culture and their willingness to have their distinguished banks participate more in such activities.

Table 4-30: Independent t-test results of important CSR areas that foreign banks should support (Financial and Social inclusion) according to stakeholders' groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
Financial and Social Inclusion	NGOs member's	363	4.33	.542	7.185	719	.000*
	Clients/Customers	358	4.08	.395			

* Significant level ≤ 0.05

Source: Author's Calculation (2019)

Based on an independent-samples t-test table for (Perceptions of stakeholders group on important CSR areas that foreign banks should support (Financial and Social Inclusion)) indicated that there was a significant difference in the scores for clients/customers ($M=4.08$, $SD=0.395$) and NGOs members ($M=4.33$, $SD=0.542$) Groups; $t(719)=7.185$, $p=0.000$. These results of the independent-samples t-test (Perceptions of stakeholder groups on important CSR areas that foreign banks should support (Financial and Social Inclusion)) indicated that: There was a significant difference in the scores for Customers and NGOs Groups. These results suggest that NGOs really do have a perception of important CSR areas that foreign banks should support (Financial and Social Inclusion) more than customers. Overall, both groups support this dimension, and according to their role in the society and level of awareness NGOs, member's showed better perception.

Table 4-31: Independent t-test results of important CSR areas that foreign banks should support (Community Involvement) according to stakeholders' groups

Effect on	Stakeholder groups	n	M	SD	T	DF	Sig (p-value)
Community Involvement	NGOs members	363	4.64	0.471	9.917	719	.000*
	Clients/Customers	358	4.30	0.432			

* Significant level ≤ 0.05

Based on an independent-samples t-test table for (Perceptions of stakeholders group on important CSR areas that foreign banks should support (Community Involvement)) indicated that: There was a significant difference in the scores for Clients/Customers ($M=4.30$,

SD=0.432) and NGOs (M=4.64, SD=0.471) Groups; $t(719) = 9.917$, $p = 0.000$. These results suggest that NGOs members do have a perception of important CSR areas that foreign banks should support (Community Involvement) more than clients/customers. This can be explained by NGOs high level of CSR awareness and their role in society. Based on results showed in tables (4-28, 4-29, 4-30, 4-31) **H3** stated that *The different groups of stakeholders in Jordan have different perceptions of the importance of CSR dimensions that foreign banks should support* can be partially accepted.

4.6.8. Stakeholder Groups Behavior and Attitude towards CSR

In this section, the research intends to capture stakeholders (customers and NGOs) behaviour and attitudes towards foreign banks social responsibility.

4.6.8.1. Reactions of NGOs.

In Table 4-32, the researcher presents the results of the NGOs' behaviours and attitudes towards foreign banks that stop practising CSR activities. They were asked about what they would do if the foreign bank stopped giving charity, donations, and other social responsibility commitments, to concentrate on making profits and maintaining its competitiveness in the market.

Table 4-32: NGOs Behavioral and Attitude towards Foreign Bank that Stopped Committing CSR.

Choices	Counts	%
Agree with the decision since the foreign bank must be able to compete with other banks and remain sustainable and viable.	1	0.3
Send a letter of protest.	3	0.8
Have a positive impression since it may signal an increment to the returns that depositors will receive on their investment/savings deposits for the coming years.	6	1.7
Do not care since it does not directly affect you	6	1.7
Have a negative impression towards the foreign bank who was supposed to adhere to international principles and exemplify a higher standard of social responsibility practice.	347	95.6
Total	363	100.0

Source: Author's Calculation (2019)

In Table 4-32 the majority of respondents (95%) showed their disapproval of the foreign bank decision to cease CSR activities and their willingness to punish this action by rating the foreign bank negatively. 1.7% of the respondents approved the bank's decision since it may signal an

increment to the returns that depositors will receive on their deposits in the future. While (0.3%) support this decision and agree that foreign banks must be able to compete with other banks. Another (0.8%) would be willing to take a proactive measure by sending a letter of protest to the management of the bank. The remaining 1.7 % were indifferent.

Rating foreign banks negatively by local community NGOs would jeopardize their work, and affect their reputation and longtime survival, especially from community NGOs. They have high respect for ethical and socially responsible organizations. It is consistent with our previous results that NGOs in Jordan highly regarded CSR activities based on their role in society. The results indicate that the stakeholders of foreign banks are generally prepared to support CSR practices of foreign banks and perceive CSR as an important component of foreign banking practices. This result recommended that foreign banks should consider their CSR activities seriously in Jordan to achieve success in the market.

4.6.8.2. Reactions of Customers

Table (4-33) presents the results of the customer's behaviour and attitude towards foreign banks that stops providing CSR services. It summarizes the results obtained from customer groups who were asked about what they would do if the foreign bank stopped giving charity, donations and other social responsibility commitments to concentrate on making profits and maintaining its competitiveness in the market.

