

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF APPLIED ECONOMICS MASTER  
OF PUBLIC ADMINISTRATION PROGRAMME**

**A STUDY ON STAKEHOLDERS' PERCEPTION TOWARDS  
CORPORATE SOCIAL RESPONSIBILITY  
IN SELECTED PRIVATE BANKS IN YANGON REGION**

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**A STUDY OF STAKEHOLDERS' PERCEPTION TOWARDS  
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## **ABSTRACT**

Corporate Social Responsibility (CSR) is crucial to modern company strategy, especially in banking, where public trust, responsibility, and reputation are vital. Understanding stakeholder perceptions of CSR practices is essential for evaluating the effectiveness and public impact of such initiatives. This study aims to investigate stakeholder perceptions regarding CSR implementation in selected private banks in Yangon Region, Myanmar, focusing on six dimensions: economic, legal, ethical, philanthropic, environmental, and employee responsibilities. A descriptive method was used, drawing on both primary and secondary data, with participants selected through simple random sampling. The findings show stakeholders perceive CSR performance as moderately high across most dimensions. Philanthropic responsibilities received the highest ratings, while the other dimensions were also viewed positively. Employee-related CSR practices, particularly in KBZ and AGD banks, received favorable feedback. The study reveals significant differences in CSR performance among banks, suggesting a need for industry benchmarking. The study recommends enhancing transparency, ethical standards, philanthropy, environmental initiatives, and employee engagement.

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## **LIST OF ABBREVIATIONS**

A Bank	=	Ayeyarwady Farmers Development
AGD	=	Asia Green Development
ATMs	=	Automated Teller machines
AYA	=	Ayeyarwady
CBM	=	Central Bank of Myanmar
COVID-19	=	Corona Virus Disease 2019
CSR	=	Corporate Social Responsibility
KBZ	=	Kanbawza
MEB	=	Myanmar Economic Bank
MOB	=	Myanmar Oriental Bank
MWD	=	Myawaddy
NGO	=	Non-Governmental Organization
UAB	=	United Amara Bank
UOB	=	United Overseas Bank
SPIP	=	Social Purpose and Impact Partnership
AML	=	Anti-Money Laundering
CFT	=	Counter-Financing Of Terrorism

# CHAPTER I

## INTRODUCTION

### 1.1 Rationale of the Study

Corporate Social Responsibility (CSR) is growing quickly worldwide, notably in banking. Globalization and social growth are accelerating, thus all organizations, big or little, local or worldwide, should improve their social and environmental performance (Qi Lai, 2006). Under the negative effects of the global financial crisis and harsh financial market competition, the fragile banking sector helps the nation's economy and CSR (Singh et al., 2013). CSR varies with location, industry, and period (Richard Welford et al., 2007).

Academics and practitioners disagree on CSR's definition, but it's clear that banks may benefit from it. The most crucial thing is to improve banks' image and financial performance since reputation helps keep old customers and attract new ones, which boosts financial success. Additionally, social responsibility may boost risk management, employee loyalty, and reputation, resulting in profitability. Thus, banks know that clients determine their profit when they want to maximize it. They are social (Abagial McWilliams et al., 2003).

CSR is becoming an essential part of company strategy across industries, including banking. The banking sector has moved beyond financial intermediation to address societal and environmental issues in recent years. Philanthropy, environmental sustainability, ethical banking, and community development are common bank CSR strategies. The efficacy and success of these programs depend on client perception.

In Myanmar, Financial Institutions Law (2016) covers licensing, prudential requirements, governance, risk management, and supervisory processes for banks and financial institutions. Central Bank of Myanmar Law (2013) establishes the Central Bank of Myanmar as the regulatory authority for banks. This law Grants the CBM the power to regulate monetary policy, supervise financial institutions, and issue licenses to commercial banks and sets provisions for financial stability and anti-money laundering regulations.

Corporate Social Responsibility (CSR) is crucial to modern company strategy, especially in banking, where public trust, responsibility, and reputation are crucial. In an increasingly competitive financial environment, CSR serves not only as a

mechanism for ethical compliance but also as a strategic tool to build stakeholder trust and enhance institutional credibility. Commercial banks help promote sustainable economic and social development by supporting global goals like the UN Sustainable Development Goals.

Given this context, understanding stakeholder perceptions of CSR practices is essential for evaluating the effectiveness and public impact of such initiatives. In Myanmar's evolving banking landscape, private banks have begun incorporating CSR into their operational models. However, stakeholder perceptions of these efforts remain underexplored. Therefore, this study seeks to examine how stakeholders perceive CSR initiatives across key dimensions, aiming to provide insights for more impactful and inclusive CSR strategies in the sector.

## **1.2 Objectives of the Study**

The objective of this study is to examine the stakeholders' perception regarding CSR implementation of selected private banks in Yangon Region in Myanmar.

## **1.3 Method of Study**

The study uses descriptive method by using both primary and secondary data. Primary data is collected by using structured questionnaire. Secondary data has been obtained from existing literature, published books, official data from the banks. 200 individuals were questioned using a structured questionnaire in order to collect the primary data.

## **1.4 Scope and Limitations of the study**

The study examines the CSR practices of six private Myanmar banks: Kanbawza Bank (KBZ Bank), Ayeyarwaddy Bank (AYA Bank), United Amara Bank (UAB), Asia Green Development (AGD Bank), Ayeyarwady Farmers Development Bank (A Bank), and Myanmar Oriental Bank (MOB). These banks were chosen among Myanmar's 14 private banks. Customers, banking workers, and the local community's views of these banks' CSR programs are examined in the research. Since most Myanmar banks are in Yangon, the research is confined to that region. Due to resource limits and research feasibility, 200 Yangon stakeholders were selected to reflect diverse groups' perspectives.

### **1.5 Organization of the study**

Five chapters comprise the study: Chapter 1 introduces the study's motivation, objectives, method, scope, limitations, and organization. Chapter 2 reviews CSR literature and theories. Myanmar banking industry CSR practices are covered in Chapter 3. Chapter 4 analyzes stakeholders' views on commercial bank CSR. Summary of conclusion with results and suggestions is in Chapter 5.

## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Evolution of the CSR Concept**

CSR began in early 1916 when John M. Clark discussed corporate responsibility in the Journal of Political Economy. Later, in 1931, Stanford University professor Theodore Kreps taught “Business Activity and Public Welfare,” which inspired numerous CSR courses today. Harvard Business Review often discussed corporate responsibility after the Great Depression.

The first book on corporate social responsibility was published in 1953 by Williams College Economics Professor Howard R. Bowen. After World War II, social consciousness increased, and he proposed the first concept of "social responsibility of a businessman" in his book "Social Responsibilities of the Businessman". (Bowen 1953)

Social responsibility was considered as a complement to business economics in the 1960s. 1963 (McGuire) Henry Manne, however, only equated social responsibility with voluntary activities. 1972 (Manne & Wallich)

William Frederick defined social responsibility most widely in the 1960s. Moral concerns had a big impact on business during this time; thus he thought every firm should focus on economic and social wellbeing. (2006) Frederick

In the early 1970s, Nobel winner Milton Friedman believed that corporations were primarily interested in profit. 1970 (Friedman) Over the next decade, authors like Harold Johnson (1971) and Eilbert and Parket (1973) explored multiple definitions of “social responsibility” and debated Milton Friedman. Archie B. Carroll (1979). The four layers of CSR he proposed were economic, legal, and ethical. According to his three-dimensional approach, recognizing social challenges and adopting accountability levels were key to building a socially responsible business mindset.

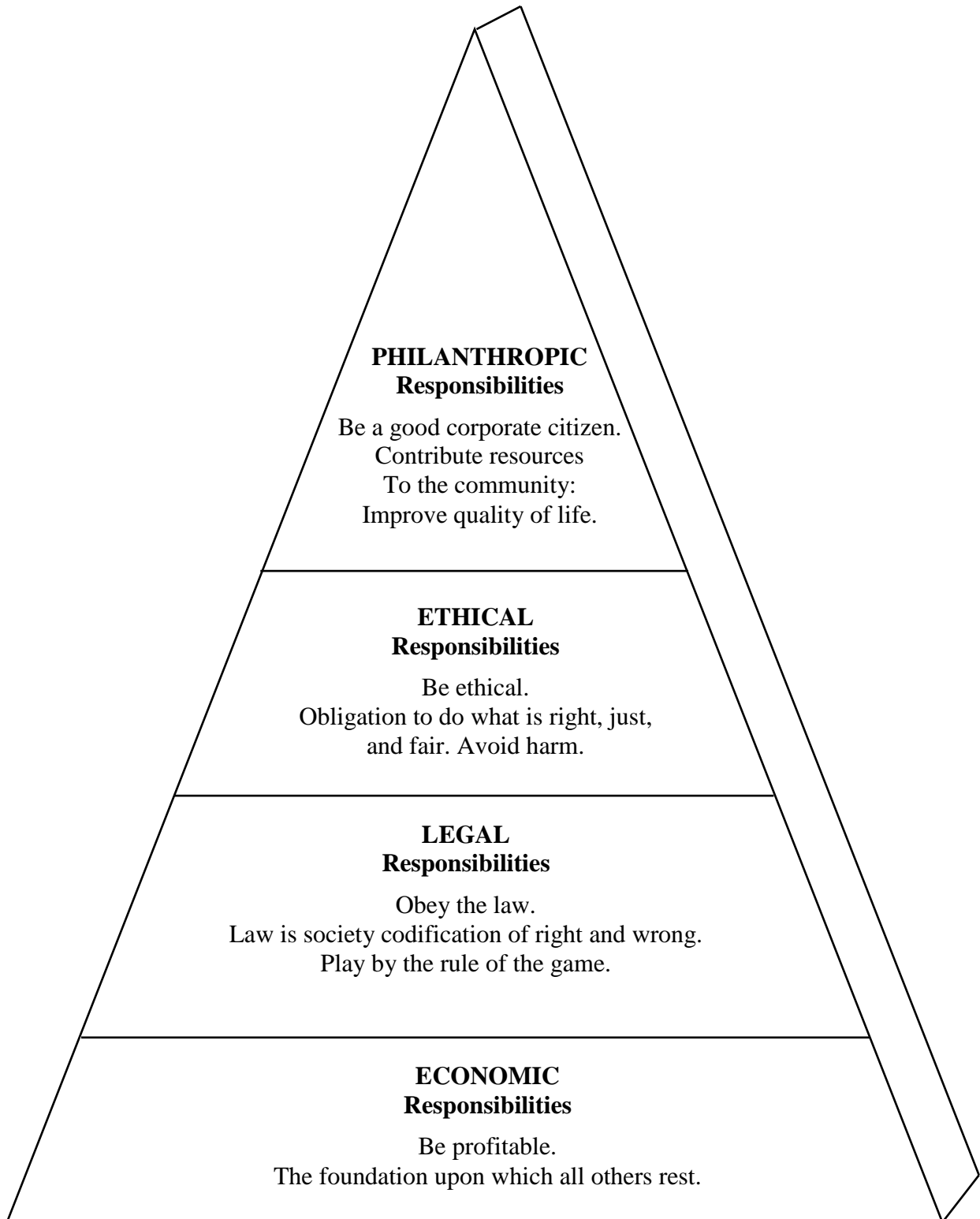
Freeman (1984)'s stakeholder theory advanced CSR theory. Owners, consumers, workers, and suppliers were internal stakeholders; government, rivals, consumer advocates, environmentalists, special interest organizations, and media were external. According to the stakeholder model, all stakeholder groups must participate in socially responsible CSR activities for success.

Epstein, another 1980s academic, linked social responsibility with commercial ethics. He said that the notions were connected and shared thoughts and purposes. Epstein (1987)

The CSR pyramid theory by Archie Carroll in the early 1990s marked the next phase of CSR theory development. He proposed a pyramidal CSR model. Carroll (1979) outlined a multi-dimensional approach to corporate responsibilities. This laid the groundwork for his later and more widely recognized model.

The CSR Pyramid was proposed in the early 1990s and illustrated in Figure 1. It represents four layers of responsibility: economic, legal, ethical, and philanthropic. It emphasizes that a business's primary responsibility is to be profitable, while also complying with laws, acting ethically, and contributing to society beyond what is legally required (Carroll, 1991). This model serves as a theoretical foundation for the present study. In addition to Carroll's original dimensions, the study includes environmental and employee responsibilities to reflect the broader scope of modern CSR practices.

