

**Report**  
**On**  
**Impact of Corporate Social Responsibilities on Employee Perception of**  
**Mutual Trust Bank Limited**

**By**  
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An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of  
Bachelors

BRAC Business School  
Brac University  
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**Declaration**

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

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**14204014**

**Supervisor's Full Name & Signature:**

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**Mr. Tofazzal Hossain**  
Lecturer, BRAC Business School  
BRAC University

## Letter of Transmittal

Mr. Tofazzal Hossain  
Lecturer  
BRAC Business School  
BRAC University  
66 Mohakhali, Dhaka-1212

Subject: Submission of Internship Report

Dear Sir / Madam,

With Due regards, these is to let you know I have completed my internship in Mutual Trust Bank Limited in the Communications Department for the last three months. I had the pleasure to work for Mr. Azam Khan, SVP and GCCO and have learnt the importance of CSR and related activities within these period. It is my immense pleasure to submit you the internship report on 'Impact of Corporate Social Responsibility on employee perception'. I have attempted my best to finish the report with the essential data and tried to complete my in depth research using survey and secondary data with your support and coordination.

Therefore, I will be forever grateful to you if you accept my report made with all necessary efforts and hope and for the help, advices and guidance you have provided me throughout. I trust that the report will surely meet the desires.

Sincerely yours,

---

Zannatul Ferdous Riya  
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BRAC Business School  
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Date: August 21, 2019

## **Non-Disclosure Agreement**

The non-disclosure agreement is made and entered into by and between Mutual Trust Bank Limited and the undersigned student at BRAC University mentioning that the internship report cannot be disclosed or published anywhere outside the University or for any other purpose.....

## **Acknowledgement**

Firstly, I would be forever grateful to the Almighty Allah for having his mercy upon me in this journey and my parents for believing in me and encouraging me throughout to finish my graduation.

Moreover, I am immensely thankful with all sense of gratitude towards my internship supervisor Mr. Tofazzal Hossain, Lecturer of BRAC Business School in BRAC University. I am very much thankful to my supervisor for helping me out whenever needed and provide me with proper suggestions in every stage.

In addition, I would like to offer my heartiest thanks to Mr. Azam Khan, SVP and GCCO in Mutual Trust Bank Limited (MTB) for giving me the opportunity to work under his supervision and allocating me with works that helped me to learn so much to complete these report. Besides, I offer my respect and gratitude to Samia Chowdury, Deputy Head and all the members of the MTB Communications Department (MCD) for supporting me in carrying out my research work on corporate social responsibilities and providing me with all the information needed for my report.

Last but not the least, my special thanks to all the employees in the Mutual Trust Bank Limited and Human Resource Department including the Head of HR for allowing me to complete my internship and helping me out to understand the organization culture and norms. Therefore, I am very much delighted to work under such supervision in the communications department for the last three months.

## **Executive Summary**

This report has been made as part of final report based on my perceptions and experiences regarding the corporate social responsibilities performed by Mutual Trust Bank Limited. Initially, the report shows some essential information regarding the company. Moreover, some of my work during the internship period has been explained that convinced to continue my report on CSR. The second part summarizes the importance and opportunity of the study that has been focused mainly during the whole research. However, after giving the information about the survey, I have gone through several other scholar papers to understand the topic in details and in the 'Literature Review' mentioned some of researchers views on the 'Impacts of Corporate Social Responsibilities on employee perception', how it creates employee engagement, attachment and retention. Later, I have also proposed a theory through hypotheses based on the investigation. Furthermore, by conducting all test through SPSS software, analyzing all factors and test of reliability has been done to verify the significance of the research. Finally, the findings from the analysis and company with some suggestions has been written to be considered by the company.

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## List of Acronyms

MTB	Mutual Trust Bank
CSR	Corporate Social Responsibility
CSR	Corporate Social Responsibility
MV	Market Value
IT	Information Technology
CEO	Chief Executive Officer
SME	Small Medium Enterprises
MTB3V	Mutual Trust Bank 3 Vision
CBO	Chief Business Officer
H 1/2	Hypothesis 1/2
GCIO	Group Chief Information Officer
GCCO	Group Chief Communication Officer
SVP	Senior Vice President
EVP	Executive Vice President
GCFO	Group Chief Financial Officer
SPSS	Statistical Package for the Social Sciences

## **Glossary**

### Literature Review

A literature review is a paper reviewed and written by scholars that consist of substantial findings and their knowledge that also includes conceptual and methodological contributions regarding a particular topic. Literature reviews are basically taken from secondary sources.