Table 4- 33: Customers behaviour towards foreign banks that stops providing CSR services

Choices	Counts	Percentages
Send a letter of protest	5	1.4%
Withdraw all deposits from the foreign bank and switch to another bank that was highly regarded as socially responsible	8	2.2%
Feel happy since it may signal an increment to the returns that you will receive on your investment	14	3.9%
Agree with the decision since the foreign bank must be able to compete with other banks and remain sustainable and viable	101	28.2%
Do not care since it does not directly affect you	230	64.2%
Total	358	100%

Source: Author Calculation (2019)

The table above shows that 64% of respondents prefer to be indifferent toward bank decisions to stop CSR activities. This action may be perceived as less stringent since all choices have

advantages and disadvantages. As well as prove that the idea of CSR is not well defined in the society where customers do not have the knowledge about the role of CSR in banking sectors and its effects on bank profits. The percentage then drops sharply and shows 28.2% of the customers approved the foreign banks' decision, based on foreign banks business rights to compete in the market. At the same time, it may reflect the people way of thinking about business. The result also indicates that 3.9% of the respondents felt happy with the decision, and this can be explained by their willingness to achieve short-term profitability. While 1.4% of respondents were willing to take a proactive measure by sending a letter of protest to bank management. 2.2 % of the group show their willingness to punish their bank by switching to other banks that were highly regarded as socially responsible.

When comparing between table's number 4-32 and 4-33 we find that NGOs look at a foreign bank that stopped giving charity, donations and other social responsibility commitments with a negative impression and that reflect NGOs attitude towards CSR and their high level of awareness. On the other hand, customers of the foreign bank were indifferent and had a high response on the same question with "they do not care because it does not directly affect you." This reflects the customers' lack of understanding of CSR, where they do not have a big picture about the role of CSR in banks sectors, and they do not know about the effects of CSR in bank profits. Also (0.3%, 28.2%) of NGOs members and customers sequentially response "agree with the decision since the foreign banks must be able to compete with other banks and remain sustainable and viable." That means customers do not know much about the role of CSR in bank sustainability and competitive advantage when applied to CSR practices. NGOs members have a clear image of the role of CSR practices in bank sustainability and competitive advantage.

4.6.8.3. CSR performance and customer's satisfaction

The research proceeds and measures the level of satisfaction of foreign bank customers regarding their bank CSR performance. The table below summarizes the results obtained from customers when they were asked: Are you satisfied with the social responsibility performance of your foreign bank? The table below shows the items reflecting the choices of customers:

Table 4-34 showed that 83.8% of customer members answer "Not satisfied" then the percentage drops sharply for 7.5% to answer, "I do not care /I do not bother." Then, 7.3% of customers were satisfied with social responsibility performance, and the lowest percentage of the customer's members answer goes to "Not satisfied at all" with 1.4%. The results indicate

that the CSR activities of foreign banks in Jordan still are invisible. The majority of foreign banks customer respondents are not satisfied with their foreign banks CSR performance. Thus, foreign banks are recommended to increase the level of their CSR activities and improve their CSR communication channels to achieve their stakeholder's satisfaction.

Table 4-34: Shows counts, percentages for the items reflecting the choices of customers.

Choices	Frequency	Per cent
Not satisfied at all	5	1.4
Not satisfied	300	83.8
I do not care /I do not bother	27	7.5
Satisfied	26	7.3
Total	358	100.0

Source: Author's Calculation (2020)

4.6.8.4. Cross Tabulation Analysis: CSR Performance and Switching to a Foreign Bank

The study aims to measure the respondents' behaviour and attitudes in terms of their willingness to switch from their current bank to a foreign bank based on the CSR factor. The study proceeds and conducts Cross tabulation and Pearson chi-square tests as presented in the below sections.

To examine foreign banks stakeholder groups, mainly customers and NGOs, willingness to switch from their current bank to a foreign bank according to CSR performance. The respondents were asked: if the foreign bank showed a high standard of social responsibility commitment, would you switch from your current bank to a foreign bank? The table below summarizes the results of the cross-tabulation and Pearson chi-square tests that were obtained from customers and NGOs who were asked the above question.

The results in Table 4-35 indicate that stakeholders (NGOs) answer, “absolutely” to the question “If the foreign bank shows a high standard of social responsibility commitment, would you switch from your current bank to the foreign bank?” With the value of 52.2% better than clients with per cent 47.8%. Stakeholders (NGOs) answer, “Sure no, because it does not suit my interest” the to question, “If the foreign bank shows a high standard of social responsibility commitment, would you switch from your current bank to the foreign bank?” with 2.2% less than customers with per cent 48.6%. When compared between NGOs and client's possible actions to switch from your current bank to a foreign bank, we noticed 86.2% of NGOs might switch to a foreign bank. However, 36.3% of customers may be switching, and 2.2% of NGOs and 48.6% of customers answer surely no, because it does not suit my interest, and the difference in proportions is significant, $\chi^2 (3, N = 721) = 229.34, p < 0.05$. All previous result

indicates that NGOs can move from one bank to others for CRS reasons. NGOs showed attitudes and behaviours for social responsibility commitment, better than clients. This result is compatible with the results that appear in Tables 4-32 and 4-33. Hence the **H4** stated that: *Stakeholders groups in Jordan are not associated with switching to a foreign bank due to a high standard of CSR performance* can be rejected.