**Fig 1: Pyramid of corporate social responsibility by Carroll (1991)**



Source: Carroll's CSR Theory, 1991

The base of the pyramid depicts Milton Friedman's (1970) capitalistic theory and business's main goal of profit. Carroll believes the corporation's economic duties encourage profit maximization through operational efficiency and competitiveness.

The second stratum of the pyramid is legal, including government laws and prohibitions. Legal and economic duties are shown as distinct pyramid levels, although they are parallel and constitute Carroll's "social contract".

Ethical obligations are linked to legal concerns, but they also involve stakeholder ethical standards and changing societal issues for moral corporate performance.

The apex of the pyramid shows the corporation's volunteer and charity work to benefit society. 1991 (Carroll) Numerous experts have disputed Carroll's pyramid, one of the most influential CSR ideas. Wayne Visser found Carroll's pyramid unsuitable for African reality since the pyramid stages may have various roles in different cultures. (Visser, 2005)

### **1. Economic Responsibilities**

At the foundation of Carroll's CSR pyramid lies economic responsibilities, which emphasize a firm's primary obligation to generate profits and ensure economic sustainability. Historically, businesses were established to provide goods and services to meet societal needs while maintaining profitability as their primary incentive for operation (Carroll, 1991). This foundation reflects the classical economic view that a business's first and foremost responsibility is to maximize shareholder wealth. Numerous scholars support this perspective, arguing that economic performance is a prerequisite for fulfilling other responsibilities since without financial stability, a business cannot contribute meaningfully to societal well-being (Schwartz & Carroll, 2003). Thus, the economic component underpins the survival and growth of enterprises in competitive markets.

### **2. Legal Responsibilities**

Carroll elevates legal obligations, which oblige enterprises to follow rules and regulations, above the economic base. These responsibilities signify the societal expectation that businesses adhere to the legal frameworks established by governments at local, state, and national levels (Carroll, 1979). The law represents society's codified norms, reflecting what is deemed acceptable behavior for corporations. Matten and Moon (2008) argue that compliance with legal obligations not only safeguards firms from penalties but also ensures fairness in market competition. Legal responsibilities

thus underscore the importance of law-abiding conduct as a fundamental component of corporate citizenship.

### **3. Ethical Responsibilities**

Ethical responsibilities extend beyond mere legal compliance, addressing the moral imperatives and societal norms that may not yet be codified into law. Carroll (1991) highlighted that businesses must act ethically by considering the broader societal expectations of fairness, justice, and respect for stakeholder interests. Ethical responsibilities require firms to adopt practices that are not only legally compliant but also socially commendable. Research suggests that ethical conduct fosters trust and legitimacy among stakeholders, enhancing a company's reputation and long-term sustainability (Donaldson & Preston, 1995). Unlike legal responsibilities, which are externally enforced, ethical obligations are driven by internal values and societal pressures, reflecting the evolving expectations of a conscientious public.

### **4. Philanthropic Responsibilities**

The top of Carroll's pyramid is philanthropy, which involves voluntary contributions to society. These responsibilities represent the discretionary actions of businesses, such as charitable donations, community involvement, and support for educational or cultural initiatives. Carroll (1991) emphasized that while philanthropic activities are not mandatory, they signify a firm's commitment to improving society beyond economic and legal obligations. Scholars like Porter and Kramer (2006) have argued that strategic philanthropy can create shared value, aligning business goals with societal needs to achieve mutual benefits. However, criticisms arise when philanthropic efforts are perceived as superficial or purely for public relations, undermining their intended impact.

## **Key Factors Influencing Corporate Social Responsibility**

### **1. Employee Consideration**

Employee consideration is a critical dimension of CSR, reflecting an organization's internal responsibility toward its workforce. It encompasses fair labor practices, workplace safety, equal opportunity, skill development, employee engagement, and work-life balance. According to Aguilera et al. (2007), employees are not only internal stakeholders but also active agents of change in CSR implementation, with their perceptions significantly influencing organizational outcomes. Private banks, as service-oriented institutions, heavily rely on human capital. Therefore, maintaining ethical labor practices and fostering a supportive working environment is essential.

Turker (2009) emphasized that employee-oriented CSR enhances job satisfaction and organizational commitment, which in turn contributes to improved productivity and reduced turnover rates. Moreover, socially responsible treatment of employees is linked to an organization's reputation and stakeholder trust (Branco & Rodrigues, 2006). In developing countries, including Myanmar, employee consideration within the banking sector often focuses on providing stable employment, fair compensation, and capacity-building programs (Ullah & Jamali, 2010).

## **2. Environmental Consideration**

Environmental consideration in CSR refers to the proactive efforts of an organization to minimize its ecological footprint and promote sustainable development. In the context of banking, environmental responsibility typically includes reducing energy use, managing waste, adopting green banking practices, financing environmentally sustainable projects, and integrating environmental risk into lending decisions. Though banks do not directly produce harmful emissions like manufacturing industries, they exert considerable indirect environmental influence through their investment and lending activities. Scholtens (2009) argued that banks play a pivotal role in promoting environmental sustainability by financing green projects and refusing to fund environmentally harmful ventures. Private banks globally are increasingly adopting environmentally responsible practices to align with the Sustainable Development Goals (SDGs). Initiatives such as green banking, paperless transactions, energy-efficient buildings, and carbon offset programs are becoming more common (Jeucken, 2001). In emerging economies, including Myanmar, the adoption of environmental CSR remains in its early stages, with varying levels of awareness and commitment among financial institutions (Fernando, 2007). Environmental CSR in private banks is also driven by stakeholder expectations and regulatory pressures. According to Weber (2014), environmental considerations can enhance corporate image and reduce reputational risks, particularly among environmentally conscious investors and customers.

Carroll's CSR framework underscores the interconnectedness of the four responsibilities, suggesting that businesses must balance economic objectives with legal, ethical, and philanthropic considerations. While economic and legal responsibilities are foundational and obligatory, ethical and philanthropic responsibilities reflect higher levels of corporate maturity and societal engagement (Carroll & Shabana, 2010). This integrated approach provides a comprehensive lens for

understanding the evolving role of businesses in addressing stakeholder expectations and societal challenge

## **2.2 Perceptions toward CSR**

The core premise of stakeholder theory, particularly the value creation perspective, emphasizes that businesses are essentially systems of relationships among stakeholders who have an interest in the organization's activities. These stakeholders include customers, employees, financiers (such as shareholders, bondholders, and banks), communities, and management. The focus is on fostering productive and sustainable relationships that contribute to mutual value creation. Managers and executives play a central role in establishing and maintaining these relationships, which is referred to as "managing for stakeholders" (Freeman et al., 2007).

Bank managers, stakeholders, authorities, professors, and consumers worldwide are becoming more conscious of CSR, Sustainable Development, and Non-Financial Reporting (Suman Kalyan Chaudhury, Sanjay Kanti Das, Prasanta Kumar Sahoo, 2011). Thus, financial institutions, notably banks, have become increasingly important to CRS due to their role in supporting global economic and development.

Bank CSR strategy relies on managers' CSR attitudes. L.Zu (2009) shows that many Chinese managers understand and support CSR. In today's interconnected economy, managers prioritize stakeholder groups including government, consumers, and workers due to their significant effect on reputation and business success. According to Maignan and Ferrell (2003), 93% of North American CEOs and 82% of European CEOs view responsible activities towards stakeholders as a crucial factor in their company's social reputation. Chinese managers know that strong corporate citizenship maximizes profits, attracts top talent, wins customer loyalty, reduces litigation, and may minimize capital costs. Profits and CSR are compatible (L.Zu, 2009).

Other research indicates that CSR experts view good CSR management as crucial for creating shareholder value (Nima Hunter Inc, 2007). Due to the growing relevance of CRS in modern economies, the European banking sector has long recognized the need for a CSR strategy (Europe Banking Federation, 2013). Richard Welford et al. (2007) found that businesses and stakeholders value all 15 criteria at various levels. Good environmental performance is banks' top priority. Good health and safety and corporate governance placed second and third.

The 15 factors end with philanthropy. Environmental performance, health and safety, good governance, and HR remain corporate and stakeholder priorities.

Based on previous data, we draw judgments about customer perception. CSR initiatives can improve the world and make a difference, according to almost 90% of Greek respondents. Most feel CSR can benefit the bank and society (Persefoni Polychronidou et al., 2014). Additionally, most feel these initiatives benefit banks' advertising and reputation. Persefoni Polychronidou et al. (2014) found that 54% of bank customers would switch banks if their CSR program ended. Therefore, CRS and its reputation from CSR activities are vital to bank survival and growth. Bank reputation has a significant role in attracting new consumers, keeping old ones, and retaining existing customers. Ironically, most Australian consumers know that CSR is valuable and necessary, but because CSR profits are not apparent or direct, respondents do not believe banks gain from CSR initiatives (Alan Pomering & Sara Dolnicar, 2006).

### **2.3 CSR Practices**

Country CSR methods vary (Adams, Hill & Roberts, 1998) and between developed and developing nations (Imam, 2000). A growing number of banks recognize CRS. Thus, it encourages banks to adopt CSR initiatives that address environment, society, marketplace, and workplace. All bank CRS sponsorships benefit needy communities and charity nonprofits.

First, environment implementation is the most important CSR approach for banks (Hart, 1997; Levy & Egan, 2003). Banks look uninvolved in environmental concerns since they do not create harmful chemicals or release poisonous pollutants. Despite their need to reimburse the environment, many banks recycle electrical and electronic equipment for environmental preservation (Persefoni Polychronidou et al., 2013). Through loans, banks are also linked to environmentally damaging business. In summary, every country's banking industry must understand its environmental and social obligations (Gokce Akdemir Omur et al., 2012).

Second, banks promote society through CSR. Banks are spending more on CSR, but not as much as they earn. Educational, cultural, and sporting activities have been Eurobank's main social contributions since its founding (Eurobank EFG, 2012). In developing countries like Bangladesh, banking CSR practices focus on poverty alleviation, healthcare, education, charity, cultural enrichment, youth development,

women empowerment, sports and music, and more (Alam Shafiul, et al., 2010). Grameen Bank gave micro-credit cards to 6.6 million Bangladeshis, 97% of whom are impoverished. For focused Greek social initiatives, collaborating with charities-driven banks' "Child, Family and Health" program is a good idea. Piraeus Bank (2012)'s "special green loans" highlight this effort. The bank funded academic scholarships in Zimbabwe through grants to institutions, wages, bursaries, and loans (Masuku Caven, 2000).

Third, market-related CSR activities help banks enhance reputation and financial performance with partners (Frenkel & Scott, 2002). Many banks seek to operate in "green financial markets," which include banking and insurance environmental risk management. This program promotes environmental venture capital and private equity funds, risk management, screening, and project funding (Jane Nelson and Dave Prescott, 2003). Banks emphasize investment responsibility (Kurtz, 2008) and accountability (KPMG, 2005) to attain this purpose. In particular, National Bank sponsored renewable energy investment programs (National Bank, 2012).

Finally, because employees are so vital, banks want to focus on workplace CSR. Banks must enhance their workplaces to attract top talent and boost production (Bhattacharya, Sen, & Korschun, 2008; Muthuri, Matten, & Moon, 2009). Banks usually understand that employee human rights go beyond labor rights. Market-focused CSR concepts are integrated into all bank policies and operations (Emporiki Bank, 2012). Thus, the bank will have a clean, efficient workplace that promotes employee equality.

## **2.4 Commercial Banks' Contribution to Sustainable Development**

Sustainable banking practices offer not only environmental benefits but also significant social and economic advantages for stakeholders and communities. Banks contribute to these outcomes by financing projects that promote social equity, such as affordable housing schemes, access to quality education, and healthcare facilities. Through such investments, banks actively support poverty alleviation and stimulate national economic growth (Weber & Feltmate, 2016). Moreover, responsible lending is a key aspect of sustainable banking, ensuring that funds are not misused or lead to social injustices. These practices enhance stakeholder trust and goodwill, contributing to the long-term viability of the banking sector (Jeucken, 2001).