# **Chapter 1**

## **Company Overview**

### **1.1 Company History and Achievements**

Mutual Trust Bank Limited also known as MTB is a Private Commercial Bank. The Bank was initially associated as a Public Limited Company by the founding Chairman and Director Mr. Syed Manzur Elahi on September 29, 1999. However, the company was granted license by Bangladesh Bank on October 5, 1999 and the commencement of the bank's operation occurred on October 24, 1999. The bank started its operations opening its first branch in Motijheel which is the Principal branch. From then onwards, the second, third and fourth branch was inaugurated later on the year 2000. However, until now MTB has fifty eight (58) operating branches in Dhaka Division, twenty four (24) branches in Chittagong division and thirty one (31) other operating branches located in other divisions and in different parts of Bangladesh. The MTB center corporate branch was opened in August 17, 2010 that is responsible to mostly deal with corporate customers, deal with diversified work like privilege banking, communications, IT security issues or the human resource division. The Public Limited Company is enlisted currently in Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and holds official membership in Dhaka Stock exchange. At present, there are thirteen members existing in the Board of Directorial body including nine (9) Directors and one (1) Independent Director, the Chairman of MTB Mr. Md. Hedayetullah, and Mrs. Khwaja Nargis Hossain as the elected Vice Chairperson. Moreover, Mr. Anis A. Khan is the current serving Managing Director and CEO who holds over 36 years of banking experience. He has lead MTB to achieve a leading position in the business field over the last ten years of period and also create an impact in the society. The organization has gained some of the most prestigious awards over the years under his administration like the 'SME Bank of the year'

awarded by Bangladesh Bank in 2014. In 2015 MTB was recognized as the ‘Best Financial Institution of 2014’ and was rewarded the esteemed The Daily Star Bangladesh Business Award – DHL consecutively.

Mutual Trust Bank Limited immensely empowers gender equity and create future leaders by providing proper working environment to the employees. MTB is recognized as a bank that gives efforts to improve gender parity in the workplace and has recently been awarded the ADB Gender Championship Award as part of Asian Development Bank’s Trade Finance Program (TFP) in September, 2018. However, maintaining such healthy working environment persuades employees to stay motivated and innovative. On the other hand, some of the renowned training institutes deliver regular training and orientation programs to employees whenever needed and to upgrade their skills throughout and provide necessary knowledge to the officers and staffs. Some of the institutes that provide such facilities for different sectors of employees in the bank which also provide membership facilities to the bank are:

- 1) Bangladesh Institute of Bank Management (BIBM)
- 2) Bangladesh Brand Forum
- 3) International Chamber of Commerce Bangladesh Limited (ICCB), etc.

Hence, the staffs work with dedication and assist organization to achieve its goals, mission, vision and maintain the MTB core values which is the ultimate key to a successful corporation.

## **1.2 Vision, Mission and Core Values**

### **VISION**

Mutual Trust Bank Limited has its unique visions which is established on a philosophy called MTB3V which highlights three visions of the company listed below:

- Be the ‘Bank of Choice’
- To be known as ‘A Bank which is correctly world class’
- To be ‘Extraordinary compared to other performing banks across Bangladesh’

### **MISSION**

To be the most appreciated commercial company in the nation and be perceived as forceful, inventive and customer centered organization that offers a variety of items always searching for perfection and make a magnificent financial worth.

### **MTB CORE VALUES**

Mutual Trust Bank Limited focus mainly on four main core values listed below:

#### **1) Accountability:**

The prosperous achievements from the commitments which is being expected and embraced as a form of perception enables the bank to be entirely judged. They are responsible for delivering the most elevated amount of service alongside fulfilling the topmost necessities of administrative measures and moral business policies.

#### **2) Agility:**

The Bank is open to change, tend to view things from alternate point of views and are not bound by how they have worked in the past. They try to react as soon as possible and modify the method of activity to address stakeholder’s requirements and attain the objective.

### 3) **Trust:**

MTB values shared trust embracing straightforward and sincere transmissions between all groups.

### 4) **Commitment:**

- **Shareholders:** Generate a supportable financial incentive for the investors by operating a sincere and effective business technique.
- **Community:** Dedicated to perform duties for the community by assisting various events and community activities, creating employment and be a mindful corporate native.
- **Customers:** Deliver best in class administration to clients through presenting various range of items by trying to satisfy their financial needs in the bank as finest as their capabilities.
- **Employees:** As a segment of the famous commercial institute, MTB relies on inborn virtues of employees and respect their connection with them. However, no matter what the job is, everybody present at the work region tend to cooperate with each other celebrating and compensating one of a kind foundations, point of views, aptitudes and abilities.

## **1.3 MTB Corporate Structure and MANCOM**

The corporate structure of Mutual Trust Bank Limited (MTB) shows distinct other structure and sectors of MTB that contribute to achieve the organization's ultimate mission and goals.