Table 4-35: Cross-tabulation: Switch from your current Bank to a Foreign Bank

	List of Possible Action	Stakeholders group		Total	
		NGOs	Clients		
Switch from your current bank to the foreign bank	Absolutely	Count	12	11	23
		% within switch to the foreign bank	52.2%	47.8%	100.0%
		% within Stakeholders group	3.3%	3.1%	3.2%
	Maybe	Count	313	130	443
		% within switch to the foreign bank	70.7%	29.3%	100.0%
		% within Stakeholders group	86.2%	36.3%	61.4%
	Sure, no because it doesn't suit my interest	Count	8	174	182
		% within switch to the foreign bank	4.4%	95.6%	100.0%
		% within Stakeholders group	2.2%	48.6%	25.2%
	I do not know	Count	30	43	73
		% within switch to the foreign bank	41.1%	58.9%	100.0%
		% within Stakeholders group	8.3%	12.0%	10.1%
Total	Count	363	358	721	
	% within switch to the foreign bank	50.3%	49.7%	100.0%	
	% within Stakeholders group	100.0%	100.0%	100.0%	
Chi-Square Tests					
	Value	df	Asymptotic Significance (2-sided)		
Pearson Chi-Square	229.337	3	.000		
Likelihood Ratio	266.913	3	.000		
Linear-by-Linear Association	103.319	1	.000		
N of Valid Cases	721				

Source: Author Calculations (2020)

4.6.8.5. Cross Tabulation Analysis: Stakeholders Awareness

To examine stakeholder groups mainly (NGOs members and customers) level of awareness of the CSR concept. Table 4-36 summarizes the cross-tabulation and Chi-Square test results obtained from stakeholders who were asked, are you aware of the social responsibility activities

of foreign banks?

Table4- 36: Cross tabulation &Chi-Square Tests: NGOs and Customers Awareness of CSR of Foreign Banks

	Awareness level		Group		Total
			NGOs	Customers	
Are you aware of the social responsibility activities of foreign banks?	Not Aware at All	Count	7	8	15
		% within aware of the social responsibility	46.7%	53.3%	100.0%
		% within group	1.9%	2.2%	2.1%
	Not aware	Count	186	203	389
		% within aware of the social responsibility	47.8%	52.2%	100.0%
		% within group	51.2%	56.7%	54.0%
	Not sure	Count	11	54	65
		% within aware of the social responsibility	16.9%	83.1%	100.0%
		% within group	3.0%	15.1%	9.0%
	Aware	Count	105	87	192
		% within aware of the social responsibility	54.7%	45.3%	100.0%
		% within group	28.9%	24.3%	26.6%
	Highly aware	Count	54	6	60
		% within aware of the social responsibility	90.0%	10.0%	100.0%
		% within group	14.9%	1.7%	8.3%
Total		Count	363	358	721
		% within aware of the social responsibility	50.3%	49.7%	100.0%
		% within group	100.0%	100.0%	100.0%

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	69.312	4	.000
Likelihood Ratio	77.636	4	.000
Linear-by-Linear Association	20.648	1	.000
N of Valid Cases	721		

Source: Author Calculations (2019)

The results in the table above indicate: Stakeholders (NGOs) members answer, “Not Aware” to the question “Are you aware of the social responsibility activities of foreign banks?” With

51.2% less than clients with per cent 56.7%. Stakeholders (NGOs) members answer, “Highly aware” to the question “Are you aware of the social responsibility activities of foreign banks?” with 14.9% better than clients with per cent 1.7%. When compared between NGOs and customer’s awareness of the social responsibility activities of foreign banks, we noticed (43.8%) NGOs have a good awareness about social responsibility activities of foreign banks. However, 34.9% of customers have a good awareness of social responsibility activities of foreign banks. This indicates that NGOs are better than customers when asked about awareness for social responsibility activities. Also, the customers have awareness about social responsibility activities, and they need support and more knowledge about social responsibility activities in banking sectors and the difference in proportions is significant, $\chi^2 (4, N = 721) = 69.31, p < 0.05$.

Accordingly, **H5** stated that *The different groups' stakeholders in Jordan are not associated with the awareness of CSR of foreign banks* can be rejected.

4.6.9. Descriptive Analysis: Perceptions of Various Issues in CSR

This section of analysis describes the stakeholder's level of perception on CSR implementation issues that are usually being debated.

4.6.9.1. Sustainability, Reputation, Competitiveness, and Comparativeness

Table 4-37 summarizes the results obtained from respondents who were asked to indicate on a five-point Likert-type scale; how much do they agree with the following statements?

To answer this question, mean and standard deviation was used.

Noticed from Table 4-37 is that the highest items’ means of CSR issues is “CSR can promote the public image, reputation of the foreign bank” from stakeholders (customers, NGOs members) perception with means (4.13, 4.16) sequentially. The weak item within CSR implementation issues is “CSR, and increasing profit are two conflicting goals.” from stakeholders (Customers, NGOs members) perception with means (2.75, 3.10) sequentially.

The first statement examines the perception of stakeholders towards CSR as not costly practice, and good for the bank's sustainability. The results revealed that stakeholder groups (customers and NGOs members) opinions considered were indifferent, moderate, neutral. It is not surprising since the issue is under debate in the CSR literature, as well as reflect people's way of thinking as they are always reminded that business is a wealth-generating organization.

Table 4-37: Stakeholder's Groups Perception Towards CSR Implementation Issues

No.	Item(s)	Clients/ Customers			NGOs member's		
		N	Mean	S.D	N	Mean	S.D
q29	CSR is not a costly practice and it's good for the sustainability of the bank.	358	3.09	1.150	363	3.18	1.307
q30	CSR is competitively advantageous for the bank	358	3.90	.608	363	3.99	.832
q31	CSR and increasing profit are two conflicting goals.	358	2.75	1.480	363	3.10	1.130
q32	CSR can promote the public image, reputation of the foreign bank	358	4.13	.590	363	4.16	.580
q33	Compared to local banks, Foreign banks must show a higher level of CSR	358	3.66	1.050	363	4.13	.835
q34	Regardless of the economic consequences, Foreign banks must adhere to CSR since they are working globally and driven by their principles and international culture and standards	358	4.06	.673	363	4.05	.722
		358	3.60	.333	363	3.77	.422