Sustainable banking aligns closely with the United Nations Sustainable Development Goals (SDGs), offering a globally recognized framework for addressing interconnected environmental, social, and economic challenges (United Nations, 2015). By embedding sustainable development principles into their operations, banks contribute directly to achieving multiple SDGs, such as quality education (Goal 4), reduced inequalities (Goal 10), and climate action (Goal 13).

Sustainable banking requires financial stability and risk management to mitigate environmental and social concerns. Sustainable banks comprehensively investigate environmental risks linked with lending and investing. These assessments consider factors such as climate change, resource depletion, pollution, and ecosystem degradation (Weber, 2010). To manage these risks, banks integrate environmental considerations into their risk management frameworks and adopt several strategic measures, including:

- Setting strict financing conditions that force clients to follow environmental laws and regulations.
- Investing in renewable energy, clean transportation, and sustainable agriculture.
- Client engagement to promote eco-friendly behaviors.
- Maintaining environmental compliance through monitoring and reporting (Scholtens, 2006).

Similarly, banks address social risks such as human rights violations, labor abuses, community displacement, and unequal access to resources. By incorporating social risk considerations into decision-making processes, banks reduce the likelihood of social unrest, regulatory action, or reputational damage (Giuffrida & Tugno, 2015). Strategies for managing social risks include:

- Conducting social due diligence to evaluate the social impacts of prospective investments.
- Consulting stakeholders such as local communities, NGOs, and civil society groups to understand concerns and expectations.
- Embedding social performance metrics into contracts to ensure alignment with social responsibility objectives.
- Supporting clients in implementing effective stakeholder engagement and grievance mechanisms.
- Performing routine audits to assess social performance and proactively address concerns (UNEP FI, 2019).

By integrating environmental and social risk management into their core operations, sustainable banks enhance financial resilience, safeguard reputational capital, and secure stakeholder confidence. This proactive approach to sustainability positions banks to create long-term value while contributing to societal well-being and environmental stewardship.

## **2.5 Review on Previous Studies**

Mohr et al. (2001) underscore the complexity of measuring CSR's impact on consumer behavior. Despite substantial financial investments by firms in CSR initiatives, their study highlights a paucity of empirical research that accurately captures consumer reactions. The authors contend that consumers often provide socially desirable responses, particularly in environmental contexts, which limits the reliability of self-reported data regarding CSR awareness and behavior.

According to Bhattacharya and Sen (2004), in their conceptual analysis of consumer responses to corporate social initiatives, argue that organizations implementing CSR activities may attract customers who are willing to pay premium prices for goods and services. However, they caution that this phenomenon is more prevalent among high-income consumer segments, suggesting a socio-economic divide in CSR responsiveness.

From a demographic perspective, Tsao and Chen (2011) conducted a quantitative study in Taiwan and found that gender significantly affects CSR awareness, with females exhibiting greater environmental concern than their male counterparts. This is supported by findings from Webb (2005) and Andel and Voogd (2005), who reported a positive correlation between higher levels of education and income and stronger concern for CSR-related issues. These studies collectively suggest that individual demographic characteristics such as gender, education, and income level play a critical role in shaping CSR perceptions and responses.

In the banking sector, Chaudhary, Das, and colleagues (2011) conducted an assessment of CSR practices in Indian banks and found that while CSR awareness is growing, its implementation remains inconsistent. Their study calls for a structured CSR policy framework within banks, including prioritized areas for social investment, dedicated budget allocations, and robust monitoring mechanisms to ensure accountability and effectiveness.

Peloza and Shang (2011) offer a conceptual framework distinguishing between self-oriented and other-oriented stakeholders in the context of CSR. According to their analysis, self-oriented individuals focus on personal benefit and organizational gain from CSR, while other-oriented individuals prioritize ethical and altruistic outcomes for broader society. Importantly, the authors note that even self-oriented consumers may recognize and value the societal implications of CSR, indicating a degree of overlap in stakeholder expectations. They argue that successful CSR strategies must address both personal and societal value dimensions to appeal to a wider audience.

Further insights from Singh and Srivastava et al. (2013) reveal that the Indian banking sector has made notable progress in incorporating CSR into its operations, particularly following regulatory guidance from the Reserve Bank of India (RBI). However, the authors stress the need for enhanced regulatory oversight and the development of comprehensive CSR policies to ensure consistent application across institutions.

Myo (2016) offers a comprehensive historical and forward-looking perspective on the development of the banking sector in Myanmar. The paper traces the evolution from a state-controlled financial system to the gradual liberalization seen in the post-2011 reform period. It outlines the key milestones, including the introduction of private banks, foreign bank licensing, and mobile banking technologies. The study identifies persistent issues such as limited financial literacy, lack of trust in banks, weak regulatory oversight, and infrastructure deficits. It emphasizes the role of banks not only as financial intermediaries but also as agents of development.

Myint (2017) provides an in-depth analysis of the evolving monetary policy framework in Myanmar and its implications for financial institutions, including banks. The paper discusses the limited autonomy of the Central Bank of Myanmar, inadequate monetary policy instruments, and the underdeveloped financial market infrastructure as key constraints. Despite reforms, including the shift to an interest rate corridor system and efforts to stabilize inflation, the author notes that monetary transmission mechanisms remain weak. For the banking sector, these structural issues pose challenges in aligning lending strategies with macroeconomic stability. The study highlights the need for greater transparency, improved coordination between fiscal and monetary authorities, and capacity-building within banking institutions. Although not directly focused on CSR, the insights into monetary policy provide a macroeconomic

backdrop that influences banks' ability to allocate resources to CSR and sustainable development goals.

Myint and Aung (2021) examine the complex landscape of Corporate Social Responsibility (CSR) in Myanmar's banking sector amid ongoing political transitions. The study highlights how the unstable political environment, including frequent changes in governance and regulatory inconsistencies, hampers long-term CSR planning and implementation. It also identifies major challenges such as lack of CSR awareness, limited stakeholder engagement, and weak enforcement of social and environmental standards in the banking sector. The authors argue that CSR in Myanmar remains largely philanthropic and lacks strategic alignment with core banking functions. Furthermore, external pressures from international donors and investors are increasing, pushing banks to adopt more structured CSR frameworks. The paper calls for improved regulatory guidance, stakeholder dialogue, and the integration of CSR into corporate governance practices. The findings are especially relevant in the context of sustainable banking, as they reveal institutional gaps that affect the banks' ability to address social and environmental responsibilities meaningfully.

In the context of Myanmar, Ye Lin Maung (2024) conducted a quantitative study assessing public attitudes towards CSR in Yangon. The findings indicate a moderately high level of awareness and a strong preference for transparency and accountability in CSR practices. Specifically, the study reported a mean score of 3.65 for individual attitude and awareness, 3.87 for attitudes towards transparency and CSR monitoring, and a peak score of 3.90 for public support for CSR reporting and its role in achieving competitive advantage. These results suggest a robust public endorsement of CSR as a strategic and ethical business practice, reflecting a cultural shift towards greater corporate accountability in the Myanmar banking sector.

## **CHAPTER III**

### **OVERVIEW OF BANKING INDUSTRY IN MYANMAR**

#### **3.1 History of Myanmar Banking Industry**

Over the past century, Myanmar's banking system has changed dramatically, reflecting its political, economic, and social transformations. The sector has undergone nationalization, liberalization, and modernization since its founding under British colonial authority. Each phase has changed Myanmar's financial system's structure, function, and capability. This progression reflects Myanmar's economic history, with the banking industry playing a key part in its success and setbacks (Myo, 2016; Myint & Aung, 2021).

The origins of formal banking in Myanmar can be traced back to the late 19th century, during British colonial rule. In 1895, the Burma Bank was established, marking the introduction of a structured banking system. This early period was marked by the presence of foreign-owned banks, including the Indian Overseas Bank and other European financial institutions, which primarily catered to the interests of British businesses and the colonial administration. These banks operated with the primary aim of supporting large-scale colonial enterprises, and their services were geared toward meeting the needs of foreign businesses, with little attention given to local economic development or the financial inclusion of the Burmese population (Turnell, 2009).

After Myanmar gained independence from Britain in 1948, its banking system remained mostly intact. The 1962 military coup established a military-controlled administration, a major turning point. The military dictatorship nationalized all private banks in Myanmar with the Nationalization of Banking Business Ordinance No.1 in 1963. The private banking system was disbanded, and all financial services were integrated into the state-owned Union of Burma Bank (Myo, 2016).

This period of nationalization marked the beginning of state control over the country's financial system. The government assumed full responsibility for all banking services, and private-sector participation in the banking sector was eliminated. Under the military government, the banking sector became highly centralized, with limited competition or innovation. The financial system was rigidly controlled by the state, and many of the services traditionally offered by commercial banks, such as savings accounts and business loans, were unavailable or poorly administered (Myint, 2017).

The 1990s saw the government make a cautious attempt to liberalize the economy in response to increasing international pressure and domestic economic stagnation. This gradual liberalization allowed for the re-establishment of private banks in Myanmar. The first private financial firm after banking nationalization was Myanmar Citizens Bank in 1992. Although this transformation occurred, the banking system nevertheless faced several obstacles, including a lack of infrastructure, regulatory monitoring, and public trust, as well as a succession of banking crises that threatened its stability (Myint & Aung, 2021).

In 2011, then-President Thein Sein's political and economic changes transformed Myanmar's banking industry. These changes modernized and liberalized Myanmar's economy and financial system, allowing private and international investment. Open, market-driven banking was the goal of the changes (Turnell, 2011; Myint & Aung, 2021).

In 2013, the Central Bank of Myanmar (CBM) was granted power to supervise and manage the financial industry, a major move. This gave the CBM the ability to maintain the currency, set interest rates, and control inflation, establishing a market economy. The CBM's independence was crucial to modernizing Myanmar's financial sector (Myint, 2017).

The administration also implemented regulatory changes to improve openness, governance, and foreign investment. Anti-money laundering regulations, stronger financial reporting requirements, and competition rules aligned the banking sector with international best practices. The Myanmar banking sector gained domestic and global credibility after these reforms, which increased foreign involvement in the market (Myo, 2016; Myint & Aung, 2021).

### **3.2 The Role of Central Bank of Myanmar**

The Central Bank of Myanmar (CBM) plays a pivotal role in shaping the country's monetary and financial landscape. As the primary regulatory authority for financial institutions, its responsibilities encompass monetary policy implementation, financial supervision, exchange rate management, and fostering macroeconomic stability. Since the enactment of the Central Bank of Myanmar Law (2013), the CBM has operated as an autonomous body, reinforcing its capacity to carry out independent oversight functions and enforce financial sector reforms (Central Bank of Myanmar, 2013).

Scholars have noted that the CBM's regulatory and supervisory role is particularly crucial in the context of Myanmar's transitioning economy. According to Tin Maung Maung Than (2015), Myanmar's financial sector, long characterized by underdevelopment and state control, has undergone gradual liberalization. The CBM's efforts in licensing private banks, monitoring financial transactions, and maintaining liquidity in the banking system are central to these reforms. However, challenges persist, including limited institutional capacity, outdated infrastructure, and insufficient transparency in policy communication (Turnell, 2011).

In terms of monetary policy, the CBM aims to maintain price stability and control inflation, but it operates in a constrained environment marked by dollarization, limited monetary tools, and an underdeveloped capital market. Research by Myint (2017) emphasizes that while the CBM has introduced more market-based policy tools—such as interest rate liberalization and foreign exchange auctions—their effectiveness remains limited due to weak transmission mechanisms and limited public trust.

From a corporate governance and CSR perspective, the CBM indirectly influences CSR practices in the banking sector through its regulatory requirements and public guidance. Although CSR is not yet a mandatory reporting component under CBM regulations, its encouragement of responsible banking behavior, consumer protection policies, and financial inclusion initiatives align with broader CSR objectives (Maung, 2024). Notably, the CBM's support for environmental and social risk management (ESRM) frameworks has been acknowledged as an important step toward embedding sustainability into Myanmar's banking system (IFC, 2021).

Despite its progress, the CBM faces several institutional and operational challenges. Hlaing (2020) notes that policy inconsistencies, delays in regulatory enforcement, and the absence of a comprehensive financial stability framework continue to hinder the CBM's effectiveness. Moreover, political and economic uncertainties have placed additional pressure on the institution, particularly in balancing monetary stability with financial liberalization.