## MTB CORPORATE STRUCTURE

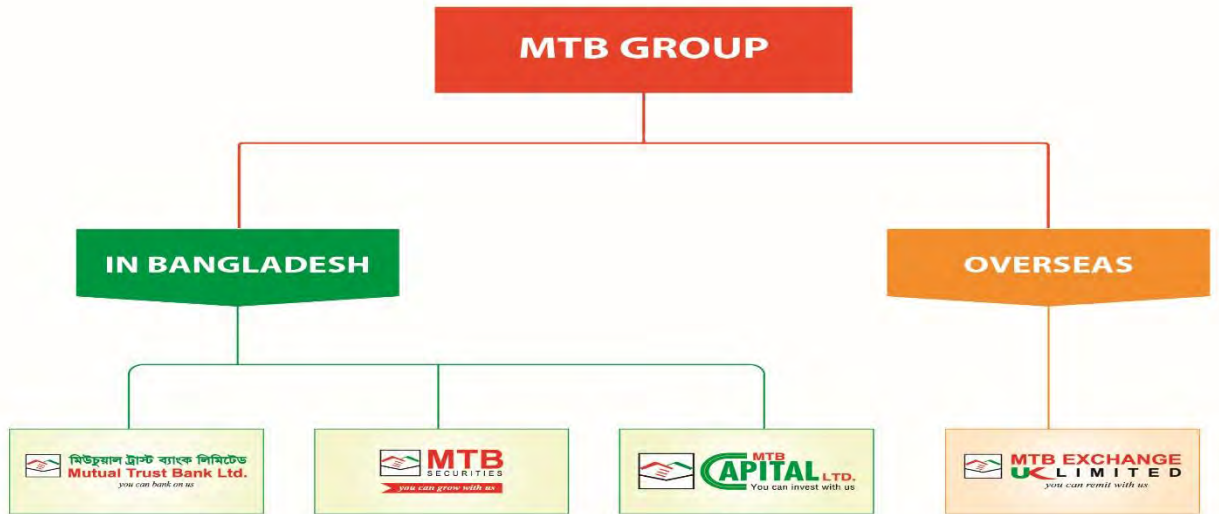


Figure 1 MTB Corporate Structure

Table 1 The members of management Committee (MANCOM)

Name	Designation
Mr. Anis A. Khan	Managing Director & CEO (Chairman)
Mr. Syed Rafiqul Haq	Deputy Managing Director & CBO
Mr. Goutam Prosad Das	Deputy Managing Director
Mr. Tarek Reaz Khan	Deputy Managing Director
Mr. Syed Rafiqul Hossain	SEVP & HoMTB Dhaka Division Branches
Mr. Md. Khurshed Ul Alam	SEVP & HoMTB Chittagong Division Branches
Mr. Swapan Kumar Biswas	SEVP & HoBOD
Mr. Azad Shamsi	SEVP & Project Director, MCT
Mr. Sayed Abul Hashem	SEVP & GCFO
Mr. Khondaker Rahimuzzaman	SEVP & Corporate Head of SAMD, Collection Unit

Mr. Nurul Maruf Khan	SEVP & HoCRM
Mr. Shah Alam Patwary	SEVP & GCIO
Mr. Md. Bakhteyar Hossain	SEVP & HoMITS
Mr. Md. Shamsul Islam	SEVP & GHoT
Mr. Md. Nazrul Islam	SEVP & CEO, MTBSL
Mr. Khairul Bashar Abu	SEVP & CEO, MTBCL
Mr. Malik Muntasir Reza	SEVP & GCS
Mr. Md. Abdul Latif	EVP & HoMTB Other Division
Mr. Marcus C. Gomes	EVP & Acting GHoHR
Mr. Azam Khan	SVP & GCCO
Mr. Iqbal Mahmud	SVP & HoRMD
Mr. Md. Rabiul Alam	SVP & HoADC

## **1.4 Responsibilities during Internship**

My Internship period lasted for 3 months in Mutual Trust Bank Limited in the Communications Departments (MCD) under the direct supervision of Mr. Azam Khan, SVP & GCCO. It is to my great pleasure that I got to work under him and along with all other members in the Communications Department.

However, my task was initially to put up data in the excel sheet including list of all vendors, media and all other necessary contacts needed to communicate and initiate further work with third party. I was also responsible in uploading YouTube videos and check updates in the YouTube channel of the bank needed for promotions and marketing. Besides, my core task was to assist an Officer in Communications department in writing proposal letters for activities related to corporate social responsibilities (CSR) and look out for further information related to new proposals regarding CSR. I have also been directly engaged with some of the CSR projects of the bank like donations given to the forty kids starting from preschool to students of class 10. BDT 2000 will be provided to each child every month for about a year and the kids that are being sponsored are placed in schools situated in different areas all over Bangladesh (Ryerbazar-Dhaka, Gaebandha, Rongpur, Dinajpur and Bandarban). Some of the officers along with me visited the JAAGO office for the official Memorandum of Understanding (MoU) signing. However, I will be forever grateful to the team members for providing me the opportunity to be engaged in such projects where I have gather so much knowledge about CSR activities and how they are implemented.