Source: Author's Calculation (2019)

The results revealed that customers and NGOs members have a positive perception towards CSR and agreed that CSR is competitively advantageous for foreign banks. This can improve their position in the market and showed a favourable opinion towards the role of CSR as a public relation tool. Also, the results revealed a moderate level of perception towards the third statement and showed the respondent's conflicting expectations, where the issue is under debate. The results also revealed that stakeholders (customers and NGOs members) perceived foreign banks as having a higher level of CSR commitment, compared to local banks. This may be explained by the foreign banks' image that exists in society. Also, both groups expected from foreign banks to adhere to CSR since they are working globally and are driven by their principles and international culture. These results reinforce the importance of CSR, which is deeply inscribed in foreign banks culture.

5.CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusion

The document analysis revealed that the level of CSR amongst foreign banks was considered to be high. All banks issued a CSR / sustainability report that goes globally with a clear strategy and an inspired approach to sustainability. However, those CSR reports were released on either a global level or specifically for their own home country, with no elaboration on their CSR activities in Jordan. This is only covered through CSR news published at the bank branch website. It was expected to have such reports since the banking sector, in general, is known globally for its transparency. The voluntary disclosure of CSR information through CSR/ sustainability reports has been a widespread practice among global business organizations. (SCHEMA, 2013)

It has been observed that there are some differences between document analysis and the interview results. In this context, there are some elements that may have contributed to the differences between the results of both methods. The main reason may be related to the banks disclosed information, that was only issued by the bank's headquarters on either a global level or specifically for the banks home country. That published information describes only the CSR practices in the banks home countries. Some CSR activities of the banks Jordan branches were disclosed on their websites in their host countries and falling short. Their range was much more limited with no financial disclosure indications. Other reasons may have been related to the headquarter corporate management and the branches process of decision making, regarding the CSR implementation and budget.

The interview analysis showed that banks CSR managers, employees, and government representatives are aware of the CSR concept and leaning more towards the stakeholder approach in their definitions. This conforms with the bank's document analysis and different global principles and definitions. Furthermore, the survey results indicate that stakeholders (NGOs) members showed more awareness of CSR than customers and their role in society might explain this positive perception.

Interviewees consider foreign banks as socially responsible organizations, and foreign banks voluntarily participated in social activities as part of their organizational culture and standards. This approach, confirmed by bank document analysis, showed foreign banks are strategically investing in their CSR programs. Accordingly, interviewees have a positive perception of banks social objectives; this may be explained by their moral obligation to give something back

to their host country. On the other hand, the quantitative part of the research revealed that foreign bank stakeholder groups (customers and NGOs) have similar positive perceptions towards foreign banks' objectives. They were more concerned about the social goal than commercial purposes. This may be attributed to the global image and distinctive corporate culture of those banks that exist in the Jordanian society as well as the desire of both groups to see foreign banks doing more to contribute to the nation.

Furthermore, the survey analysis findings showed that the CSR factor ranked third as the least important factor when deciding to select a bank. Both group customers and NGOs members have considered CSR issues, but they were less receptive to the concept of CSR in their banking selection decision. Accordingly, CSR is less supported by the behaviour and attitudes of stakeholders. This may be explained by a lack of proper understanding of the CSR concept amongst the society in Jordan. Also, individuals tend to satisfy their needs and serve their interests by searching for other aspects.

The interview analysis showed that foreign banks stakeholder's managers, employees, and government representatives significantly recognized the community involvement, human resources, products/services, and the environment as CSR dimensions that foreign banks should support. The results of the quantitative part also revealed that both groups of stakeholders (customers and NGOs member's) perceived CSR dimensions positively. They support all dimensions of CSR. They regarded the community involvement dimension as the highest amongst the other aspects of CSR and ranked this dimension as the first that should be supported by foreign banks. This perception may attribute to the lack of proper understanding of the CSR concept amongst the society in Jordan, where the demand is mainly about donations and philanthropy issues. This also may reflect the cultural framework of the community, in which Islamic cultural tendency in the country to limit CSR to philanthropic activities.

The research results revealed that stakeholder groups have a positive perception of the human resource dimension, which was confirmed by banks document analysis. However, the qualitative results showed that banks focus more on their internal stakeholders than external stakeholders. Foreign banks may explain this tends to maintain employee loyalty and achieve business enhancement, longevity, and, to a large extent, to serve the shareholders' interest. On the other hand, the CSR environmental activities presented in the interview believed to be much more limited when compared to the results of the document analysis. It is also confirmed by the results of the quantitative part where the environmental dimension was considered as less

of a priority than other areas. This may attribute to the lack of CSR awareness and lack of direct relationship between the banking industry and the environment.

Although the stakeholder groups recognize the contributions to their surrounding communities as a significant part of foreign banks CSR efforts, those activities are mainly philanthropic and addressing the community's social needs through their global initiatives in other host countries. Moreover, it has implemented on a selective basis with limited partnership. On many occasions, there was a lack of diversity, impact assessment, sustainability, and continuity features and some activities, such as sponsored events, was used as a tool for marketing or public relations to polish their image.