Corporate Social Responsibility (CSR) in Myanmar's banking sector has evolved alongside the country's broader economic reforms and regulatory changes. While the Central Bank of Myanmar (CBM) does not impose a formal mandate for CSR, it permits and indirectly supports socially responsible practices among private

banks, provided such activities are conducted within a framework of financial prudence, compliance, and governance oversight (Myint & Aung, 2021).

The Financial Institutions Law of 2016, one of the key regulatory instruments governing Myanmar's banking sector, outlines the overarching responsibilities of banks, emphasizing the need for sound governance, risk management, and transparency. Within this legal framework, CSR initiatives are permissible if they are aligned with internal governance structures and do not compromise the financial health of the institution (Central Bank of Myanmar [CBM], 2016). For example, banks must ensure that CSR expenditures are approved by their board of directors and integrated into strategic planning processes, thereby reinforcing responsible governance (KBZ Bank, 2021).

Several private banks in Myanmar have institutionalized CSR by creating dedicated governance structures such as social performance committees. For instance, KBZ Bank's Social Purpose and Impact Partnership (SPIP) Committee oversees its CSR activities, ensuring alignment with the United Nations Sustainable Development Goals (SDGs). During the COVID-19 pandemic, the bank allocated over MMK 4.8 billion (approximately USD 3.4 million) for community healthcare, education, and emergency relief, all governed through an escrow mechanism to ensure transparency and accountability (KBZ Bank, 2021).

Moreover, CSR activities must comply with anti-money laundering (AML) and counter-financing of terrorism (CFT) regulations. The CBM, through its AML/CFT directives issued between 2016 and 2021, requires financial institutions to perform due diligence and risk assessments on all financial transactions, including those related to philanthropic activities (CBM, 2021). This ensures that CSR funds are not misused and are traceable through appropriate documentation and reporting.

The CBM also encourages financial inclusivity as a core element of responsible banking. While not strictly categorized as CSR, policies that promote access to finance for underserved populations such as allowing certain proportions of bank portfolios to be allocated to housing or small business loans support social responsibility goals in practice (Myint, 2017). This approach aligns with the global perspective that CSR extends beyond charitable donations to include ethical banking, inclusive finance, and sustainable development.

Furthermore, reforms initiated in 2019 permitted foreign banks to own up to 35% equity in local private banks. This policy indirectly fostered CSR by encouraging

joint ventures and partnerships with international financial institutions, many of which bring CSR frameworks as part of their organizational mandates (Focus Core Myanmar, 2019). These collaborations have enhanced CSR strategies among local banks by introducing global best practices and increasing public trust in the sector.

The Central Bank of Myanmar permits private banks to engage in CSR activities as long as these practices adhere to existing financial regulations and governance requirements. The CBM's indirect support through regulatory reforms, AML compliance, and risk management frameworks has allowed CSR in Myanmar's banking sector to develop in a structured and credible manner. As a result, banks in Myanmar are increasingly engaging in activities that support national development goals while ensuring financial integrity.

**Table 3.1 The Banks in Myanmar (2024)**

<b>State-Owned Banks</b>	<b>Semi-private Banks*</b>	<b>Private Banks</b>	<b>Foreign Banks</b>
Myanmar Agricultural Development Bank	Gems and Minerals Development Bank	Asia Green Development Bank	Australia and New Zealand Banking Group
Myanmar Economic Bank	Global Treasure Bank	Ayeyarwaddy Farmers Development Bank	Bangkok Bank (Thailand)
Myanmar Foreign Trade Bank	Innwa Bank**	Ayeyarwady Bank	E.SUN Commercial Bank
Myanmar Investment and Commercial Bank	Myanmar Citizens Bank	Co-operative Bank	Industrial and Commercial Bank of China
	Myanmar Construction and Housing Development Bank	Farmers Development Bank	Malayan Banking Berhard (Maybank, Malaysia)
	Myanmar Metro Bank (Myanmar Microfinance Bank)	First Private Bank	Mizuho Bank (Japan)

	Myanmar Tourism Bank	Kanbawza Bank	Overseas Chinese Banking Corp. (Singapore)
	Myawaddy Bank**	Myanmar Apex Bank	Sumitomo Mitsui Banking Corp. (Japan)
	Nay Pyi Taw Sabin Bank	Myanmar Oriental Bank	United Overseas Bank (UOB, Singapore)
	Rural Development Bank	Shwe Rural and Urban Development Bank	Shinhan Bank
	Small and Medium Industrial Development Bank	Tun Commercial Bank	Bank for Investment and Development of Vietnam
	Yadanabon Bank	United Amara Bank	State Bank of India
	Yangon City Bank	Yoma Bank	MUFG Bank
		Glory Farmer Development Bank	Mega International Commercial Bank
			The Korea Development Bank
			Bank of China (Hong Kong)
			Cathay United Bank

Source: Central Bank of Myanmar (2024)

\* Includes ministerial, municipal, military, and other banks with significant government ownership, but trading as commercial banks.

### **3.3 The Digital Banking Revolution**

In 2015, Myanmar took a major step towards integrating its banking system with the global economy by allowing foreign banks to establish a presence in the country. The liberalization of the banking sector enabled foreign financial institutions to operate in Myanmar, bringing new expertise, services, and technologies. This influx of foreign banks created healthy competition and pushed local banks to modernize their services and improve efficiency.

The presence of foreign banks also facilitated the introduction of global banking technologies and services, such as digital banking, internet banking, and international financial services. This integration of international banking practices accelerated the modernization of Myanmar's financial system, fostering a more competitive and diverse banking landscape.

A key development in Myanmar's banking sector between 2010 and 2020 was the digital transformation that took place. With the country's young, tech-savvy population and the rapid increase in mobile phone penetration, mobile banking and financial technology (fintech) solutions became pivotal in enhancing financial inclusion. Services such as KBZPay and Wave Money allowed customers in both urban and rural areas to access banking services through their mobile phones, bridging the gap for the unbanked population.

Mobile banking proved to be particularly valuable in Myanmar's rural regions, where traditional banking infrastructure was sparse. Digital payment solutions also helped address logistical challenges by enabling remote money transfers, bill payments, and access to microcredit. These innovations empowered millions of people to engage with the formal banking sector for the first time.

The shift towards digital financial services was not only important for increasing access to banking services but also for improving the efficiency and transparency of the financial system. These innovations have positioned Myanmar to take full advantage of the global digital economy.

**Table (3.2) Digital Banking Initiatives by Leading Private Banks**

Bank Name	Digital Product/Initiative	Year Launched	Key Features & Impact
AYA Bank	AYA Pay, AYA Mobile Banking	2017	Integrated app for account management, e-commerce payments, and utility bills.
CB Bank	CBPay, M-Pitesan (w/ Ooredoo)	2017	One of the first to offer NFC/contactless smart card & mobile solutions.
KBZ Bank	KBZPay	2018	Over 8.2 million KYC users by 2023; allows fund transfers, QR payments, airtime top-ups, loan access.
Yoma Bank	Yoma Bank Next, Yoma SMART	2018 (SMART), 2024 (Next)	Biometric login, multi-bank transfers, QR payments, salary advances.
UAB Bank	UABpay	2023	Offers QR payment, remittance, digital savings, and gold investment features.

Source: Central Bank of Myanmar (2023)

### 3.4 Corporate Strategy of Commercial Banks in Myanmar

The corporate strategies of commercial banks in Myanmar have significantly evolved in response to the country's dynamic political and economic environment. These strategies primarily focus on regulatory adaptation, technological innovation, financial inclusion, customer service improvement, international partnerships, risk management, and sustainability.

Myanmar's financial sector has undergone substantial regulatory reforms since the political liberalization began in 2011. The introduction of the Financial Institutions Law (2013) and subsequent amendments by the Central Bank of Myanmar (CBM) were pivotal in shaping the banking landscape. These changes aimed to increase the stability, transparency, and competitiveness of the sector (World Bank, 2021). With foreign

banks being allowed to enter the market, commercial banks in Myanmar have made strategic investments in compliance systems to align with international standards, particularly in areas such as customer due diligence (CDD) and anti-money laundering (AML) practices (Asian Development Bank, 2020).

One of the most significant trends in the corporate strategy of commercial banks in Myanmar is the adoption of digital technologies. The country's banking penetration remains relatively low, with over 60% of the population still lacking access to traditional banking services (Myanmar Times, 2021). To address this gap, banks such as KBZ Bank and CB Bank have introduced mobile banking platforms and other digital financial services aimed at reaching underserved populations, particularly in rural and remote areas. These digital banking solutions are crucial for financial inclusion, offering services such as mobile payments, internet banking, and microfinance products (World Bank, 2020). Through these initiatives, banks can reduce operational costs while expanding their customer base.

Given the low level of banking penetration in Myanmar, commercial banks have increasingly focused on expanding retail banking services to target the unbanked population. This includes the provision of microloans, savings products, and insurance services via mobile platforms, which significantly improve access to financial services in rural areas (Myanmar Business Today, 2021). The strategic focus on financial inclusion enables banks to tap into previously underserved markets and contribute to the country's broader economic development.

In a competitive environment, customer experience has become a key strategic element for Myanmar's commercial banks. To differentiate themselves, banks have placed greater emphasis on enhancing service quality, both in physical branches and through digital channels. This customer-centric approach includes improving customer support, expanding branch networks, and providing user-friendly mobile banking interfaces (Myanmar Times, 2020). The focus on customer loyalty and satisfaction has become essential in maintaining competitive advantage, particularly as more international players enter the market.

The liberalization of Myanmar's banking sector has also led to increased foreign bank involvement. International banks such as Standard Chartered and Bangkok Bank have entered the market, bringing expertise in risk management, technology, and product innovation (Oxford Business Group, 2021). As a result, many local commercial banks have formed strategic partnerships with foreign institutions, seeking to leverage

international expertise and best practices to enhance their operations and comply with global financial standards. This collaboration has allowed local banks to improve their risk management frameworks and expand their service offerings.

Political instability, economic fluctuations, and currency volatility present significant risks to the financial sector in Myanmar. The political crisis following the 2021 military coup further highlighted the importance of robust risk management strategies. In response, banks have focused on maintaining capital adequacy ratios and protecting customer deposits, while developing contingency plans to safeguard operations against potential disruptions (Reuters, 2021). Effective risk management is central to ensuring stability and long-term sustainability in an unpredictable political and economic environment.

The growing emphasis on environmental, social, and governance (ESG) factors represents a shift in the strategic priorities of Myanmar's commercial banks. With increasing global attention on sustainable finance, banks are beginning to integrate ESG principles into their business models. This includes financing projects that promote environmental sustainability, such as renewable energy initiatives and infrastructure development (Myanmar Business Today, 2022). By incorporating ESG criteria into their operations, banks not only align with international expectations but also position themselves as attractive options for foreign investment.

Commercial banks in Myanmar have adopted multifaceted corporate strategies in response to the evolving regulatory, technological, and market conditions. These strategies emphasize regulatory compliance, technological innovation, financial inclusion, improved customer service, and international collaboration. Additionally, the integration of robust risk management practices and environmental sustainability considerations will likely remain central to the success of these institutions in an increasingly complex economic environment.

### **3.5 Corporate Social Responsibility in Private Banks in Myanmar**

CSR is a company's voluntary integration of social and environmental issues into its operations and stakeholder relations (European Commission, 2011). From altruistic to strategic and integrated, corporations now link their operations with ethical standards, legal compliance, stakeholder interests, and sustainable development goals (Carroll & Shabana, 2010). CSR has become particularly significant in sectors like banking, which rely heavily on public trust, transparency, and ethical governance.

Banks, unlike manufacturing companies, have an indirect environmental impact but a significant social footprint through credit allocation, financial inclusion, and economic development. Therefore, CSR in banking emphasizes ethical lending, corporate governance, customer protection, community engagement, and sustainable finance (Fernando & Lawrence, 2014).

In Southeast Asia, CSR practices have gained momentum due to globalization, growing civil society influence, and increasing regulatory support. Countries such as Malaysia, Thailand, and Indonesia have institutionalized CSR through national governance frameworks, listing rules, and CSR indices (Amran et al., 2013; Setyorini & Ishak, 2012). However, CSR remains diverse in form and function across ASEAN due to varying levels of economic development, institutional maturity, and cultural context (Visser, 2008).