## **Chapter 2**

### **Introduction**

#### **2.1 Rational of the Study:**

A business proposal that directly involves the corporation in the antecedents and problems in the community is called Corporate Social Responsibilities. An organization works for social, natural and cost effective matters of the community to address the problems and contribute in the sustainable development of the society. However, as a responsible corporate citizen every company should take part in CSR and implementing proper social works through CSR has an impact on every stakeholders including employees. According to Lichtenstein (2004), corporate social responsibilities has been recognized as a key factor in conveying a positive company image and building trust in employees. Moreover, CSR activities help attracting and retaining employees by achieving their faith towards the organization resulting in reduced employee turnovers (Fombrun and Shanley, 1990). A company's CSR capabilities also reflects its financial performance and market value which results in motivating employees to work harder and ensures employees positive perception. Therefore, business practices with increased CSR activities has greater effectiveness and efficiency of work in the company. The underlying reason behind the conducting the study is to understand the importance of CSR having a noticeable impact on employees in the organization.

#### **2.2 Statement of the problem**

The investigation is to determine the perspective of employees towards CSR and how it effects their work. There are not much study conducted on the related topic in Bangladesh and how important CSR is for every firm and its employees. Mutual Trust Bank Limited has great reputation for their CSR activities in the recent years and how they have provided support to the underprivileged and deprived segment of people in Bangladesh. Corporate Social

Responsibilities recognize results and impacts in the society and community made by the corporation which has a direct influence in the employee's perceptions, emotions, attitudes and behavior.

Employee Engagement is an important tool for the organization success and to prevail strong employee-employer connection CSR has proven to be one of the lead practices (Albert, 2015). The study has focused on the effect of perceived CSR capabilities influencing employee attitudes and other social factors, CSR initiatives leading to company growth and how it creates a positive image as a trustworthy company in the society. Although employee retention is not the actual purpose of corporate social responsibility involvements but it has major impact in employees perception which is investigated and explained further in the study. A positive correlation sustains between employee satisfaction and CSR performance in a company (Coldwell, Billsberry, Meurs & Mars, 2018).

### **2.3 Scope and Delimitation of the Study:**

The report mainly shows influence of CSR activities on employees and the concept created on an employee's mind towards the company due to the initiatives. Besides, the analysis done for each variables clearly shows the results based on the survey being conducted on employees.

Speaking of the limitations and problems I have faced while conducting the survey are mentioned below:

- **Time Limitation:** As I had the opportunity only to work for three months as an intern, it was quite difficult to understand the whole CSR process and its influence on stakeholders and mostly employees.
- **Sample Size:** As all the employees were present only at the office premises, I had to conduct a paper survey and collect all the necessary answers personally.

- **Confidentiality**: Due to the strict guidelines and code of conducts, I did not have access to all the information regarding CSR activities in the bank.

## **2.4 Objective of the study:**

CSR is considered to be a major part of the company that not only covers environmental, societal and community problems but also considers employee welfare when needed. As the impacts that CSR has on employees is mostly unexplored, the study is mainly conducted to discover the effects that CSR has on employees.

Corporate social responsibilities help employees have faith in their company on a nutshell that results in better work outputs and performance which is a major benefit for the company. Employees are a major strength of a business that help the business grow in the long run and short run. Their satisfaction, attachment and perception towards the company is very important issue for companies. Therefore, the study objective is analyzing elements that effects employee perceptions through CSR and recommend how to further improve and utilize the procedure.

## **Chapter 3**

### **Literature Review**

An ethically conscious organization and a socially responsible firm is always aware of the corporate social responsibilities. While conducting such activities firms should not look for any advantages of their own or be concerned about their own achievements while conducting donations. However, even if the core motive is not to gain any profit or advantages from CSR, there are factors associated with such acts which ultimately is beneficial to the company even if they are not aware of the ultimate result. An ethical work climate always ensures that employees are attached to the company and are quite motivated to work under such companies leading to greater productivity (Sims & Keon, 1997). Moreover, greater CSR capabilities proves to act as a competitive advantage for the company.

#### **3.1 Employee Engagement that cause Organizational Benefits**

Employee engagement directly influences performance of employees. It also shows what an employee actually feels about the organization and the management committee. According to Saks (2006), employees that are engaged and involved in work are ambitious about their work resulting in organization interest. At present, companies are very aware of the corporate social responsibilities they have towards the community and research shows that CSR actually has a noticeable effect on the employees and shareholders (Schiebel and Pochtrager, 2003). It is very important for companies that employees are involved, attached, devoted and focused towards work. De Roeck and Delobbe (2012) states that CSR in business implies that it is trustworthy and ethical resulting in developing admirable attitude in employees regarding their jobs and work place.