The majority of NGOs respondents showed their disapproval of the foreign bank decision to cease CSR activities by rating those banks negatively. They indicated their willingness to punish this action by switching to other foreign banks that showed a high standard of CSR performance. However, customers' respondents preferred to be indifferent toward bank decisions to stop CSR activities. This action may be perceived as less stringent since all choices have advantages and disadvantages as well as proving that the idea of CSR is not well defined in the society where customers do not have the knowledge about the role of CSR in banking sectors and its effects on bank profits. The interview results revealed that the participants have a positive perception towards CSR and its effect on the employee's work attitude, through increasing employee job satisfaction and loyalty, consequently, improved their productivity. This was confirmed by previous studies conducted in Jordan that reported a significant relationship between internal practices and employee engagement to see, for example, (ALBDOUR and ALTARAWNEH, 2012). However, the interviewees decline the effect of CSR on job selection decision.

From the stakeholder theory perspective, foreign banks were required to meet their stakeholder's expectations and their demand for information. This is to ensure that their stakeholder groups are identifying their efforts by presenting a high level of CRD and published CSR information on the banks' website. However, results indicate that the CSR activities of foreign banks in Jordan are still invisible. Also, the majority of foreign banks customer respondents are not satisfied with their foreign banks CSR performance

The study examined the perception of stakeholder groups towards CSR as not costly practice and good for the bank's sustainability. The study concluded that stakeholder groups (customers and NGOs member's) opinion were considered as indifferent, moderate and neutral. It is not

surprising since the issue is under debate in the CSR literature. It also reflects people's way of thinking as they are always reminded that business is a profit-generating organization. In this context, the research also revealed that stakeholder groups (customers and NGOs member's) have a positive perception towards CSR and agreed that CSR could improve the foreign bank's reputation, competitive advantage and can improve bank's position in the market.

The interview analysis showed ways of improving CSR practices that includes today's challenges and prospects. It revealed that the participants believe in foreign banks specific CSR frameworks since it was recognized globally and had a strategic approach. This perception has been confirmed by the quantitative results where stakeholder groups (customers and NGOs) perceived foreign banks as having a higher level of CSR commitment compared to local banks. They expected from foreign banks to adhere to CSR since they are working globally and are driven by their principles and international culture and standards. However, it may not be considered the best. It has limited programs with limited budgets; consequently, it is still invisible. This was confirmed by the results that indicated, by the majority of foreign bank customers, almost 84% are not satisfied with their bank's CSR performance.

5.2. Recommendations

In light of its result, the study suggests the following recommendations that could add value to the progress of CSR within the banking sector in Jordan:

1. The study finds that the foreign banks disclosed annual reports were focused on CSR activities implemented in the bank headquarter or home country. Thus, a careful approach would be needed to include the branches in their CSR published reports.
2. Foreign banks were recommended to take into consideration the economic aspect of their business operations, while at the same time, not neglecting the social needs of the society.
3. Foreign banks in Jordan are recommended to improve their performance in their local CSR agenda. Such an approach would help banks to achieve a comparative advantage in competing with local banks, enhance bank reputation and secure their long-term existence.
4. Foreign banks are recommended to improve their CSR communication channels with their customers and other stakeholders and advertise more of their CSR activities to achieve their customer satisfaction.

5. Foreign banks should consider various degrees of stakeholders' expectations, especially on multiple CSR dimensions, and place more emphasis on the diversity of the CSR activities that are relevant to community involvement projects.
6. Foreign banks in Jordan were encouraged to arrange training workshops for employees to improve their skills in the field of CSR. This would reflect on the banks dealing with their stakeholder and enhance society's awareness about CSR concept.
7. They are strongly encouraged to expand their partnership model and involving more of NGOs that focus on community development, rather than perceiving the government and its agencies as the only most important partner in their relationship.

5.3. Limitations and Directions for Future Research

Although this study achieved its objectives and comprehensively examined the practices of CSR from the host country stakeholder's perspectives, it has certain constraints and limitations. However, as one of the first studies in this area, these limitations could offer guidelines for future research to address.

The first limitation was related to the profile of interviewers, where the three investigated banks had no specialized dictated CSR departments or managers. The study participants were managers from different managerial positions, usually from public relation and human resources departments who were believed to be in charge of CSR activities. They were familiar with the CSR concept; however, the provided information would validate the answers of the interviews.

Secondly, this research was limited to a single industry, namely, foreign banks in Jordan. Therefore, we cannot generalize our results to local banks that also provide banking and financial centres. Thus, future research may consider the comparative analysis of CSR practices between foreign and local banks. Also, all foreign banks under the study indicate that their CSR agenda was developed at their home country head office. This allowed the branches the freedom to adapt to local issues. It is essential to consider the views of the foreign banks head office and other international stakeholders to obtain more information and in-depth data on the CSR strategic coordination.

The third limitation was related to the sample size for the interview, which was relatively limited. This may undermine the representativeness of stakeholder groups. More so, the sample size of foreign banks was limited, and not all listed foreign banks were analyzed. On the other

hand, the current research has used a convenient sampling method of foreign banks because of a lack of information about the study population, and also due to time and money constraints. This might not reflect the perspective of stakeholders as a whole in Jordan about CSR.

The fourth limitation may have been related to some of the respondents since they do not want to give a wrong impression about their banks. Also, they do not want to show their lack of information, so they try to find the perfect answers. Furthermore, it has been observed that the internal stakeholders were conservative and cautious and talked in general terms. They tried to avoid answering some questions due to their role working in banks, which could restrict them from talking freely or in complete honesty. Therefore, answers were validated by additional interviews with other employees and managers.