Banks in the region often focus on education, healthcare, environmental conservation, and disaster response. However, CSR reporting remains inconsistent. According to Gunawan et al. (2009), many Southeast Asian banks view CSR as a tool for public relations rather than as a component of corporate strategy.

Myanmar's financial sector has undergone rapid transformation since political and economic liberalization in 2011. The rise of private banks has paralleled increased awareness of global business norms, including CSR. However, CSR in Myanmar is still in a nascent stage, largely driven by philanthropic traditions, religious values, and informal community giving (Theingi, 2016).

Private banks in Myanmar have traditionally supported religious donations (e.g., pagoda construction), education sponsorships, disaster relief, and community healthcare (Zin & Zaw, 2020). These efforts are often not embedded in the banks' strategic planning, nor are they evaluated for social impact. Moe and Thiri (2019) argue that CSR practices in Myanmar are fragmented and lack standardized reporting mechanisms.

Furthermore, Myanmar does not mandate CSR disclosure, and there are limited guidelines for sustainability reporting. As such, CSR is often implemented at the discretion of the bank's leadership, with motivations ranging from brand image to political influence (Myint & Aung, 2021).

The effectiveness of CSR initiatives is significantly shaped by stakeholder perception. In the context of Myanmar, stakeholders—including customers, employees, regulators, and community members—are beginning to expect more structured and

transparent CSR practices. Aung (2021) conducted a survey on CSR awareness among banking customers and found that while a majority appreciated community involvement, few could recall specific CSR campaigns.

Employee perception is another critical dimension. CSR activities that include employee welfare, fair compensation, and workplace safety tend to foster higher job satisfaction and organizational commitment (Zaw, 2022). However, many employees in private banks in Myanmar remain unaware of broader CSR goals due to weak internal communication.

**Table (3.3) Number of Private Banks in Yangon Region**

No.	Bank Name	Abbreviation	Founded	Headquarters	License Type
1	Co-operative Bank	CB Bank	1992	Yangon	Private
2	First Private Bank	FPB	1992	Yangon	Private
3	Myanmar Oriental Bank	MOB	1993	Yangon	Private
4	Yoma Bank	Yoma Bank	1993	Yangon	Private
5	Tun Commercial Bank	Tun Bank	1994	Yangon	Private
6	Kanbawza Bank	KBZ Bank	1994	Yangon	Private
7	Ayeyarwady Bank	AYA Bank	2010	Yangon	Private
8	Asia Green Development Bank	AGD Bank	2010	Yangon	Private
9	Myanmar Apex Bank	MAB	2010	Yangon	Private
10	United Amara Bank	UAB Bank	2010	Yangon	Private
11	Farmers Development Bank	FDB	2013	Yangon	Private
12	Ayeyarwaddy Farmers Development Bank	A Bank	2014	Yangon	Private
13	Glory Farmer Development Bank	Glory Bank	2015	Yangon	Private

14	Shwe Rural and Urban Development Bank	Shwe Bank	2016	Yangon	Private
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Source: Central Bank of Myanmar (2023)

## CHAPTER IV

### SURVEY ANALYSIS

This chapter discusses quantitative research findings. The quantitative data are reported via mean values, standard deviations, and correlation coefficients.

#### 4.1 Survey Profile

This study was conducted to examine the stakeholders' perception towards corporate social responsibilities in selected private banks in Yangon Region. Myanmar's banking sector comprises 48 banks, including 4 state-owned banks, 14 semi-private banks, 14 private banks, and 17 foreign banks. There are 14 private banks in Myanmar.

The targeted population of this study is stakeholders from the private banks. Among the 14 private banks, six private banks (KBZ Bank, AYA Bank, UAB, AGD Bank, A Bank, MOB Bank) are selected as sample. 183 stakeholders who are working employees of private banks, community members and customers of the banks, especially from Yangon Region are selected as respondents. Table (4.1) show the distribution of respondents in the study.

**Table (4.1) Distribution of Respondents in the Study**

Bank Name	Stakeholders			
	Employee	Customer	Community	Total
KBZ	12	12	8	32
AYA	10	12	9	31
UAB	10	11	8	29
A Bank	14	10	8	32
MOB	13	10	8	31
AGD	10	11	7	28
	<b>69</b>	<b>66</b>	<b>48</b>	<b>183</b>

Source: Survey data, 2025

## 4.2 Survey Design

A standardized questionnaire using five-point Likert scales was used to collect data from all respondents. A five-point Likert scale ranges from 1 (Strongly disagree) to 5 (Strongly agree). This questionnaire has three sections for convenience. Part A included respondent demographics. Part B has 43 questions on economic, legal, ethical, philanthropic, and environmental responsibilities.

**Table (4.2) Mean Range Interpretation**

Weight/Scale	Mean Score	Verbal Interpretation
1	1.00-2.0	Low
2	2.01-3.0	Moderately Low
3	3.01-4.0	Moderately High
4	4.10-5.0	High

Source: researchgate.net, Kenyatta University

From chosen private banks, primary and secondary data were obtained using qualitative and diverse methods. Association records, related textbooks, publications, journals, research papers, and websites provided secondary data.

This study used simple random sampling because it gives everyone an equal chance of getting chosen. Objectivity and reduced selection bias make this method more generalizable to the universal population. Private banks, their workers, clients, and Yangon residents received questionnaires. Data from 200 responders was the intended goal. These relationships helped circulate the surveys, resulting in 183 replies. A large sample size allows me to analyze viewpoints and experiences relevant to my study goals. The six private banks' 183 respondents provided data. This quantitative survey-based investigation used a structured questionnaire. A voluntary poll was performed between March and May 2025 using snowball sampling. Appendix contains survey questions.

## 4.3 Survey Result

The objective of this study is to investigate the stakeholders' perception regarding CSR implementation of selected private banks in Yangon Region in Myanmar. In this study, quantitative results were revealed using mean and standard deviation. The survey collected responses from a diverse group of stakeholders

including customers, employees, and community representatives. Each item in the questionnaire was rated on a 5-point Likert scale, ranging from "strongly disagree" to "strongly agree."

#### 4.3.1 Demographic Characteristics

The respondents' gender, age, teaching service, academic qualification, job, school location, and school grade were measured. Table (4.3) showed instructor demographics.

**Table (4.3) Demographic Characteristics of Stakeholders (N=183)**

<b>Variables</b>	<b>Group</b>	<b>Number</b>	<b>Percentage (%)</b>
Gender	Male	56	30%
	Female	127	70%
Age (Years)	Under 25 years	12	7%
	Between 26 and 35	59	32%
	Between 36 and 45	64	34%
	Between 46 and 55	42	23%
	Above 55	6	3%
Qualifications	Under graduate	11	6%
	Graduate	150	82%
	Master and above	22	12%
Monthly Income	300001-500000	80	44%
	500001-1000000	3	2%
	1000001-2000000	92	50%
	Above 2000000	8	4%
Roles of Stakeholders	Bank Employees	69	36%
	Customers	66	38%
	Community Members	48	26%

Source: Survey Data, 2025

The demographic profile of the respondents reveals a predominance of female participants, who accounted for 70% of the total sample, while males represented 30%. This gender distribution indicates a greater female representation in the study. In terms

of age, the majority of respondents were between 36 and 45 years old (34%), followed closely by those aged 26 to 35 years (32%). Respondents aged 46 to 55 years constituted 23% of the sample, while younger participants under 25 years and older individuals above 55 years were underrepresented, comprising 7% and 3%, respectively. This suggests that the study primarily captured the perspectives of individuals in the middle stages of their professional lives.

Regarding educational qualifications, a substantial proportion of respondents (82%) held a graduate degree, while 12% had attained a master’s degree or higher. Only 6% had qualifications below the undergraduate level, indicating that the sample was largely composed of well-educated individuals. In terms of monthly income, half of the participants (50%) reported earning between MMK 1,000,001 and 2,000,000, and 44% earned between MMK 300,001 and 500,000. A smaller proportion earned more than MMK 2,000,000 (4%), and just 2% fell within the MMK 500,001–1,000,000 range, suggesting a concentration of respondents within the middle- to upper-income brackets.

Finally, the respondents represented three key stakeholder groups relevant to corporate social responsibility (CSR) in the banking sector. Customers comprised the largest group at 38%, followed by bank employees at 36%, and community members at 26%. This relatively balanced distribution provides diverse insights into stakeholder perceptions of CSR practices within private banks in Myanmar.

#### **4.3.2 Stakeholders’ Perception towards Corporate Social Responsibilities in Selected Private Banks**

This study examined stakeholders' perceptions of corporate social responsibility in selected private banks using 44 questionnaire items. Table (4.4) shows descriptive results as mean values and standard deviations.

**Table (4.4) Stakeholders’ Perception towards Economic Responsibilities**

**(N=183)**

<b>No</b>	<b>Statement</b>	<b>Mean</b>	<b>SD</b>	<b>Remark</b>
1	The bank contributes to job creation at local, regional, or national levels.	4.03	0.49	High
2	The bank partners with and supports local suppliers and businesses.	4.09	0.44	High

3	The bank invests in initiatives that promote local/regional development.	3.85	0.6	Moderately High
4	The bank invests in innovative products/services addressing community needs (e.g., financial literacy programs).	3.82	0.60	Moderately High
5	The bank creates jobs for local people (e.g., hiring staff from rural areas).	3.97	0.65	Moderately High
<b>Economic Responsibilities</b>		3.95	0.39	Moderately High

Source: Survey Data, 2025

Table 4.4 presents the descriptive statistics on stakeholders' perceptions regarding the economic responsibilities of private banks in Myanmar. The results show that overall perceptions were **moderately high**, with a composite mean score of **M = 3.95**, **SD = 0.39**, based on a 5-point Likert scale. This suggests that stakeholders generally believe private banks are moderately fulfilling their economic obligations.

Among the individual items, the highest-rated responsibility was the banks' **contribution to infrastructure and planning** (M = 4.09, SD = 0.44), which was categorized as **high**. This indicates that stakeholders strongly perceive banks as active contributors to infrastructural and regional development initiatives. Similarly, **support for national and regional development** also received a high rating (M = 4.03, SD = 0.49), reflecting stakeholder recognition of the banks' involvement in broader economic growth strategies.

Other dimensions were perceived as **moderately high**, including **investment in educational programs** (M = 3.85, SD = 0.60), **innovation in services for public welfare** (M = 3.82, SD = 0.60), and **opportunities for marginalized groups** (M = 3.97, SD = 0.65). These findings suggest that while stakeholders acknowledge banks' efforts in social and educational investments, there is still room for improvement, particularly in terms of inclusive growth and service innovation.

In sum, the results indicate a positive but not overwhelmingly strong perception of banks' fulfillment of their economic responsibilities, highlighting both the achievements and the areas needing further strategic attention.

**Table (4.5) Stakeholders' Perception towards Legal Responsibilities (N=183)**

No	Statement	Mean	SD	Remark
1	The bank strictly adheres to customer data protection and privacy laws.	4.10	0.54	High
2	The bank has a robust system to monitor and report suspicious transactions.	3.91	0.73	Moderately High
3	The bank has a dedicated legal risk management system to adapt to regulatory changes.	3.99	0.51	Moderately High
4	The bank's activities are transparent and legally accountable.	3.90	0.61	Moderately High
5	The bank avoids any illegal or unethical practices in its activities.	4.05	0.56	High
6	The bank provides accurate and timely information about its activities to regulatory authorities.	3.92	0.68	Moderately High
7	The bank's activities adhere to the guidelines and expectations set by Myanmar's government.	3.97	0.56	Moderately High
	<b>Legal Responsibilities</b>	3.98	0.48	Moderately High

Source: Survey Data, 2025

Table 4.5 summarizes stakeholders' perceptions regarding the legal responsibilities of private banks in Myanmar. The overall mean score was **M = 3.98**, **SD = 0.48**, placing it within the **“moderately high”** category according to the scoring guidelines. This indicates that stakeholders generally view banks as reasonably compliant with legal expectations, although not at the highest perceived level.

Among the seven measured factors, **“protection of customer data”** received the highest mean score (**M = 4.10**, **SD = 0.54**), classified as **high**. This suggests that stakeholders perceive strong efforts by banks to safeguard personal and sensitive information, which is a critical element of legal responsibility and trust in the financial sector.

