

Abstract

This research investigates the impact of Corporate Social Responsibility (CSR) on financial performance within the banking sector. The study employs a multi-method approach, combining quantitative financial analysis and qualitative insights, to explore whether CSR initiatives influence key performance indicators (KPIs) such as profitability, return on assets (ROA), and customer loyalty in banking institutions. Given the increasing importance of CSR in shaping brand reputation and consumer trust, this research aims to provide a deeper understanding of how CSR activities affect financial outcomes in banks.

In the quantitative phase, financial data from banks with varying levels of CSR engagement is analyzed to assess correlations between CSR initiatives and financial performance. Regression models are used to evaluate the effect of CSR activities, such as community investment, environmental sustainability programs, and ethical banking practices, on key financial metrics. The study examines whether banks with stronger CSR practices experience improved financial outcomes compared to those with limited or no CSR engagement.

The qualitative component includes interviews with bank executives, CSR managers, and customers to gain insights into the perceived value of CSR efforts and their influence on organizational success. These interviews help contextualize the quantitative findings, shedding light on the motivations behind CSR investments and their direct or indirect impact on financial performance. Combining both methods, this study aims to provide actionable recommendations for banks seeking to integrate CSR into their business strategies for enhanced financial success.