The last main challenge was related to the banks disclosed CSR annual reports where the disclosed annual reports focused on CSR activities implemented in the bank's home country, so the researcher had to check the branch website.

While this research focused on the foreign banks in Jordan, it could be used as a starting point for further research about international CSR in Jordan. Further, the study was conducted in Jordan, a Middle Eastern country, without comparing it to other countries, particularly western countries. Therefore, there is a need for more studies by conducting a comparison of CSR in different sectors and countries. Also, the form of partnership between foreign banks and NGOs could be subjected to future research, as this form of partnership is very important to the success of CSR programs.

6. MAIN CONCLUSIONS AND NOVEL FINDINGS OF THE RESEARCH

This study was conducted to explore the perception of different stakeholder groups towards the CSR practices of foreign banks in Jordan. It could be used as a starting point for further research about international CSR in Jordan. The study has adopted the stakeholder approach, which suggests that corporations should strategically recognize the most relevant stakeholders, meet their expectations and satisfy their needs to succeed. In the below section, the researcher summarizes the significant findings of the research.

- The level of foreign banks corporate responsibility disclosure was considered high with a clear strategy and an inspired approach to sustainability. However, those CSR reports were released on either a global level or specifically for their own home country, with no elaboration on their CSR activities in Jordan. This is only covered through CSR press releases or news published at the bank branch website.
- Foreign banks stakeholders in Jordan have a similar positive perception towards the commercial and social objectives of foreign banks. They view the foreign banks as distinguished financial institutions, that are established to achieve social and commercial objectives. Customers and NGOs members were relatively more concerned with social goals than commercial purpose. This may be attributed to the global image and distinctive corporate culture of those banks that exist in the Jordanian society. As well as the desire of the population to see foreign banks doing more to contribute to the nation. Government regulators were also concerned with the social objectives of foreign banks due to their role in economic development; also, to support government initiatives in solving societal issues. CSR department employees and managers recognize the importance of social objectives since CSR is a natural outlook of the foreign banking distinctive corporate culture.
- The stakeholder groups of foreign banks in Jordan, especially NGOs and customers consider CSR as one of their banking selection criteria. However, they applied less importance to CSR factor compared to other banking selection criteria, when deciding on buying products and services from a bank. CSR department employees, managers, and government regulators show negative perception towards CSR as an aspect of employment decision.
- Stakeholder groups show some similar positive perceptions towards multiple dimensions of CSR that foreign banks should support. NGOs and customers were more concerned with the community involvement dimension and ranked this dimension as the first that foreign

banks in Jordan should support. Furthermore, foreign bank CSR managers and employees agree on the importance of various dimensions of CSR for foreign banks to support. However, they perceive human resources as an important dimension of their banks' CSR practices. Government representatives viewing CSR dimensions is an essential issue to be pursued and supported by foreign banks.

- Regarding the NGOs and customer's reactions towards the foreign banks, CSR performance in case ceased CSR activities or showed a high standard of CSR performance. The majority of NGOs show their disapproval through their negative impression towards the foreign bank that ceased its commitment to CSR. Customer's perception was much less support and described as indifferent. Customer's action may be perceived as less stringent. It reflects customers' lack of understanding of CSR and its effect on bank sustainability, competitive advantage and future profits. While the CSR department employees, managers, and government regulators recognize the importance of CSR in the banking industry, they reported a positive perception towards the CSR impact on employee's working attitude and performance.

When compared between NGOs and customer's possible attitude and action to switch from their current bank to a foreign bank due to CSR performance. The majority of NGOs show their willingness to switch to a foreign bank and show the capability to move from one bank to a foreign bank that showed a higher level of CSR performance. Customers did not perceive CSR as an important aspect of switching between banks simply, because it did not suit their interests. NGOs showed attitudes and behaviours for social responsibility commitment better than customers.

- In addition, the majority of foreign bank customers rated the current foreign banks CSR performance negatively through showing a low level of satisfaction. Thus, the CSR activities of foreign banks in Jordan are still invisible.
- Although foreign banks CSR department managers, employees, and government regulators showed a high level of awareness towards the CSR concept, results revealed that NGOs are more aware of social responsibility activities of foreign banks than customers. It reflects NGOs positive perception and attitudes towards CSR and showed that customers need support and more knowledge about social responsibility activities of foreign banks in Jordan

- Stakeholders of foreign banks in Jordan have a positive perception of the impact of the corporate social programs on the business image. They perceived CSR as an instrument that promotes the banks' reputation, and a source of comparative advantage that will enable foreign banks to compete in the market, achieve long term existence and sustainability. However, customers and NGOs were not in consensus that CSR is not costly, and their perception was at a moderate level. It is not surprising since the issue is under debate in the CSR literature, as well as reflecting people's way of thinking where a business is a wealth-generating organization.
- Although the CSR managers and CSR department employees describe their banks CSR as best practice, based on their long experience, institutional culture and their work on the international level, customers and NGOs agreed that foreign banks must show a high level of CSR in comparison to local banks in Jordan. Both groups expected foreign banks to adhere to CSR since they are working globally and driven by their principles and international culture.

SUMMARY

This research comprehensively examines the practices of CSR from the host country stakeholder's perspective. The study was conducted on five stakeholder groups (NGOs, customers, managers, employees, government regulators) of three foreign banks operating in Jordan.

The dissertation has consisted of 6-chapters, in the introduction, the dissertation provides an overview of the author motivation to address the chosen topic and justifies his choice and why the author is investigating the Jordanian banking system. Also, why analyzing the foreign-owned banks within the Jordanian banking system and in general, explaining what the author is writing about and why. On the other hand, identifying the research problem and discuss the research aims, objectives and hypotheses.