### **3.2 Employee commitment and perception**

CSR builds faith, trust and confidence among employees towards organizations which continuously works as a driving force for employees to stay motivated and committed. Brammer, Millington and Rayton (2005) defines commitment as “a force that allows individuals through their actions to reach a particular target”. Research unveil that perception of employees regarding Corporate Social Responsibility activate to strengthen emotional and behavioral responses. Employees find a sense of belonging and feel more satisfied for working in such organizations with strong values. The theory put up by Meaignan & Ferrell (2001) suggested that employees often trust their own perception regarding the company’s actions towards justice and responsibility. Study shows that CSR activities creates a positive perception in employees mind if the company is able to do proper planning, implementing and evaluation for CSR practices. Hence, a positive co relation is seen between perceived CSR activity and employee commitment leading to attachment (Dutton, Duferich & Harquil, 1994; Maignan & Ferrell, 2001).

### **3.3 Corporate Social Responsibilities (CSR)**

CSR is a business practice that should be practiced by each and every corporation as a responsible corporate citizen. However, if any company fails to implement proper CSR they are at times considered to be ignorant towards the society. CSR has gained meaningful research attention in the recent years as it has proven to be a core strategic component in a business (Gond, Akremi, Sawen & Babu, 2017). Ali (2010) states that corporations that learn that working for the welfare of the society within organization boundaries also increase its reputation and market value. Besides CSR involvements help companies to work ethically, allocate resources fairly and teach employees moral values by engaging them in voluntary works and duties towards the community (Maon, Lindgreen & Swaen, 2010).



### 3.4 Model Development and Hypotheses

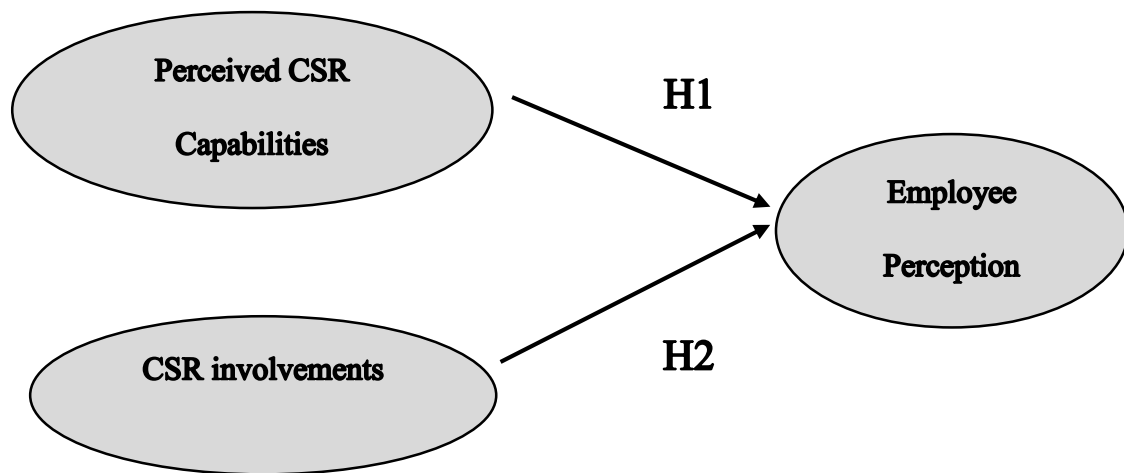


Figure 2 Model of impacts of CSR activities on employee perception

#### **Perceived CSR Capabilities**

The extent of awareness organizations have to carry out the CSR activities using the skills, ability, knowledge and process they possess (Sharma & Vredenburg, 1998). Researches have showed that perceived CSR is related to important factors effecting the business like organization pride for fulfilling duties towards the community, social commitments, customer trust and positive employee perception leading to attachment. De Roeck, Akremi & Swaen (2016) mentions that employee's feel proud and affectionate working for a company with strong social moral values. Therefore, the employees view organization having morality, kindness and fair management approach when the perceived CSR is strong. According to Lopez-Gamero, Claver-Cortes & Molina-Azorin (2008), perceived corporate social responsibilities reflect a company's willingness to utilize the firm's resources and credentials affecting employee's ethical attitudes. They have further demonstrated that perceived

capabilities influence employees to have increased commitments towards gaining an organization's goal.