All other indicators fell within the **“moderately high”** range. Notably, **adherence to legal and ethical codes** (**M = 4.05**, **SD = 0.56**), **structured compliance practices** (**M = 3.99**, **SD = 0.51**), and **alignment with government policies** (**M = 3.97**,

SD = 0.56) were close to the upper boundary of the moderately high category, reflecting stakeholder confidence in formal governance structures and regulatory alignment.

Factors such as **fraud and corruption reporting mechanisms** (M = 3.91, SD = 0.73), **transparency in CSR disclosure** (M = 3.92, SD = 0.68), and **accountability and legal transparency** (M = 3.90, SD = 0.61) also received moderately high scores, suggesting that while stakeholders recognize positive practices, they may still expect increased transparency and enforcement in these areas.

Overall, the findings reveal that while private banks are viewed positively in terms of legal responsibility, there is room to strengthen transparency, ethical compliance, and anti-corruption frameworks to elevate stakeholder trust further.

**Table (4.6) Stakeholders' Perception towards Ethical Responsibilities (N=183)**

No	Statement	Mean	SD	Remark
1	Ethical considerations guide major business decisions (e.g., transparency, fairness).	3.87	0.59	Moderately High
2	The bank communicates openly and transparently with stakeholders.	3.85	0.60	Moderately High
3	The bank ensures ethical practices in its supply chain (e.g., fair treatment of suppliers).	3.97	0.52	Moderately High
4	The bank's activities are conducted with fairness and honesty.	3.92	0.53	Moderately High
5	The bank strives to ensure that its activities do not harm any individual or group.	3.93	0.57	Moderately High
6	This bank treats all customers equally, regardless of income or background.	3.86	0.74	Moderately High
7	This bank admits mistakes and corrects them promptly (e.g., refunding erroneous charges).	3.79	0.71	Moderately High
8	If a technical error deducts extra money, the bank refunds it immediately with an apology.	3.86	0.74	Moderately High
9	The bank's staff never pressure me into buying unnecessary products (e.g., insurance I don't need).	3.91	0.56	Moderately High

10	Bank employees listen to my concerns and treat me with politeness, even during complaints.	3.95	0.66	Moderately High
11	Long queues are managed with apologies and updates; staff assist elderly customers patiently.	3.90	0.70	Moderately High
12	My personal/financial data is kept secure and never misused.	4.03	0.66	High
13	The bank explains loan/mortgage terms in simple language I can understand.	4.01	0.49	High
14	I feel valued as a customer, not just a source of profit.	3.93	0.60	Moderately High
	<b>Ethical Responsibilities</b>	3.92	0.45	Moderately High

Source: Survey Data, 2025

Table 4.6 presents the descriptive statistics on stakeholders' perceptions of the ethical responsibilities practiced by private banks in Myanmar. The overall mean score for ethical responsibility was  $M = 3.92$ ,  $SD = 0.45$ , which falls under the category of **moderately high**. This suggests that stakeholders generally perceive the ethical conduct of banks positively, though not at the highest possible level.

Among the 14 items evaluated, two items stood out with **high** ratings. These were “**confidential handling of personal data**” ( $M = 4.03$ ,  $SD = 0.66$ ) and “**clear and fair contract terms**” ( $M = 4.01$ ,  $SD = 0.49$ ). These findings indicate that stakeholders strongly believe banks maintain confidentiality and fairness in their contractual obligations—core pillars of ethical banking practices.

The remaining items were all rated as **moderately high**, with mean values ranging from **3.79 to 3.97**. Notably, items such as “**consistency in service delivery**” ( $M = 3.97$ ,  $SD = 0.52$ ), “**respectful customer engagement**” ( $M = 3.95$ ,  $SD = 0.66$ ), and “**non-discrimination in CSR programs**” ( $M = 3.93$ ,  $SD = 0.57$ ) received higher ratings within this category. These results suggest a broadly positive perception of the banks' fairness, reliability, and customer respect. Even lower-scoring items such as “**consideration for vulnerable populations**” ( $M = 3.79$ ,  $SD = 0.71$ ) still fall within the moderately high range, reflecting a generally favorable but somewhat cautious stakeholder view regarding inclusivity and ethical sensitivity.

Overall, the data indicate that stakeholders perceive banks as ethically responsible, particularly in terms of transparency, fairness, and confidentiality.

However, there is room for growth in ensuring that ethical considerations are fully extended to all population segments and consistently integrated into CSR initiatives.

**Table (4.7) Stakeholders' Perception towards Philanthropic Responsibilities.**

(N=183)

No	Statement	Mean	SD	Remark
1	The bank invests in health-related projects benefiting the community	4.11	0.65	High
2	The bank supports community welfare projects (e.g., education, healthcare, disaster relief).	4.0	0.62	High
3	The bank actively promotes education or skill development programs locally.	4.04	0.65	High
4	The bank supports cultural/arts initiatives or heritage preservation projects.	4.07	0.62	High
5	The bank participates in disaster relief and emergency response efforts.	4.02	0.61	High
6	The bank is involved in charitable activities benefiting the local community (e.g., donations to Myanmar Red Cross Society).	4.01	0.60	High
7	The bank runs welfare schemes for underprivileged groups (e.g., free education programs for rural children).	4.00	0.59	High
8	The bank provides financial support for local community events (e.g., Thingyan Festival sponsorships).	4.03	0.60	High
9	The bank has policies to support handicapped individuals (e.g., wheelchair-accessible branches in Yangon).	4.00	0.59	High
10	The bank maintains strong relationships with the local community (e.g., partnerships with monastic schools).	4.01	0.61	High

11	The bank regularly donates to charity (e.g., COVID-19 relief funds).	4.02	0.60	High
12	The bank supports causes that improve its public image (e.g., clean water projects).	4.05	0.61	High
	<b>Philanthropic Responsibilities</b>	4.03	0.52	High

Source: Survey Data, 2025

Table 4.7 summarizes stakeholders' perceptions regarding the philanthropic responsibilities of private banks in Myanmar. The composite mean score for philanthropic responsibility was  $M = 3.68$ ,  $SD = 0.52$ , indicating a **moderately high** level of perceived engagement. This suggests that while stakeholders view the banks' philanthropic activities favorably, these are not seen as exceptionally strong or consistent across all areas.

Interestingly, all five individual factors under this domain were rated as **high**, with mean scores ranging from  $M = 4.00$  to  $M = 4.11$ . Among these, the highest rated was "**Community Welfare and Charitable Support**" ( $M = 4.11$ ,  $SD = 0.65$ ), reflecting strong stakeholder approval of banks' contributions to charitable causes and community well-being.

This was followed closely by "**Inclusive and Accessible Banking**" ( $M = 4.07$ ,  $SD = 0.62$ ) and "**Public Image and Strategic CSR**" ( $M = 4.05$ ,  $SD = 0.61$ ), highlighting stakeholders' recognition of efforts to expand banking access and improve public perception through socially responsible initiatives.

Other highly rated factors included "**Cultural and Social Engagement**" ( $M = 4.04$ ,  $SD = 0.65$ ) and "**Educational and Social Development**" ( $M = 4.00$ ,  $SD = 0.62$ ), indicating banks' involvement in broader societal advancement.

Despite the high ratings on individual items, the **overall mean** for philanthropic responsibilities was **moderately high** rather than high. This slight discrepancy could suggest some inconsistency in stakeholder experiences or perceptions across the surveyed banks.

In summary, stakeholders view philanthropic responsibility as an important and relatively well-implemented aspect of CSR in Myanmar's banking sector, with particular appreciation for community welfare and inclusivity efforts.

**Table (4.8) Stakeholders' Perception towards Environmental Consideration****(N=183)**

No	Statement	Mean	SD	Remark
1	The bank makes socially responsible environmental decisions (e.g., solar-powered ATMs).	3.59	0.79	Moderately High
2	The bank implements environment-friendly practices (e.g., paperless transactions).	4.03	0.58	High
3	The bank sponsors events linked to social/environmental causes (e.g., "Green Myanmar" tree-planting campaigns).	3.72	2.30	Moderately High
4	The bank supports environmental protection activities in the community (e.g., Mangrove Replantation in Ayeyarwady Delta).	3.72	0.64	Moderately High
5	The bank assesses and minimizes environmental impact (e.g., reducing plastic use in branches).	3.65	0.73	Moderately High
6	The bank follows policies to protect the environment (e.g., recycling programs in Naypyidaw).	3.78	0.52	Moderately High
7	The bank is certified for its environmental management system (e.g., ISO 14001 certification).	3.51	0.64	Moderately High
8	The bank addresses environmental complaints from stakeholders (e.g., resolving waste disposal issues).	3.36	0.74	Moderately High
	<b>Environmental Consideration</b>	3.67	0.54	Moderately High

Source: Survey Data, 2025

Table 4.8 presents stakeholders' perceptions regarding the environmental responsibilities undertaken by private banks in Myanmar. The aggregate mean score for environmental consideration is **M = 3.67**, **SD = 0.54**, which indicates a **moderately high** level of stakeholder agreement. This finding suggests that while stakeholders acknowledge environmental initiatives, there is still potential for improvement in integrating environmental sustainability into banking practices.

Among the individual factors, the highest rated was “**Sustainable banking operations**” (M = 4.03, SD = 0.58), the only factor classified as **high**. This reflects stakeholders’ recognition of consistent efforts by banks to incorporate sustainability into their day-to-day business activities.

Other factors were rated **moderately high**, with “**Green procurement and practices**” (M = 3.78, SD = 0.52), “**Support for tree planting campaigns**” and “**Environmental protection initiatives**” (both M = 3.72) being prominent examples. These scores highlight moderate stakeholder appreciation for banks' involvement in environmental activities beyond core operations.

Factors such as “**Eco-friendly infrastructure investments**” (M = 3.59), “**Reduction in plastic and waste use**” (M = 3.65), and “**Environmental management systems**” (M = 3.51) also received moderately high ratings, indicating that stakeholders view these aspects as important but not yet fully optimized.

The lowest rated item was “**Public awareness on environmental impact**” (M = 3.36, SD = 0.74), suggesting that banks may not be sufficiently proactive in engaging the public or promoting environmental education.

Of note is the unusually high standard deviation for “**Support for tree planting campaigns**” (SD = 2.30), which may indicate a wide variability in stakeholder responses, potentially due to differing levels of visibility or implementation across banks.

Overall, while stakeholders perceive moderate efforts in environmental responsibility, there is a clear indication that banks should strengthen their communication, outreach, and commitment to eco-conscious practices to meet growing stakeholder expectations.

**Table (4.9) Stakeholders’ Perception towards Employee Consideration (N=69)**

No	Statement	Mean	SD	Remark
1	The bank provides benefits that improve employees’ quality of life (e.g., housing loans for staff).	4.00	0.57	High
2	The bank distributes cash/non-cash items to help people in need (e.g., rice donations during floods).	4.21	0.55	High
3	The bank offers social benefits beyond salaries (e.g., healthcare for employees’ families).	3.85	0.76	Moderately High

4	The bank ensures workplace health and safety (e.g., fire drills in Mandalay branches).	4.03	0.52	High
5	The bank makes efforts to boost employee morale (e.g., team-building retreats at Inle Lake).	4.00	0.50	Moderately High
6	The bank provides training programs (e.g., digital banking workshops).	4.18	0.48	High
7	The bank appreciates employee achievements (e.g., "Employee of the Month" awards).	3.96	0.51	Moderately High
8	The bank offers advances/bonuses during festivals (e.g., Thingyan Festival bonuses).	4.01	0.64	High
9	The bank involves employees in well-being initiatives (e.g., mental health awareness sessions).	3.93	0.45	Moderately High
	<b>Employee Consideration</b>	3.95	0.46	Moderately High

Source: Survey Data, 2025

Table 4.9 illustrates stakeholders' perceptions of employee-related responsibilities within private banks in Myanmar. The overall mean score for **Employee Consideration** is  $M = 3.95$ ,  $SD = 0.46$ , which falls under the category of **moderately high**. This suggests that stakeholders generally view employee-related CSR activities positively, though there remains room for further development.

Several items received **high** mean scores, indicating strong stakeholder approval in specific areas. The highest rated item was "**Financial assistance for staff families**" ( $M = 4.21$ ,  $SD = 0.55$ ), followed closely by "**Professional training and capacity building**" ( $M = 4.18$ ,  $SD = 0.48$ ), and "**Occupational risk management**" ( $M = 4.03$ ,  $SD = 0.52$ ). These findings highlight the importance stakeholders place on banks' roles in supporting employees beyond their immediate job functions.

Other highly rated aspects include "**Incentives for active participation**" ( $M = 4.01$ ) and "**Employee benefit and welfare programs**" ( $M = 4.00$ ), which suggests that internal motivation and welfare policies are key components of effective employee consideration.

Meanwhile, factors like "**Health and safety initiatives**" ( $M = 3.85$ ), "**Prevention of employee discrimination**" ( $M = 4.00$ ), "**Recognition of employee contributions**" ( $M = 3.96$ ), and "**Inclusion in community activities**" ( $M = 3.93$ )

received **moderately high** ratings. These results indicate a general satisfaction with these practices but also suggest potential areas for strengthening.

Despite several factors scoring in the "high" category, the overall aggregate remains slightly below the threshold for "high", due to some areas not being rated as strongly. This discrepancy points to the opportunity for banks to achieve a more balanced and consistently strong performance across all aspects of employee-focused CSR.

In summary, stakeholders perceive that banks are fulfilling their employee-related responsibilities to a moderately high degree, especially in terms of welfare, training, and risk management. Continued efforts to improve equity, recognition, and participation could elevate perceptions further and contribute to more comprehensive employee satisfaction and organizational effectiveness.

**Table (4.10) Mean Values of Stakeholders' Perception towards Corporate Social Responsibilities between Selected Private Banks (N=183)**

No	Corporate Social Responsibilities	KBZ	AYA	UAB	A Bank	MOB	AGD
1	Economic Responsibilities	3.96	3.90	4.05	4.00	3.77	4.03
2	Legal Responsibilities	4.03	3.82	3.97	4.03	3.98	4.04
3	Ethical Responsibilities	3.89	3.88	3.86	3.95	3.90	4.04
4	Philanthropic Responsibilities	3.82	3.65	3.65	3.78	3.52	3.63
5	Environmental Consideration	3.79	3.74	3.60	3.74	3.45	3.67
6	Employee Consideration	4.08	3.76	3.70	3.97	3.89	4.31
<b>Total</b>		<b>3.93</b>	<b>3.79</b>	<b>3.81</b>	<b>3.91</b>	<b>3.75</b>	<b>3.95</b>

Source: Survey Data, 2025

Table 4.10 compares stakeholders' perceptions of **economic responsibilities** across six selected private banks in Myanmar. The mean scores range from **3.77 to 4.05**, indicating that stakeholders generally perceive these banks as performing their economic responsibilities at a **moderately high to high** level.

Among the banks, **UAB Bank** received the **highest mean score** of **4.05 (SD = 0.38)**, placing it in the **“high”** category. This suggests that stakeholders perceive UAB to be particularly strong in fulfilling its economic obligations, such as financial performance, risk management, and market competitiveness. **AGD Bank** also scored in the **“high”** range with a mean of **4.03 (SD = 0.44)**, indicating a similarly positive perception. **A Bank** follows with a mean of **4.00 (SD = 0.33)**, which is at the **upper threshold of “moderately high”**, close to the high category. **KBZ Bank** (M = 3.96, SD = 0.46), **AYA Bank** (M = 3.90, SD = 0.25), and **MOB Bank** (M = 3.77, SD = 0.37) also fall within the **“moderately high”** range. While still positive, these slightly lower scores may indicate stakeholder expectations for improvement in areas such as profitability, innovation, or economic value creation. The relatively low standard deviation for most banks (particularly AYA with SD = 0.25) suggests consistent responses among stakeholders, indicating a shared perception within stakeholder groups. All six banks are viewed favorably regarding economic responsibilities, with **UAB and AGD** achieving **higher-than-average perceptions**. These results reflect a generally positive view of economic CSR performance in Myanmar's private banking sector, though some banks may need to enhance economic transparency, accountability, or long-term value strategies to achieve top-tier stakeholder satisfaction.

Regarding the **legal responsibilities** of six selected private banks in Myanmar, the reported mean scores fall between **3.82 and 4.04**, indicating that stakeholders generally rate these banks as performing at either a **moderately high** or **high** level in terms of legal compliance and accountability. Specifically, **AGD Bank** recorded the **highest mean** of **4.04 (SD = 0.50)**, followed closely by **A Bank** and **KBZ Bank**, both at **4.03**, and all categorized as **“high”**. These ratings suggest that these institutions are perceived to adhere closely to regulatory standards, laws, and ethical norms in their operations. **UAB Bank** (M = 3.97, SD = 0.40) and **MOB Bank** (M = 3.98, SD = 0.53) are marginally below the “high” threshold, classified as **“moderately high.”** Their scores reflect a generally favorable perception but indicate slight room for improvement in legal compliance or stakeholder communication regarding legal practices. **AYA Bank** received the lowest mean score of **3.82 (SD = 0.28)**, also in the **“moderately**

**high**” range. While still positive, this lower score might imply a relative need for enhanced visibility or transparency in regulatory adherence, or possibly stakeholder concerns over the robustness of its compliance mechanisms. The small standard deviations—particularly for AYA (SD = 0.28)—indicate a relatively uniform perception among stakeholders, reflecting a stable consensus. All six banks demonstrate **strong to moderate stakeholder confidence** in their legal responsibilities, with **AGD, A Bank, and KBZ** being perceived most favorably. These findings underscore the importance of continued investment in legal compliance systems and stakeholder communication to maintain or elevate trust.

Regarding the **ethical responsibilities** of six private banks in Myanmar, the data shows that **all banks scored within the "Moderately High" to "High" range**, with mean values ranging from **3.86 to 4.04**. **AGD Bank** achieved the **highest mean score of 4.04 (SD = 0.50)**, marking it as the **only bank** categorized under the **“High”** perception tier for ethical responsibilities. This suggests that AGD is perceived as particularly proactive in maintaining ethical standards, such as fairness, transparency, and responsible behavior in its CSR implementation. **A Bank** followed with a mean score of **3.95 (SD = 0.53)**, close to the **“High”** threshold. This indicates a strong perception of ethical conduct, although slightly less pronounced than AGD’s. **MOB Bank** (M = 3.90, SD = 0.44), **KBZ Bank** (M = 3.89, SD = 0.43), and **AYA Bank** (M = 3.88, SD = 0.27) formed a mid-tier cluster with similar stakeholder ratings. These moderately high scores indicate general confidence in the ethical behavior of these banks, though there may still be areas for ethical strengthening or clearer communication of ethical practices. **UAB Bank** had the **lowest mean at 3.86 (SD = 0.37)**, but it still falls within the **“Moderately High”** category. The marginally lower score may reflect stakeholders' perception of areas where UAB could further enhance its ethical transparency, fairness, or consistency.

Notably, **standard deviations are relatively low across all banks**, indicating consistency in stakeholder perceptions within each institution. In conclusion, the data suggests that **ethical responsibility is generally well-regarded across all surveyed banks**, with **AGD Bank emerging as a leader** in this domain. Continued commitment to ethical practices and enhanced stakeholder engagement will be crucial for sustaining and improving these perceptions.

Regarding **philanthropic responsibilities** across six selected private banks in Myanmar, the mean scores range from **3.52 to 3.82**, placing all banks within the

“Moderately High” category according to the scoring direction. This suggests a general acknowledgment of philanthropic efforts, though none of the banks reach the “High” level of perception. **KBZ Bank** received the **highest mean score** of **3.82 (SD = 0.57)**, indicating that stakeholders perceive its philanthropic initiatives—such as charitable donations, community engagement, and support for education and social causes—as more active or visible compared to others. **A Bank** followed closely with a mean score of **3.78 (SD = 0.37)**, also showing a strong perception of philanthropic engagement. **AYA Bank** and **UAB Bank** share identical mean scores of **3.65**, with standard deviations of **0.47** and **0.57** respectively. These scores indicate consistent but moderate perceptions of their philanthropic roles. **AGD Bank** scored slightly lower at **3.63 (SD = 0.53)**, while **MOB Bank** had the **lowest mean score** of **3.52 (SD = 0.56)**. Though still within the “Moderately High” range, these scores suggest that stakeholders see comparatively fewer or less impactful philanthropic activities from these two institutions. Overall, the relatively **narrow range of mean scores** reflects a **uniformity in stakeholder perceptions** of philanthropic responsibility across the private banking sector. However, the absence of any bank in the “High” category may indicate **untapped potential** for enhancing visible contributions to community welfare, education, culture, and inclusive social development.

Regarding employee consideration across six selected private banks, the table reports the mean scores, standard deviations, and corresponding remarks based on a scoring scale where 1.00–2.00 indicates a low perception, 2.01–3.00 moderately low, 3.01–4.00 moderately high, and 4.01–5.00 high perception. The results reveal variation in the perceived level of employee consideration among the banks studied. **KBZ** and **AGD** banks registered the highest mean perception scores of 4.08 and 4.31 respectively, both falling within the ‘High’ category. These findings suggest that stakeholders perceive these two banks as demonstrating a strong commitment to employee consideration.

In contrast, the remaining four banks—**AYA**, **UAB**, **A Bank**, and **MOB**—received mean scores ranging from 3.70 to 3.97, which fall into the ‘Moderately High’ category. Specifically, **AYA** and **MOB** both scored a mean of 3.76 and 3.89 respectively, indicating a positive but slightly less pronounced perception of employee consideration. **UAB** and **A Bank** showed similar results with mean values of 3.70 and 3.97, further reinforcing a moderately high stakeholder perception.

The standard deviations across all banks ranged from 0.27 to 0.55, indicating moderate variability in stakeholder responses. UAB, with the highest standard deviation of 0.55, suggests a comparatively greater divergence in perceptions among its stakeholders.

Overall, the findings indicate that while most selected private banks are perceived positively in terms of employee consideration, KBZ and AGD notably stand out by achieving a high level of stakeholder approval in this dimension of corporate social responsibility. This highlights their potential effectiveness in implementing employee-centered policies and practices that resonate well with their stakeholders.

Regarding environmental consideration across six selected private banks, the analysis uses a scoring rubric where 1.00–2.00 denotes a low perception, 2.01–3.00 moderately low, 3.01–4.00 moderately high, and 4.01–5.00 high perception. The results indicate that all six banks are perceived within the ‘Moderately High’ category regarding their environmental consideration efforts. KBZ bank achieved the highest mean score of 3.79, closely followed by AYA and A Bank, both with mean scores of 3.74. This suggests that stakeholders view these banks as making commendable efforts toward environmental responsibility.

UAB and AGD banks recorded mean values of 3.60 and 3.67 respectively, reflecting similarly positive perceptions but slightly lower than KBZ and AYA. MOB obtained the lowest mean score of 3.45 among the banks, yet it still remains within the ‘Moderately High’ range, indicating a generally favorable stakeholder perception.

The standard deviations range from 0.33 to 0.76, with AYA exhibiting the highest variability ( $SD = 0.76$ ), which may reflect more diverse stakeholder opinions regarding this bank’s environmental practices. Conversely, A Bank had the lowest standard deviation ( $SD = 0.33$ ), suggesting more consensus among stakeholders about its environmental consideration.

In summary, the findings suggest that while none of the banks reached the ‘High’ perception category for environmental consideration, all demonstrate a moderately strong commitment as perceived by their stakeholders. This consistent moderate to high perception underscores the importance placed on environmental responsibility within Myanmar’s private banking sector, though there may be opportunities for further strengthening and differentiation in this area.

## CHAPTER V

### CONCLUSION

#### 5.1 Findings

The study explored stakeholders' perceptions of corporate social responsibility (CSR) practices across selected private banks in Myanmar, focusing on six key dimensions: economic, legal, ethical, philanthropic, environmental, and employee responsibilities.

The results showed that stakeholders generally hold **moderately high perceptions** of the banks' CSR efforts. Among all dimensions, **legal and economic responsibilities** were rated the highest. Stakeholders believed that the banks are complying with laws, protecting customer data, and contributing to national and regional development. This indicates that the banks are meeting the basic expectations of operating responsibly and within the legal framework while supporting economic progress.