Chapter 2. Discusses the CSR concept from a global perspective, and reviewing the idea at the regional level, particularly in the Middle East region. Then the research proceeds with discussions on the topic at the national level and cites its growing importance in the Jordanian context. Moreover, it provides an assessment of the nature of CSR initiatives at the corporate level and sheds light on the banking sector CSR practices.

Chapter 3 discusses the research methodology, where both qualitative and quantitative research methods have been utilized in a mixed methodology approach. In-depth- interviews were conducted with three CSR managers representing the three banks under the study and six employees working in the bank's CSR departments and two officials from the central bank of Jordan. Questionnaire data were collected from 721 respondents of foreign bank customers and community NGO groups.

Chapter 4 the research presented the finding and results of answering the research questions. Different types of statistics were used includes cluster analysis, factor analysis, and provided Frequencies and Percentages, Means, and standard deviation for items; also, cross-tabulation and Independent T-test were employed to rank respondent's answers and test hypothesis. Chapter 5, the research provides conclusions and recommendations based on the analysis of the results, and finally chapter 6 described the research novel contribution.

Overall, the research concluded that the foreign bank's stakeholders in Jordan stand in line with the idea of CSR and show some positive attitude towards CSR of foreign banks. They consider CSR as an essential issue that enhances banks' reputation and increased banking market share. Furthermore, they view the foreign bank's subsidiaries in Jordan as distinguished financial

intuitions that should subscribe to the idea of CSR based on their heritage and culture, when compared to their local counterparts. Accordingly, they were supporting the foreign bank's CSR activities and concerned more about the community involvement dimension. This general perception reinforced the importance of CSR and showed the need for foreign banks in Jordan to meet their stakeholder's expectations and engage more in CSR activities if they want to succeed in the market and achieve their goals.

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APPENDICES

Appendix 1. The Research Survey Questionnaire

corporate social responsibility practices of Foreign banks in Jordan

This survey is designed to study corporate social responsibility (CSR) of foreign banks in Jordan. and its main objective is to analyze the perspectives of different stakeholders of foreign banks on the issues about corporate social responsibility. I would be very grateful if you could spare some of your valuable time to fill in this questionnaire. Your participation will provide invaluable input vital to the success of this study and for further development of foreign banking CSR practices in Jordan You are not required to provide your name, as this study is to be analyzed at an academic level, with no implications for any individual who takes part in this study. Additionally, I would like to assure you that there will be no indication of your organization, nor it will be mentioned at any level of data analysis, presentation, and discussion. All information will be treated as highly CONFIDENTIAL and used for academic purposes only.

Your cooperation is very much appreciated.

Best regards,

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Personal Information

(Please tick (✓) in an appropriate box)

1. Gender: ☐ Male ☐ Female

2. Age: ☐ Below 24 ☐ 25 – 29 ☐ 30 -39 ☐ 40 -49 ☐ Above 50

3. Marital Status ☐ Married ☐ Single ☐ Others (Please specify)

4. Which is the following can best describe your education level?

☐ High school or less ☐ Diploma ☐ Bachelor Degree ☐ Higher diploma ☐ Postgraduate (Master or Ph.D.) Level ☐ others (Please specify)

5. Working experience:

☐ Less than 1 year ☐ 1-5 years ☐ 6-10years ☐ More than 10 years

6. Occupation? Please select only one...

☐ Private or public sector employee

☐ Self Employed/Own Business ☐ Student ☐ Retired ☐ unemployed

☐ others - (Please specify.....)

- 7. Income (JD):** ☐ Less than 500 JD ☐ 500-less than 1000JD
☐ 1000 JD-less than 1500 JD ☐ 1500 JD or more.

Section 1. Foreign Banks Objectives and Characteristics

(Please tick (√) in an appropriate box)

9. In your opinion, the objectives of foreign banks operating in Jordan should be?

	Not important at all	Not important	Neutral	Important	Most important
Contribute to the social needs of society					
Contribute to reducing poverty and unemployment					
Support sustainable development projects.					
Promoting the universal values and norms such as environmental problems, human rights, etc. towards their staff, clients and general public					
Emphasizing on Profit Maximization.					
Minimize transaction and financial operations costs					
Provide high quality of financial product & services					
Offer a wide range and updated financial Products and services to individual and business					
Others, please specify.....					

11. Are you aware of the social responsibility activities of foreign banks?

- ☐ Highly aware, ☐ not sure, ☐ not aware, ☐ Not Aware at All

Section 2. Support for CSR across stakeholder groups

Please tick (√) in an appropriate box)

12. When deciding to select a bank, which of the following factors are you consider as important?

Bank Selection Attributes	Not important at all	Not important	Neutral	Important	Most important
Bank product and service prices					
Convenient ATM locations					
The Bank has several branches in Jordan covering wide geographical areas					
Proximity to work or home.					
The Bank has respect for human rights					

The bank helps the surrounding communities in need (e.g. charitable work, support health projects, and student scholarships, etc...					
The bank supports the environmental practices and considers the impact of its operation on the environment					
The bank has knowledgeable, professional, skilled personnel					
The bank has a universal branch network					
The bank offers a high-quality service					
The bank has a financial reputation					
The bank has a universal working environment					
Others (Please specify.....)					

13. In your opinion, how much do you agree with the following statements?

	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
CSR is not a costly practice and it's good for the sustainability of the bank.					
CSR is competitively advantageous for the bank					
CSR and increasing profit are two conflicting goals.					
CSR can promote the public image, reputation of the foreign bank					
Compared to local banks, Foreign banks must show a higher level of CSR					
Regardless of the economic consequences, Foreign banks must adhere to CSR since they are working globally and driven by their principles and international culture and standards					

14. In your opinion, which are the important CSR areas that foreign banks should support?

	Not important at all	Not important	Neutral	Important	Most important
Protecting the health and safety of its staff					
Investing in Human Resource Development (e.g. Education, Training Program/Scheme)					
Treating fairly all of its employees and job applicants without discrimination					
Support activities aimed at increasing awareness of the importance of the environment					
Conserving energy and water consumption in banking premises					
Financing environmental protection investments					
Spreading financial and banking literacy (financial literacy education)					
Support Financing SME's and micro enterprises					
Providing affordable financial Services to the deprived and poor areas					

solve social problems in the community such as poverty, unemployment					
Supporting Community projects					
Sponsoring cultural, social and sports activities					
Others - (Please specify):.....					

15. How Important is it to you that the foreign bank is committed to social responsibility When you deciding on buying a product or service from foreign banks?

☐ Very Important ☐ important ☐ do not bother/do not care? ☐ Not important, ☐ not important at all

16. Do you have any comments/suggestion for the foreign banks to improve its social responsibility commitment?.....

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17. If the foreign bank stopped giving charity, donations and other social responsibility commitments to concentrate on making profits and maintaining its competitiveness in the market, would you:

(NOTES: ONLY Customers of foreign Banks should answer this question)

- ☐ Withdraw all deposits from the foreign bank and switch to another bank that was highly regarded as socially responsible.
- ☐ Send a letter of protest
- ☐ Feel happy since it may signal an increment to the returns that you will receive on your investment/savings deposits for the coming years.
- ☐ Agree with the decision since the foreign bank must be able to compete with other banks and remain sustainable and viable.
- ☐ Do not care since it does not directly affect you

18. If the foreign bank stopped giving charity, donations and other social responsibility commitments to concentrate on making profits and maintaining its competitiveness in the market, would you:

(NOTES ONLY: Communities NGOs members answer the following questions 19-20)

- ☐ Have a negative impression towards the foreign bank who was supposed to adhere to international principles and exemplify a higher standard of social responsibility practice.
- ☐ Send a letter of protest.
- ☐ Have a positive impression since it may signal an increment to the returns that depositors will receive on their investment/savings deposits for the coming years.

- Agree with the decision since the foreign bank must be able to compete with other banks and remain sustainable and viable.
- Do not care since it does not directly affect you

19. Are you satisfied with the social responsibility performance of your present bank?

- ☐ Very satisfied ☐ Satisfied ☐ I do not care /I do not bother
☐ not satisfied, ☐ not satisfied at all ☐ I do not know

20. If the foreign bank shows a high standard of social responsibility commitment, would you switch from your current bank to the foreign bank?

- ☐ Absolutely ☐ Maybe ☐ Sure no, because it doesn't suit my interest ☐ I Do not Know

Appendix 2: Interview Questions

Dear Respondents

Kindly informed that I am a full-time Doctorate of Business Administration student, pursuing the program from the University of Debrecen, in Hungary. I am conducting a research study titled “*Corporate Social Responsibility practices of foreign banks in Jordan*. It is concerned with exploring how Corporate Social Responsibility is understood and works in practice in the foreign banks operating in Jordan and try to identify the key themes of CSR in this sector.

Accordingly, the researcher values your cooperation to the fullest and would like to meet with you to ask for your views on this important topic. There is no right or wrong answer to any question. The researcher is only interested in your personal opinions. The “right” answer to any question is your frank and truthful response.

The questions for the interview are attached where you can use Arabic, English or combination of both languages to answer the questions and Your responses will, of course, remain confidential and anonymous.

I hope that you will agree to participate in this research, at a date and time of your convenience.

Thank you for taking the time to read this request and I am very much looking forward to your support

Best regards

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Gender.....

Age.....

Education.....

CSR understanding and definition

What do you know about CSR?

- Definition
- Dimensions

Current CSR Implementation

- Is your bank practicing CSR? How?
- What kind of CSR activities does the bank participate in? What are the most important issue areas?
- Who is benefiting from your CSR practices?
- How would you evaluate your CSR programs?

Influence of CSR on employees' attitudes and decisions

- In your opinion, does having CSR affect banks employee's attitudes about the bank?
- How important is it for you to have the bank employees engaged in the bank's CSR activities?
- In your opinion, does being socially responsible makes the bank an employer of choice?

CSR Ways of improvements

- What challenges concerning CSR did you find? And what do you find to be particularly challenging about CSR in the banking sector
- In your opinion, how can CSR be improved?

Appendix 3: Demographics List of Interview Respondents

Department managers			
Respondent number	Gender	Age	Education
D.1	male	41	Master
D.2	male	43	Master
D.3	Female	37	B.A
Employee's			
E.1	Female	28	B.A
E.2	Male	31	Master
E.3	Male	29	B.A
E.4	Male	28	B.A
E.5	Male	27	B.A
E.6	Female	26	B.A
Government regulators/central bank of Jordan officials			
GR.1	Male	57	PhD
GR.2	Male	59	B.A

Appendix 4: Visually methods (P-P plots).