*H1: There is a positive relation between Perceived CSR capabilities and employee perception.*

### **CSR involvements**

CSR involvements are the extent to which organizations are engaged in the social, environmental and philanthropic activities through CSR. Schein (1983) states that CSR practices in firms affects the ethical behavior of employees and overall organization culture. Besides, at times CSR implementations influence employee's to take part in social activities directly through various projects that boost cultural values. The theory put up by Chatman & Cha (2003) says that strong cultures help to shape an employee behavior and strengthen their performance. Furthermore, these grab the attention of employee through shared values that direct them to prioritize the organization and make greater commitments. According to Brown and Dacin (1997), when a firm is able to carry out proper planning, conducting and evaluating regarding CSR activities, a positive perception is built within the employees. In addition, Margolis (2009) recommends that greater CSR involvements prove to be a competitive advantage for the company which leads to greater financial performance and Market Value (MV). Furthermore, increased CSR involvements help organization to be recognized as a trustworthy company. It also elevates the reputation of the company and employees are more satisfied and motivated to work for such companies.

*H2: CSR involvements affects employee perception positively.*

## **Chapter 4 Methodology**

### **4.1 Research Methodology**

The methods used for collecting data and gathering necessary information are qualitative data and quantitative data. However, the investigation was implemented through SPSS using factor analysis and check reliability. To understand the study topic in depth face-to-face interview was conducted with the employees engaged directly with the CSR activities in Mutual Trust Bank Limited (MTB). On the other hand, survey was conducted using quantitative method to find the appropriate results.

### **4.2 Collection of Data**

#### **Primary Data Collection**

The primary data was possessed using a survey of quantitative data collected from the employees of the bank. Moreover, information regarding CSR and related activities or events were collected from the officer responsible for looking after the involvements and initiatives regarding CSR from years.

#### **Secondary Data Collection**

Secondary information was gathered from the previously published research papers and articles related to CSR found in the websites and the company website.

### **4.3 Measurement and Sampling**

The survey questionnaires were made using the 5 point Likert scale and answered accordingly. The survey instrument is used on a scale of one to five to allow the individuals to express whether they agree or disagree on a particular research topic. I have used five response categories for each question where the initial scale '1' indicates 'Strongly Agree' and the final

scale '5' indicates 'Strongly Disagree. Furthermore, to be more specific about a respondent judgment the scale '3' denote 'Neutral' which shows that the respondent does not fully agree or disagree the statement and is neutral as it says. The other two items represent '2' as 'Agree' and '4' represents 'Disagree'.

In addition, the sample size was 113 and a paper based survey was conducted. All the respondents in MTB had to be approached directly as they were out of reach in any other medium. Besides, while collecting data I also got to gather more knowledge about related activities in the bank.

The questionnaire included 19 questions where ten questions were made for the independent variable, five questions under the dependent variable and the other four questions contained demographic data.

#### 4.4 Sample characteristics

The total number of respondents were 113 which included 38% female and 62% of male respondents. The demographic analysis of the respondents and tabulated below that includes data of their age, marital status.

Table 2 Demographic Data

	<b>Frequency</b>	<b>Percentage</b>
<b>Gender</b>		
Male	<b>70</b>	62%
Female	<b>43</b>	38%
<b>Age ( years old)</b>		
25 - 34	<b>32</b>	28%
35 - 44	<b>64</b>	57%

45 – 54	<b>17</b>	15%
<b>Marital Status</b>		
Married	<b>93</b>	82%
Unmarried	<b>20</b>	18%

## Chapter 5 Data Analysis

The questionnaire was checked and approved by my respected faculty and supervisor Mr. Tofazzal Hossain. Moreover, SPSS software was used for reliability and regression test.

### KMO and Bartlett's Test:

Table 3 KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.685
Approx. Chi-Square		197.453
Bartlett's Test of Sphericity	Df	15
	Sig.	.000

The test is statistically significant as Bartlett's Test of Sphericity shows that the value is below .05.

### 5.1 Factor Analysis

While doing the factor analysis, all the variables were known and so the method applied was varimax rotation. Besides, for deriving factors the extraction method used was Principal Component Analysis (PCA). However, Table 5 below shows that the principal component analysis extracted three factors. Moreover, the total percentage of cumulative variance

explained was 78.8% (Table 5). Table number 4 illustrates that all the values were more than .5 in the communalities table.

Table 4 Communalities

Communalities		
	Initial	Extraction
PCC2	1.000	.701
PCC3	1.000	.762
CI1	1.000	.888
CI2	1.000	.872
E3	1.000	.874
E4	1.000	.633

Extraction Method: Principal Component Analysis.

Table 5 Total Variance Explained

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.789	46.478	46.478	2.789	46.478	46.478	1.764	29.402	29.402
2	1.087	18.123	64.601	1.087	18.123	64.601	1.740	28.992	58.394
3	.853	14.224	78.825	.853	14.224	78.825	1.226	20.431	78.825
4	.625	10.415	89.240						
5	.412	6.864	96.104						
6	.234	3.896	100.000						

Extraction Method: Principal Component Analysis.