**Ethical responsibilities** were also perceived positively. Stakeholders acknowledged that the banks generally treat customers fairly, protect privacy, and avoid unethical behaviors. However, none of the banks, except AGD, reached a "high" overall rating in this area, suggesting room for improvement in consistently applying ethical standards across all operations.

Regarding **philanthropic responsibilities**, individual items such as charitable support and social development received high ratings. However, the overall dimension score was only "moderately high," indicating that while banks are involved in community-oriented activities, these efforts may not be systematic or widely recognized by all stakeholders.

In terms of **environmental responsibilities**, the overall perception was also moderately high. Stakeholders appreciated actions like sustainable banking practices and waste reduction. However, inconsistent scores—such as the unusually high standard deviation in the tree planting initiative—suggest that these programs are either not well communicated or unevenly implemented across branches.

**Employee consideration** is evaluated only by employee stakeholders. The findings showed that banks are providing adequate benefits, professional development, and support to staff. However, moderately high scores in areas like recognition and inclusion suggest that more attention is needed in internal engagement and motivation.

The comparative analysis between the six banks revealed noticeable differences in CSR performance. **AGD and UAB banks** were consistently rated higher in legal, ethical, and economic dimensions, reflecting stronger and more visible CSR strategies. **MOB and AYA banks** received relatively lower scores in most dimensions, suggesting a need for more proactive CSR engagement and communication.

Stakeholders' perceptions of employee consideration vary notably among the banks. KBZ and AGD emerge as leaders, with mean scores of 4.08 and 4.31 respectively, classified as 'High' on the perception scale. This indicates a strong stakeholder consensus that these banks prioritize employee welfare and demonstrate effective human resource practices. The remaining banks—AYA, UAB, A Bank, and MOB—record mean values ranging from 3.70 to 3.97, falling within the 'Moderately High' category. These results suggest a generally positive stakeholder view of employee-related initiatives but also imply room for further improvement to achieve the highest level of recognition.

In contrast to employee consideration, perceptions of environmental consideration are uniformly rated as 'Moderately High' across all six banks, with mean scores between 3.45 and 3.79. KBZ, AYA, and A Bank slightly lead in this dimension, suggesting that their environmental initiatives are more positively perceived relative to their peers. Nevertheless, none of the banks reach the 'High' category, indicating that stakeholders perceive environmental responsibility efforts as important but not yet exemplary. Additionally, the wider standard deviation observed particularly in AYA suggests variability in stakeholder opinions, potentially reflecting differing expectations or uneven communication regarding environmental policies.

In summary, private banks in Myanmar are performing reasonably well in core CSR responsibilities, particularly legal and economic aspects. However, improvements are needed in the **strategic planning and communication** of philanthropic and environmental initiatives, and in promoting **consistent ethical behavior and employee inclusion**. Strengthening these areas could lead to more balanced and impactful CSR outcomes that are clearly recognized and valued by all stakeholder groups.

## **5.2 Suggestion**

Based on the findings of this study, several recommendations can be proposed to enhance the corporate social responsibility (CSR) practices of private banks in Myanmar and to align more closely with stakeholder expectations across all six dimensions of CSR—economic, legal, ethical, philanthropic, environmental, and employee responsibilities.

First, while economic and legal responsibilities were rated the highest, indicating that banks are fulfilling foundational obligations, there remains a need for continuous reinforcement of these areas through transparent communication and evidence-based reporting. Banks should consider issuing regular CSR reports that document compliance with legal standards and demonstrate contributions to economic development. Such measures would further build stakeholder trust and solidify perceptions of accountability.

Second, ethical responsibilities, although positively viewed, were not consistently rated at the highest level across all banks. This suggests the necessity of institutionalizing ethical practices within organizational culture. Banks should develop comprehensive ethics training programs, establish clear codes of conduct, and implement mechanisms for ethical oversight and whistleblower protection. Moreover, integrating ethics into performance evaluations and internal audits could ensure a more consistent and organization-wide commitment to ethical standards.

Third, philanthropic activities, while appreciated, appear to lack strategic coordination and visibility. To address this, banks should adopt a more systematic approach to philanthropy by aligning charitable initiatives with core business values and local community needs. Developing long-term partnerships with civil society organizations and engaging in cause-related marketing can enhance the impact and visibility of philanthropic efforts. Furthermore, establishing impact assessment frameworks will help measure and communicate the effectiveness of such initiatives to stakeholders.

Fourth, the moderate ratings in environmental responsibilities highlight an area with significant potential for improvement. Banks are encouraged to adopt comprehensive environmental management systems, promote green financing products, and engage in industry-wide sustainability collaborations. Given the observed variation in stakeholder perceptions, particularly in initiatives such as tree planting, banks should improve internal coordination and external communication regarding their environmental strategies to ensure consistency and clarity.

Fifth, although employee responsibilities were evaluated positively—especially at KBZ and AGD banks—there remains room for enhancing internal engagement, particularly in the areas of recognition, diversity, and inclusion. Banks should invest in inclusive workplace policies, recognize employee achievements, and provide equitable professional development opportunities. Incorporating employee feedback mechanisms and involving staff in CSR planning may further improve stakeholder perceptions and employee satisfaction.

Lastly, the variations in CSR performance among the banks suggest the need for benchmarking and knowledge-sharing within the industry. Regulatory bodies and banking associations in Myanmar could facilitate peer-learning platforms where best practices and challenges in CSR implementation are discussed. Encouraging banks with lower CSR ratings to learn from higher-performing peers may help elevate overall industry standards.

In conclusion, while private banks in Myanmar demonstrate commendable efforts in fulfilling fundamental CSR responsibilities, a more strategic, integrated, and stakeholder-focused approach is required to advance CSR maturity. Enhancing transparency, consistency, and inclusivity across all CSR dimensions will not only meet stakeholder expectations more effectively but also contribute to sustainable development and long-term organizational success.

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# APPENDIX

## Survey Questionnaire

### Stakeholders' Perceptions toward CSR in Selected Private Banks

Thank you for participating in this survey. The aim of this survey is to understand your views on Corporate Social Responsibility (CSR) activities undertaken by Private Banks. Your responses will contribute to research in the field of CSR in Myanmar's private banking sector.

#### Part (1)

#### Demographic Information

1. Gender

- Male
- Female

2. Age

- Under 25
- 25 to 34
- 35 to 44
- 45 to 54
- 55 and above

3. Education level

- Under Graduate
- Graduate
- Master

4. Monthly Income

- below 300,000
- 300,001 to 500,000
- 500,001 to 1,000,000
- 1,000,001 to 1,500,000
- 1,500,001 to 2,000,000
- 2,000,001 to 2,500,000
- 2,500,001 to 3,000,000
- above 3,000,000

5. Occupation

- Government staff
- Company staff
- Freelance
- Dependent

6. Role

- Customer
- Banking Employee
- Community Member

## 7. Bank Affiliation -

### PART (2)

#### Stakeholders' Perception towards Corporate Social Responsibilities (CSR)

##### Instructions:

To what extent do you agree or disagree with the following statements? Tell us your opinion on scale of

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral 4= Agree, 5 = Strongly Agree.

Please ✓ the column to enter your answer.

##### Section 1: Economic Responsibilities

No	Statement	1	2	3	4	5
1	The bank contributes to job creation at local, regional, or national levels.					
2	The bank partners with and supports local suppliers and businesses.					
3	The bank invests in initiatives that promote local/regional development.					
4	The bank invests in innovative products/services addressing community needs (e.g., financial literacy programs).					
5	The bank creates jobs for local people (e.g., hiring staff from rural areas).					

##### Section 2: Legal Responsibilities

No	Statement	1	2	3	4	5
1	The bank strictly adheres to customer data protection and privacy laws.					
2	The bank has a robust system to monitor and report suspicious transactions.					
3	The bank has a dedicated legal risk management system to adapt to regulatory changes.					
4	The bank's activities are transparent and legally accountable.					
5	The bank avoids any illegal or unethical practices in its activities.					
6	The bank provides accurate and timely information about its activities to regulatory authorities.					
7	The bank's activities adhere to the guidelines and expectations set by Myanmar's government.					

##### Section 3: Ethical Responsibilities

No	Statement	1	2	3	4	5
1	Ethical considerations guide major business decisions (e.g., transparency, fairness).					
2	The bank communicates openly and transparently with stakeholders.					
3	The bank ensures ethical practices in its supply chain (e.g., fair treatment of suppliers).					
4	The bank's activities are conducted with fairness and honesty.					

5	The bank strives to ensure that its activities do not harm any individual or group.					
6	<i>This bank treats all customers equally, regardless of income or background.</i>					
7	<i>This bank admits mistakes and corrects them promptly (e.g., refunding erroneous charges).</i>					
8	If a technical error deducts extra money, the bank refunds it immediately with an apology.					
9	<i>The bank's staff never pressure me into buying unnecessary products (e.g., insurance I don't need).</i>					
10	<i>Bank employees listen to my concerns and treat me with politeness, even during complaints.</i>					
11	Long queues are managed with apologies and updates; staff assist elderly customers patiently.					
12	<i>My personal/financial data is kept secure and never misused.</i>					
13	<i>The bank explains loan/mortgage terms in simple language I can understand.</i>					
14	<i>I feel valued as a customer, not just a source of profit.</i>					

#### Section 4: Philanthropic Responsibilities

No	Statement	1	2	3	4	5
1	The bank invests in health-related projects benefiting the community					
2	The bank supports community welfare projects (e.g., education, healthcare, disaster relief).					
3	The bank actively promotes education or skill development programs locally.					
4	The bank supports cultural/arts initiatives or heritage preservation projects.					
5	The bank participates in disaster relief and emergency response efforts.					
6	The bank is involved in charitable activities benefiting the local community (e.g., donations to Myanmar Red Cross Society).					
7	The bank runs welfare schemes for underprivileged groups (e.g., free education programs for rural children).					
8	The bank provides financial support for local community events (e.g., Thingyan Festival sponsorships).					
9	The bank has policies to support handicapped individuals (e.g., wheelchair-accessible branches in Yangon).					
10	The bank maintains strong relationships with the local community (e.g., partnerships with monastic schools).					
11	The bank regularly donates to charity (e.g., COVID-19 relief funds).					
12	The bank supports causes that improve its public image (e.g., clean water projects).					

### Section 5: Environmental Consideration

No	Statement	1	2	3	4	5
1	The bank makes socially responsible environmental decisions ( <i>e.g., solar-powered ATMs</i> ).					
2	The bank implements environment-friendly practices ( <i>e.g., paperless transactions</i> ).					
3	The bank sponsors events linked to social/environmental causes ( <i>e.g., "Green Myanmar" tree-planting campaigns</i> ).					
4	The bank supports environmental protection activities in the community ( <i>e.g., Mangrove Replantation in Ayeyarwady Delta</i> ).					
5	The bank assesses and minimizes environmental impact ( <i>e.g., reducing plastic use in branches</i> ).					
6	The bank follows policies to protect the environment ( <i>e.g., recycling programs in Naypyidaw</i> ).					
7	The bank is certified for its environmental management system ( <i>e.g., ISO 14001 certification</i> ).					
8	The bank addresses environmental complaints from stakeholders ( <i>e.g., resolving waste disposal issues</i> ).					

### Section 6: Employee Consideration

No	Statement	1	2	3	4	5
1	The bank provides benefits that improve employees' quality of life ( <i>e.g., housing loans for staff</i> ).					
2	The bank distributes cash/non-cash items to help people in need ( <i>e.g., rice donations during floods</i> ).					
3	The bank offers social benefits beyond salaries ( <i>e.g., healthcare for employees' families</i> ).					
4	The bank ensures workplace health and safety ( <i>e.g., fire drills in Mandalay branches</i> ).					
5	The bank makes efforts to boost employee morale ( <i>e.g., team-building retreats at Inle Lake</i> ).					
6	The bank provides training programs ( <i>e.g., digital banking workshops</i> ).					
7	The bank appreciates employee achievements ( <i>e.g., "Employee of the Month" awards</i> ).					
8	The bank offers advances/bonuses during festivals ( <i>e.g., Thingyan Festival bonuses</i> ).					
9	The bank involves employees in well-being initiatives ( <i>e.g., mental health awareness sessions</i> ).					

Thank you for completing the survey. Your feedback is important and will help us better understand stakeholder perceptions of CSR activities in Myanmar's banking sector.