Table 6 Rotated Component Matrix

**Rotated Component Matrix<sup>a</sup>**

	Component		
	1	2	3
PCC2	.822		
PCC3	.841		
CI1		.921	
CI2		.889	
E3			.915
E4			.573

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.<sup>a</sup>

Factors were excluded 5 times and finally achieved one factor items under each column to achieve the Rotated Component Matrix of Table 6.

## 5.2 Reliability

Cronbach's Alpha is used for inspecting reliability and check the degree of internal consistency between multiple variables. Hair Et Al, (2010) states that value of Cronbach's Alpha should be equal to 0.6 or above to prove reliability in an exploratory test. The test between PCC2 and PCC3 indicates the reliability as the value of Cronbach's Alpha is .692 showing that it is more than .6. Moreover, we can also derive from the results that CI1 and CI2 is also very much reliable as the Cronbach's Alpha is .854. However, even if the test between E3 and E4 shows that the alpha value is .526 which a bit less than .6 but it can be considered somewhat reliable considering the data.

Table 7 Reliability statistics

**Reliability Statistics**

Cronbach's Alpha	N of Items
.692	2

**Reliability Statistics**

Cronbach's Alpha	N of Items
.854	2

**Reliability Statistics**

Cronbach's Alpha	N of Items
.526	2

### 5.3 Regression Analysis

There is one dependable and two independent variable used to administrate regression analysis and evaluate the impact of CSR activities on employee perception and find the reliability of the model selected. In addition, regression analysis is conducted for the dependable and independent variable and test the hypothesis between the variables.

In the table number 8 under Model Summary R square shows the total variability and what percentage of change does an independent variable bring to dependable variable. Here the R square = .244 showing that the independent variables describes 24.4% variance in the dependent variable.

Furthermore, to check the significance of the whole model the value should be F statistics (Sig  $\leq$  .05). The model derived from table number 8 under Anova shows that the F-statistics (Sig  $.00 \leq$  .05) and the model is found to be significant.



Table 8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.494 <sup>a</sup>	.244	.230	1.18991

a. Predictors: (Constant), CIIC, PCCP

Table 9 Anova

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	48.873	2	24.437	17.259	.000 <sup>b</sup>
	Residual	151.499	107	1.416		
	Total	200.373	109			

a. Dependent Variable: EPP

b. Predictors: (Constant), CIIC, PCCP

Table 10 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.073	.374		5.548	.000
	PCCP	.294	.076	.354	3.888	.000
	CIIC	.236	.091	.235	2.579	.011

a. Dependent Variable: EPP

Among two of the independent factors (Perceived CSR Capabilities and CSR involvements), both of them has a significant impact.

- The results derived from Table 9 under Coefficient shows that PCCP ( $b=.354$ ,  $t=3.88$ ,  $Sig=.00$ ). Therefore, as the ( $Sig=.00 \leq .05$ ), the variable perceived CSR capabilities is significant and is supported by the data.

H1 suggested that Perceived CSR capabilities affects employee perception positively.

- The results derived from Table 9 under Coefficient shows that CIIC ( $b=.235$ ,  $t=2.58$ ,  $Sig=.011$ ). Therefore, as the ( $Sig=.011 \leq .05$ ), the variable CSR involvement is significant and is supported by the data.

H2 suggested that CSR involvements has a positive impact on employee perception.

## Chapter 6 Findings

- Mutual Trust Bank Limited has been addressing problems in sectors like education, environment, human rights, health and safety and tries to create a positive change in the community through economic development. However, data collected from the year 2018 shows that 80.23% of their participation is on disaster management sector, 7.64% on education and the rest on health and others. Moreover, the reliability test show that PCC3 has a strong impact on the employee perception. (Appendix, Questionnaire 1.c)
- The long term objective of MTB is reduction of poverty, cover different deprived sectors like (Education, health, sports, environment, etc.) that would bring sustainable development in the community. The test of factor analysis and reliability reveals strong relation of PCC2 with the study and proves the impact of the item with employee perception. (Appendix, Questionnaire 1.b)
- As a responsible corporate citizen, MTB has always carried out its support to the unprivileged community since 2005 and tries to benefit the society through various CSR activities. Commercial Banks have their own code of conduct approved from the Board of Directors initiating employees to follow the policy while initiating a CSR. Results reveal 80% agreed that policies help to maintain a code of conduct. (Appendix, Questionnaire 1.d)
- MTB also addresses the problems of employees as an act of CSR whenever they need financial support. For instance, it is seen that underprivileged support staffs like caretakers were given money for their family or themselves for any case of emergency like accidents or health issues. Such acts show that a company's kindness through resources influence an employee attitudes by creating devotion and respect towards the company. (Appendix, Questionnaire 1.e)

- One of the most innovative and signature CSR projects of Mutual Trust Bank Limited is Swapno Sarathi which emphasizes the importance of social responsibilities. In these campaign unprivileged praiseworthy children are given bicycles with a purpose that distance is not a factor for studies. Therefore, the slogan for the campaign is “Sikha orjone jano badha na hoy”. About twelve hundred bicycles have already been distributed among such children since 2015 in various regions of Bangladesh. However, analysis of data and experiment has proved that CI2 it is reliable and has a very strong effect on the dependable variable. (Appendix, Questionnaire 2.b)
- On the other hand MTB Bravery and courage award is an inspiring initiative by the company encourage people to act bravely and seamlessly. These act is mainly presented to underprivileged people who has acted courageously in situations that sometimes proves to be risky. Such CSR activities and influence creates a constructive impact in the society and MTB has been selflessly trying to carry out such acts through donations or financial support. In addition, these involvements help employees gain trust towards companies are way easily retained. The research that have been conducted shows that CI1 is very much reliable. (Appendix, Questionnaire 2. a & 2.d)
- The analysis shows strong connection between both perceived corporate responsibilities and CSR involvements with employee perception. An employee has to see that the organization is willing to use their resources for the society and for stakeholders. In such cases employees feel positive and proud of the company they work for and are associated with such acts. Positive perception allows the employee to the see the management philosophies that are praiseworthy and morally acceptable. From the analysis section it is observed that employee perception is strongly connected to both variables that bring a sense of attachment for the employees in the company.

## **Chapter 7**

### **7.1 Recommendation**

Based on all the analysis, data and research collected, I would like to recommend some possible ways that would be beneficial for the company.

- More employees should be directly engaged in CSR activities as volunteers like teaching underprivileged children for a day, cleaning roads or other events that would make them realize their responsibilities towards the society and environment.
- Workshops or ethical training programs should be arranged in office premises to create awareness about different issues around the world like World Environment Day.
- They need to focus more on team works and publish more CSR initiatives to the employees in every departments and branches to create a positive and influential perception towards the company.
- It is seen that they are allocating most of their resources for educational and disaster management purposes. However, they should also focus on others sectors like sports for disabled or challenged kids.

## **7.2 Conclusion**

The study indicates a positive connection of both perceived CSR capabilities and CSR involvements with employee perception. It proves that Mutual Trust Bank Limited being a renowned organization are well aware of their corporate duties that has eventually impacted the organization in a positive way. However, positive employee perception is one of them. They have been carrying out their CSR projects successfully which has not only uplifted their reputation as a company but also increased their overall market value. MTB should continue to practice such acts and get their employees from every department more to gain their trust. Furthermore, CSR also help organizations to communicate and get engaged more in the society and people. In addition, the objective of these study is to show the correlation of employees and CSR that has been clearly been proven through the reliability test and other analysis.

To conclude, hypotheses shows how all the variables are co related and researchers should carry out more studies like these to prove the importance of CSR in every aspects of corporate life which will prove to be beneficial for both companies, employees, community and nature.

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# Appendix

## Questionnaire

### 1) Personal Information

#### a) Gender

- Male
- Female

#### b) Age (years)

- 25 - 34
- 35 - 44
- 45 - 54

#### c) Marital Status

- Married
- Unmarried

### 2) Perceived CSR capabilities

#### a) CSR is more effective and functional than Corporate Philanthropy creating more awareness

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree



b) CSR helps in the sustainable development of economy and other social factors.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

c) As a responsible corporate participant, every organization should directly take a part in CSR activities with proper planning and implementation

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

d) CSR policies provided by Board of Directors in Commercial Banks helps to maintain a code of conduct throughout.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

e) CSR capabilities shows a company's resources influencing employee attitudes

- Strongly Agree
- Agree

- Neutral
- Disagree
- Strongly Disagree

### **3) CSR involvements**

a) MTB Bravery and Courage award is an inspiring initiative by the organization encouraging more acts of bravery.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

b) Swapno Sarathi (signature CSR of MTB) is one of the most innovative CSR initiatives by MTB which emphasizes the importance of social responsibilities.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

c) CSR involvements immensely elevate the reputation of the company over the years.

- Strongly Agree
- Agree

- Neutral
- Disagree
- Strongly Disagree

d) Greater CSR involvements help the organizations to be recognized as a trustworthy company.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

e) CSR involvements can measure a company's performance and market value (MV).

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

#### **4) Employee Perception**

a) Planning and implementing Proper CSR activities strengthens employee attachment.

- Strongly Agree
- Agree
- Neutral

- Disagree
- Strongly Disagree

b) Contributions through CSR activities develop confidence among employees towards organization.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

c) Positive employee perception towards company leads to greater retention of staffs.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

d) Employees are more dedicated and motivated towards work when they have a positive attitude towards the company.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

e) Favorable attitude of the employee towards the company leads to companies' better financial performance.

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree