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A Research on the Impact of Corporate Social Responsibility on the Performance of an Organization: An Empirical Study of the Banking Sector in Tanzania

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Abstract

The study used the banking sector in Tanzania as a case study to examine the impact of corporate social responsibility on organizational performance. In this case, 425 employees were employed as the study's sample and population. The participants' response rate was 100%, as every one of the 425 employees that were sampled completed the surveys completely. The study's technique was both descriptive and exploratory. To investigate the extent to which corporate social responsibility has an impact on organizational performance, a quantitative method and regression analysis were utilized. To make statistical inferences, all relevant tests were performed to establish the quality and reliability of the data employed. To confirm convergent and discriminant validity of the data, a normality test was done, as well as a test of sufficiency of the data, composite reliability, Cronbach alpha, and average variance explained. To meet the aims, the current study used quantitative data analysis approaches. The data was analyzed using the Statistical Package for Social Sciences (SPSS v.21.0). Following that, the researchers used the ordinary least square (OLS) approach to determine the coefficients of the correlations between the variables or constructs used to proxy corporate social responsibility and organizational performance. Organizational performance was examined in three dimensions: employee commitment, corporate reputation, and financial performance. Corporate social responsibility was measured in two dimensions: social CSR and environmental CSR. Both the quantitative and regression analysis revealed that corporate social responsibility has a favorable and significant impact on an organization's performance. According to the regression analysis, there is a positive association between corporate social responsibility (CSR) and organizational performance (PFR), as indicated by the regression coefficient value of = 0.17 (p-value 0.05). This is due to the direct effect of corporate social responsibility on organizational performance; as a result, an increase of 0.17 percent in corporate social responsibility activities among Tanzanian banks could boost their performance (corporate reputation, employee commitment, and financial performance). To account for the indirect influence of social and environmental CSR, the regression coefficient value for social CSR to performance was = 0.56 (p-value = 0.01) and for environmental CSR to performance was = 0.81 (p-value = 0.01). According to the findings, a 1% increase in the banks' social CSR may boost their performance by 0.56 percent, while a 1% rise in their environmental CSR might boost their performance by 0.81% This finding could literally mean that by demonstrating social responsibility, an organization's image is projected, thereby strengthening its corporate brand and reputation. It also increases market share because existing and potential customers perceive the organization as charitable and giving back to society. This research also backs up the stakeholder theory, which focuses on the concept of a social contract, meaning that a company's survival is contingent on how well it functions within society's rules and standards. According to the study's findings, some employees, or respondents, were unaware of the organization's specific CSR initiatives, as well as the quarters that make choices about CSR projects. In this regard, the study would like to advise and suggest to organizations how to increase employee participation in CSR projects and how to effectively convey CSR initiatives to all stakeholders.

Keywords

Corporate Social Responsibility, Organizational Performance, Banking Sector, Stakeholder Theory, Tanzania, Financial Performance

1. Introduction

Each company's survival is dependent on its ability to execute its objectives. Economic goals and social goals are the two broad kinds of company objectives that are expected to be achieved (Moon, 2012). While economic objectives are the goals that a business must achieve through its marketing efforts, social objectives are the goals that an organization must achieve in order to fulfill the interests of its shareholders, employees, and the general public (Rao & Krishna, 2012). Companies' social objectives are referred as their corporate social responsibility. The concept of corporate social responsibility (CSR) has evolved to play a key role in certain aspects of organizational theory over the last three decades (Famiyeh, 2017). The commitment of company to contribute to sustainable economic development by engaging with employees, their families, the local community, and society at large to improve their quality of life is known as corporate social responsibility (CSR) (World Business Council for Sustainable Development, 2014).

Employee relations and various variety programs, moral materials sourcing, product design, advertising and marketing programs, nature, human rights, and company administration are some of the broad categories used to describe CSR operations (McWilliams & Siegel, 2001).

For ages, social responsibility has been practiced (Anku-Tsedel & Deffor, 2014; Famiyeh, 2017). It can be traced back to the Quakers in the 17th and 18th centuries, whose economic philosophy was based on adding value to society as well as profit maximization. They believe that business and society are interdependent, meaning that they rely on each other for survival (Moon, 2012). "Actions that appear to serve some societal benefit, beyond the firm's interest and that which is required by law," is a common definition of CSR (McWilliams & Siegel, 2001). CSR initiatives are increasingly being used to gain a competitive advantage, according to evidence (Anku-Tsedel & Deffor, 2014). There is a growing understanding that CSR is crucial for an organization's economic improvement. In a dynamic and evolving environment, a comprehensive stream of academic study has evolved in the literature claiming that introducing corporate social responsibility is the way to invigorating long-term stability, development, and practical execution (Anku-Tsedel & Deffor, 2014; Famiyeh, 2017).

Corporate social performance is one of the current performance indicators. This metric is vital to a company's long-term viability and reputation management. Today, CSR is being used to create a strong bond with the general public (Nolan & Co., 2009). Corporations also use it as a pre-emptive system to protect themselves from unanticipated dangers and corporate outrages, as well as potential natural disasters, administrative principles and controls, protect eye-catching profits, brand differentiation, and better relationships with employees in terms of volunteerism. Companies are increasingly aware of the importance of publicizing their CSR initiatives on their websites, maintainability reports, and advertising campaigns in order to gain client compassion (Marcia et al., 2013).

CSR is now performed on the basis that clients and governments are demanding more ethical behavior from businesses. As a result, businesses are voluntarily joining CSR as a component of their business tactics, mission statements, and qualities in multiple places, such as work and environmental regulations, while dealing with the interests of diverse stakeholders (Baumgartner, 2013). Another reason for corporations to engage in CSR efforts today is to obtain a competitive advantage over their competitors. CSR actions in this area also assist organizations in attracting and retaining clients as well as motivated employees, ensuring the company's long-term existence.

CSR activities are no longer just charitable events; they are also tools for improving a company's positive image, employee and customer satisfaction, and organizational profitability. According to Islam (2012), the concept of corporate social responsibility has shifted from profit-making to social welfare activities, in which firms are responsible not just to their shareholders but also to all of their stakeholders. The financial benefits of CSR are the primary motivator for businesses to implement it (Rapti & Medda 2012).

1.1. Conceptualization of Problem

CSR has been the focal point of research into the relationship between businesses and society. Organizations have been restrained in their participation in social responsibility by the problems of meeting the needs of their stakeholders (Anku-Tsedel & Deffor, 2014; Famiyeh, 2017). Stakeholders are now exploring making corporations liable for the social and economic consequences of their operations in each community where they operate (Akindele, 2011). The topic of CSR in Tanzania is inextricably linked to the country's social and environmental concerns. Businesses who adopt CSR are seeing favorable effects today, including improved reputation, greater sales and customer loyalty, a competitive advantage, reinforced partnerships, and increased market share. Customers link themselves with products and services from organizations in a competitive market based on their own impressions of the institution (Marcia et al., 2013).

Poverty in the country, illiteracy, poor infrastructure, a lousy road network, and environmental degradation are all possible challenges that require organizations to play an active role in society to solve. . In both academia and business, there has been a growing interest in Corporate Social Responsibility (CSR) study for several decades. Despite this, the results of large research have been inconsistent, with some claiming that there is no link between corporate social responsibility and firm performance. Other research, on the other hand, found a favorable link between the two (Famiyeh, 2017). Others, too, mentioned an unfavorable relationship; (Rettab et al., 2009; Saeidi et al., 2015). These mixed results call for more investigation. In this regard, the purpose of this research is to look into the relationship between CSR and organizational performance in Tanzania.

1.2 Research Objectives

1) To describe the proportion of the various types of Corporate Social Responsibility on the performance of an organization.

2) To compare which Corporate Social Responsibility interventions are much more beneficial in boosting organizational performance than others and also assess the impact or relationship that exist between them.

3) To evaluate the relationship between the performance of an organization and corporate social responsibility.

4) To evaluate the challenges that ensues in the course of CSR execution and proposes some recommendations.

1.3. Theoretical Framework

The study employs the stakeholder theory and approach model after reviewing the aforementioned ideas. Most Tanzanian enterprises, according to the researcher, aim to align the social values connected with their activity with the norms of acceptable behavior in the larger social system of which they are a part. Stakeholder theory focuses on the concept of a social contract, which implies that a company's survival is contingent on how well it performs within society's rules and standards. The stakeholder approach model, on the other hand, is used to understand the relationship between the banking industry's corporate social responsibility practices and its performance. This model has been illustrated in **Figure 1**.

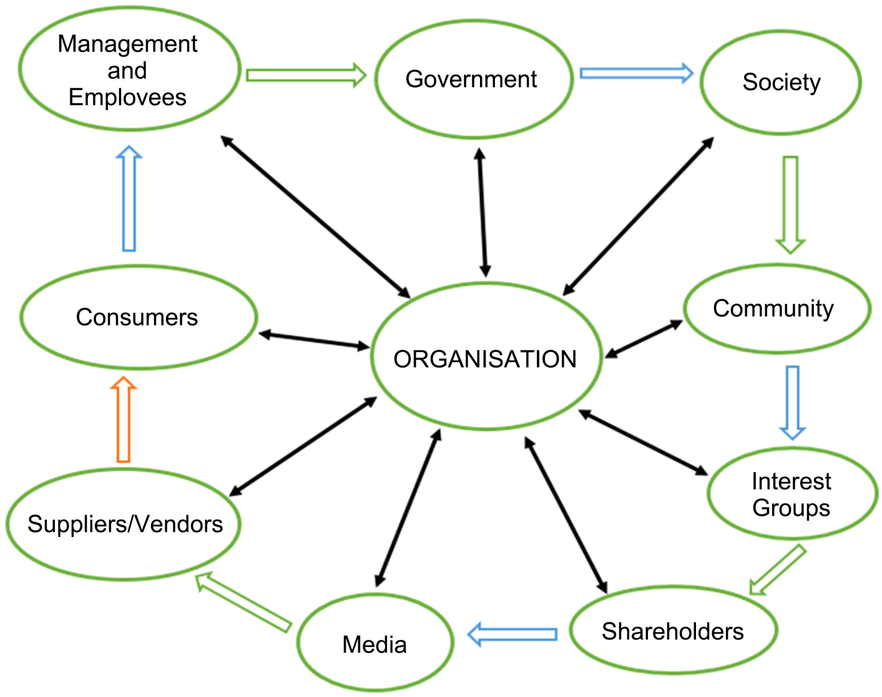

Figure 1. Stakeholder approach model.

According to Morsing and Schultz (2006), a stakeholder is any group or individual who can influence or is influenced by the achievement of the firm's objectives; Freeman created the stakeholder method in 1984. The stakeholder notion, according to Correia (2005), originated in the 1960s. However, Edward R. Freeman in 1984 broadened the concept of a stakeholder to encompass any group or individual who can influence or is influenced by the organization's goals and objectives. According to Carroll and Buchholtz (2006), when it comes to the worldwide competitive nature of enterprises, there are various business players who have a direct and legitimate interest in a firm's activities, such as shareholders, employees, and customers. When looking at the bigger picture of the environments where businesses operate, there are a variety of stakeholders, including competitors, the government, suppliers/vendors, the media, special-interest groups, and the community as well as society. Stakeholders have a direct impact on a company, and mutually organizations have a greater impact and influence on stakeholders by strategic management policies and actions. In this regard, Fassin (2008) believes that the stakeholder model is a "far better approximation of reality" that can help people understand their surroundings. In contrast, Carroll and Buchholtz (2006) stated that there are two types of stakeholders in business organizations, namely, external (outside) and internal (inside) stakeholders. Internal stakeholders, on the other hand, include shareholders, management, and employees; this group has legitimate legal and ethical claims on the organization, and it is management's responsibility to address their needs and balance them against those of the firm and, as a result, other stakeholders. Consumers/customers, suppliers, government, interest groups (NGO), community, competitors, and the natural environment are examples of external (outside) stakeholders. Despite the fact that consumers or customers are the most important stakeholder for businesses, it is arguable that government should be handled as a priority and first. Below is the figure indicating the stakeholder model for any organizations. Also it shows diagrammatically the relationships among them

1.4. Significance of the Study

The study's goal was to see how CSR programs affected the performance of Tanzanian businesses. This will assist both private and public firms in recognizing the importance of implementing CSR in order to gain a competitive edge and increase performance. The author hopes to write additional books in the future. Understanding of CSR not only can bring more market share for the enterprise, boost earnings and sales, but it can also bring more consumers for the enterprise, a positive corporate image, and increase customer loyalty to the enterprise intangible interests. Also, the study will help company leaders understand how participating in social activities can aid in the management of growing social risks that arise as a result of their operations. It goes on to explain and examine the benefits and drawbacks of CSR programs, as well as how players in this industry might enhance the implementation of CSR programs.

2. Emerging Issues in Literature

2.1. Theoretical Literature

The researcher used different types of theories that drive this research

2.1.1. Legitimacy Theory

Corporate social disclosures were prompted by the need to legitimize actions, according to the legitimacy theory. This is where the company's management will respond to public expectations (Guthrie et al., 2011). As a result, businesses are required to engage in activities that are socially acceptable. Legitimacy also indicates that businesses will exercise prudence to ensure that their operations and results are acceptable to the public (Wilmshurst & Frost, 2000). Corporate social disclosure can be used to address some of the public's concerns, as well as a proactive legitimization technique to maintain capital inflows and gratify ethical investors (Haniffa & Cooke, 2005).

2.1.2. Economic Theory

By taking into account cost-related advantages, market advantages, and reputation advantages, economic theory indicates the degree of correlation between CSR and financial performance (Chamhuri & Wan Noramelia, 2004). CSR is concerned with employment, lifelong learning, worker consultation and engagement, equitable opportunities, and people's integration into restructuring and industrial transformation in the workplace. In general, authority employment plans, initiatives on socially responsible restructuring, measures to enhance quality and diversity in the workplace, and health and safety strategies all affect policy creation. The benefits supplied in terms of training linked to safety, health, and the environment, donations, education schemes, medical benefits, and others are among the social issues (Chamhuri & Wan Noramelia, 2004).

2.1.3. Agency Theory

Owners are the principals, and managers are their agents, according to this view. The manager has a fiduciary duty to the owners and is generally subject to significant incentives to align their economic interests with the owners', as well as to maximize shareholder value. Today, it is widely understood that, under certain circumstances, the satisfaction of social interests contributes to the maximization of shareholder value, and most large corporations pay close attention to CSR, particularly when considering the interests of shareholders. Jensen (2010) proposes what he calls "enlightened value maximizing" in this regard. This notion establishes long-term value maximization or value-seeking as the firm's goal, allowing for some trade-offs with the firm's relevant constituency.

2.1.4. Stakeholder Theory

Stakeholder normative theory is used to interpret the corporation's function and identify moral or philosophical guidelines for its operations. It tries to determine what should occur based on moral considerations. Individuals have the right to be treated as ends in themselves, not just as a means to an end, according to one of the founders of deontological philosophy. The ultimate justification for stakeholder theory, according to Donaldson and Preston (2015), is found in its normative framework.

2.1.5. Relational Theory

The intricate firm-environment interactions are the foundation of relational theory. The relational theory's corporate citizenship is very dependent on the type of community to which it is applied. It's a route that a company can follow to be more responsible. Fundamentally, it is about the relationship that a company establishes with its stakeholders, and as a result, the former must always look for ways to engage and commit to the latter. According to Garriga and Mele (2014), corporate citizenship is a strategy utilized under integrative and political theories, which is backed up by (Su et al., 2015).

Empirical Review

While researching economic perspectives on CSR, Kitzmueller and Shimshack (2012) discovered that individual preferences were the ultimate driving force behind any form of CSR. Firms may employ strategic CSR to optimize profits in the presence of social stakeholder desires, whereas not-for-profits may utilize CSR to satisfy shareholders' social objectives. Moral hazard arises only when managers take CSR beyond strategic levels or shareholder preferences. Other than altruism, the study found that when people make donations or privately give public goods, such as charity, there may be a number of reasons influencing their decision.

It's possible that social pressure, guilt, pity, or simply a desire for a "warm glow" are all factors. Two competing approaches on CSR can be taken within this paradigm.

Okiro et al. (2013) investigated the link between CSR investment and commercial bank growth in Nairobi County. The researchers wanted to see if there was a link between a bank's long-term growth and its commitment to CSR. In terms of investment, the findings demonstrated a growing favourable attitude toward CSR. There was widespread consensus that CSR was critical to the firm's performance. Because commercial organizations want to make money by providing the greatest services to their consumers, they would take special care to keep their customers. The study discovered that investing in CSR initiatives has a beneficial impact on a bank's long-term success. The findings show that the variables have a modest positive association and that only 11% of bank sustained growth can be explained by investing in CSR initiatives.

Gichana (2014) conducted a survey on CSR practices by Kenyan companies in order to identify social responsibility activities by companies listed on the Nairobi Stock Exchange (NSE) and the factors that explain the types of CSR practices employed by these organizations. The survey discovered that all of the organizations employed long-term planning and had social responsibility plans in place. The bulk of these businesses emphasized health and education in their practices, and they were responsible to their employees by providing medical, housing, and pension plans. Water conservation and management were also found to be poorly handled, with the majority of respondents focused on internal consequences or their activities rather than the overall water issue on factors that motivate corporations to implement CSR. The most commonly given explanation was the acknowledgment of CSR as a key value. Giving back to the community as a manner of achieving government requirements on degradation and as a medium of advertisement are two more causes.

2.2. Corporate Social Responsibility

According to the European Commission (2011), corporate social responsibility (CSR) is a voluntary concept in which companies integrate social and environmental concerns into their business operations and interactions with their stakeholders as a result of growing awareness that responsible behavior leads to long-term business success. CSR is about managing change in a socially responsible manner at the corporate level, and it may be regarded in two ways:

1) **Internal**—socially responsible practices that primarily concern employees and are concerned with issues such as human capital investment, health and safety, and management change, whereas environmentally responsible practices are concerned with natural resource management and their use in production.

2) **External**—CSR extends beyond the corporation to the local community, involving a wide range of stakeholders including business partners, suppliers, customers, government agencies, non-governmental organizations (NGOs), and the environment. When designing a sustainability strategy, a corporation should consider economic, environmental, and social factors (Székely & vom Brocke, 2017).

CSR social activities may include fundraising, donations, and presents to local and national organizations, as well as regeneration of poor communities, reclamation of derelict land, and the development of new regeneration jobs in places where it trades. Firms were able to develop close relationships with the community by developing strategies and programs on social and environmental issues. Firms could take the lead by organizing campaigns, seminars, and workshops, as well as donating to the community. This method allows a corporation to fulfill its CSR duty while also serving as a marketing and promotional plan (Székely & vom Brocke, 2017).

As a result, a larger market share can be achieved, resulting in better revenues from increased sales. Fair commercial practices such as advertising, aggressive marketing, and after-sales services between enterprises and customers can also affect CSR policy implementation in business. Policies, initiatives, and programs related to social activities can be utilized to determine an organization's level of CSR commitment. Customers' demands and expectations must be met by businesses as well. Consumers' buying habits are changing, and they are increasingly seeking information and reassurance on environmental and social issues (Székely & vom Brocke, 2017).

Enterprises are taking steps to meet the demand for such information in order to retain strong relationships and attract new customers. Eco-labelling, for example, is a method of communicating an organization's social responsibility to the general public. Apart from that, CSR is concerned with employment, lifelong learning, worker consultation and involvement, equitable opportunities, and people's inclusion into restructuring and industrial development. Employees who feel safe and valued will enhance their manufacturing productivity, allowing for economies of scale. CSR procedures vary in scope depending on the size of the company (Székely & vom Brocke, 2017).

Larger companies are more likely to engage in CSR activities than smaller companies, which is consistent with other research findings (Haniffa & Cooke 2005). The reason for this is that larger companies are under more social pressure to be socially responsible and have a greater impact on society. Furthermore, larger firms typically have stronger financial positions, allowing them to engage in a greater variety of CSR activities. As a result, larger organizations are more likely to engage in CSR initiatives in order to remain responsible and viable.

2.2.1. CSR Practices

The amount of CSR practices is compared amongst organizations with different listing statuses. GLCs (government-linked corporations), BANKS (multinational corporations), TCs (local Tanzanian firms), and SMEs (small and medium-sized enterprises) are among them.

1) Government-Linked Corporations: According to the study, GLC has a major high policy in place for the workplace. CSR practices by GLC are intended at improving Tanzanian living and ensuring national growth, and are becoming increasingly significant as a strategy for sustainable company development. CSR is defined as the philosophy of giving back to society by donating earnings created for the betterment of the country. As a result, it can be shown that GLC's motivation for performing CSR is not dissimilar to its philanthropic motivation (Haniffa & Cooke, 2005).

2) Multinational Corporations: Banks began by using business philosophy as a principle and guideline for CSR implementation, and they want to show that they have economic, social, and environmental responsibilities that benefit their stakeholders. Banks that operate in multiple countries have a stronger influence and are subjected to increased pressures from a wider range of stakeholders. Countries with a high level of social responsibility may demand more CSR practices from banks. As a result, excellent CSR practices developed in countries where CSR is a legal requirement and non-compliance is punishable by legal action could be adopted by banks in other nations. This could be the cause for the high level of commitment shown by banks in Tanzania when compared to other organizational listing statuses (Haniffa & Cooke 2005). Banks leads other organizations in environmental policies for almost the same reason: it has the highest acknowledged commitment. Faced with criticism from environmental groups and governments in other countries, Banks wants to play it safe by ensuring that its operations have a low environmental impact. Other regional rivals have embraced these techniques as part of their environmental and safety policies. Overall, it can be argued that, aside from philanthropic efforts, banks appear to escape legal prosecution for CSR non-compliance. Banks use appealing to various interest groups as a motivation to maintain a positive image. As a result, banks are deemed to be outstanding CSR performers (Haniffa & Cooke 2005).

2.2.2. Motivators of Social Responsibility's Activities

1) Global Market Pressures: It is becoming increasingly difficult to comply with international labor standards and quality norms in today's globalized world because of buyer/supplier pressures to adhere to international labor standards and quality standards. In order to survive and expand in an increasingly competitive climate, businesses must rely primarily on exports to a large extent. Global market forces have compelled the business sector to develop its own corporate

governance and social responsibility initiatives in order to maintain its market share. In situations where a large number of stakeholders are involved in decision-making processes, global market pressures have influenced the policies of transnational corporations (TNCs) and multinational corporations (BANKS). In order to accomplish this, it is necessary to attempt to harmonize the unique viewpoints, interests, and values of individual and corporate investors with the wants of consumers from various regions of the world (UNCTAD, 2011). Although market pressures may lead to the development of environmentally friendly manufacturing processes, the effectiveness of their implementation is largely dependent on the level of awareness among manufacturers, the effectiveness of local environmental policies and regulations, and the cooperation of employees. As the number of natural disasters continues to rise and natural resources are depleted at an alarming rate around the world, firms are being reminded of the critical role that environmental sustainability plays in industrial development. The private sector must recognize the underlying concepts of a global economy that is interdependent on one another (UNCTAD, 2011).

2) Internal and Competitive Pressures: In order for any social responsibility strategy to be successful, three conditions must be met first. First and foremost, senior management must be aware of the content of the activity as well as its potential for instrumental value. Second, firms may feel compelled to respond to the first-mover social responsibility strategies of their competitors if they believe that failing to do so would place them at a competitive disadvantage in terms of market positioning if they do not. Third, and perhaps most problematic, aspect of firm- or competitive-driven social responsibility is the wide range of definitions and orientations that exist in practice. Definitions are declarative in nature and are based on personal experience, practicality, and observed practice. Furthermore, firms' priorities differ when it comes to determining which stakeholders benefit and to what extent they benefit (Orogun, 2010).

3) External Pressures from Investors and Consumers: Institutional investors are one of the most important external stakeholders in a company's operations. According to the evidence, institutional investors do not impose direct or indirect pressure on their portfolio companies to engage in social responsibility activities. The assets under management are made up of a modest part of social funds as well. Corporate social responsibility policies must be extended to include not only their overseas subsidiaries, but also suppliers over whom they have varying degrees of operational control. As production networks become more global, corporations must ensure that their social responsibility policies are applied across the board. Because there are over 63,000 banks with more than 800,000 subsidiaries, multiplied by millions of suppliers and distributors, it is easy to see the size of the difficulty involved in promoting social responsibility within banks and along their supply chains (UNCTAD, 2011). For developing country businesses, the difficulty is figuring out how to turn social responsibility into a competitive advantage while avoiding the risk of being excluded from

global supply chains because of poor social responsibility policies. Companies must make a significant financial commitment in social responsibility, but this investment has the potential to contribute to long-term competitiveness.

4) Regulatory Pressures: The government is the first non-business actor to exert pressure on corporations to alter their business practices, according to the World Economic Forum. The majority of the pressures stem from regulatory activities that have an impact on a company even before the first product is manufactured or marketed. These initiatives are seen as the "least common denominator" in terms of behavioral change, and the effectiveness of these activities is highly dependent on the government's ability to ensure and enforce compliance with the law (UNCTAD, 2011). Governments typically exert pressure on business behavior in areas such as employment conditions and environmental pollution, among other things. Occasionally, these forces result in the establishment of investor and consumer protection programs. Authorities have a tremendous influence over the public policy environment in which enterprises operate. Governments, in addition to serving as regulators, can take an active role in encouraging social responsibility among citizens by acting as consumers (UNCTAD, 2011).

2.3. Benefits Organizations Receive from Social Responsibility

Companies who commit to building a complete social responsibility strategy, according to Orogun (2010), can expect to reap the benefits of a variety of possible beneficial outcomes, including:

2.3.1. Improved Financial Performance and Reduced Operating Costs

Employees of the organization will develop a sense of duty if social responsibility is embedded across the organization. This will eventually become a habit among those who work for the organization. As evidenced by the growing worry among organizations about the rapidly diminishing water and energy resources, this is particularly obvious. Companies are implementing initiatives such as paper conservation, non-use of disposable plastic cups in worker canteens, and other initiatives. This consciousness has arisen as a result of a sense of social and environmental responsibility, which has, in turn, assisted in the reduction of operational expenses. The adoption of a sensitive attitude toward the community forces businesses to strive for environmental improvements, to adopt eco-friendly measures, to use less energy and material, and to reorganize production processes, material flows, and supplier relationships in order to improve their competitiveness (Orogun, 2010).

2.3.2. Improved Customer Loyalty

Consumers want decent, safe products, but they also want to know that the items they buy are created in a socially and environmentally responsible manner, and they are sometimes willing to pay extra for products that are produced in this manner. Product or service quality, price, and intellectual or emotional bonding all contribute to loyalty. When making purchase decisions, an increasing number of customers evaluate the environmental and social implications of a company's actions. Cause-related marketing and cause-related promotions can help to build customer loyalty. The initiative must be identified and implemented by the companies. Having a robust social responsibility plan in place can help your brand gain visibility, recognition, and awareness among your stakeholders. Cause branding aims to promote or reinforce a company's image by displaying its support for a specific cause (Orogun, 2010).

2.3.3. Development of a Better Work Culture within the Organisation and Increased Employee Satisfaction

CSR efforts produce a lot of exposure and goodwill, which helps with talent management because the ordinary employee feels proud to be affiliated with decent corporate citizens. Employers who have a strong social responsibility record are more likely to attract and retain top personnel. Employees would rather work for an ethical and reputable company than receive a greater wage from a company with a reputation for doing business in an unethical manner, according to studies. Social responsibility also results in a motivated and self-assured staff; people who are proud of themselves and their firm. It promotes morale, builds self-worth, and fosters team spirit among co-workers by encouraging a sense of volunteerism (Orogun, 2010).

2.3.4. Enhanced Brand Value and Corporate Image

According to the results of an online poll conducted by the Economic Times in January 2007, 75% of respondents said that corporate social responsibility actions improve the brand equity of the company in question. Social media communications have a significant impact on the branding of companies, and notably on the branding of consumer products. Creating and maintaining a positive brand image is difficult in an environment of increased competition and minimal diversity in product features. Spending money on visible social responsibility activities is a cost-effective way to establish and maintain a company's brand image over time. Customer loyalty is a result of a positive brand image. In order to address the issue of environmental protection on a shared platform where all stakeholders have a voice, the industry and the government have collaborated on a set of principles. Consumers are increasingly interested in environmentally friendly items, which is a rising market. Those that have eco-friendly labels are exhibiting their superiority over products that do not have eco-friendly labels (Orogun, 2010).

2.4. Hypotheses Development

Corporate Social Responsibility and Financial Performance

Social responsibility has arisen as a viewpoint that might improve a company's financial performance and implies that, in order to maximize long-term financial gains, corporate decision-makers must address a variety of social and environmental issues. The size, operational industry, stakeholder expectations, past social responsibility engagement, level of diversification, research and development, and labor market conditions are just a few of the aspects that influence how companies adopt social responsibility in strategic business operations. The benefits of a good reputation are confirmed on one side of the coin, while the costs of adhering to ethical standards are reflected in higher product prices, a competitive disadvantage, and reduced profitability on the other (Handy, 2012).

Financial performance measurement can be done using financial ratio analysis as a foundation for evaluating and analysing a company's operational accomplishment or performance. Profitability is a factor that enables management the freedom and flexibility to reveal social responsibility to shareholders. According to several authors, including Lee and Kotler (2015), and Unnerstad et al. (2013), social responsibility contributes to long-term prosperity. Profits, sales, market share, and the attainment of strategic goals are all indicators of superior financial performance.

*H*1: *There is a strong correlation between the performance of an organization and corporate social responsibility.*

*H*2: *There is a significant impact of social CSR on the performance of an organization.*

*H*3: *There is a significant impact of environmental CSR impact on organizational performance.*

*H*4: *There is a significant impact of corporate social responsibility on corporate reputation, employee commitment, and financial performance.*

3. Methodology

The approach utilized to conduct the research is presented in this chapter. The research design, banking industry profile, demographic and sample size, data collection technique, data collection instrument, and data analysis are all covered.

3.1. Research Design

A research design is a strategy for managing data collection in a methodical way. What you'll need to answer your research questions is determined by the design and approach you use. The research employs both a quantitative and qualitative approach. Quantitative surveying focuses on observing, describing, and documenting components of a situation as they naturally occur rather than explaining them. The design gives a more realistic representation of what happened at a particular point in time. One important advantage of the descriptive survey design, according to Wallen and Fraenkel (2013), is that it has the ability to supply us with a lot of data from a large sample of people. However, according to Creswell (2013), a descriptive study entails data measurement, classification, analysis, comparison, and interpretation. A descriptive research, according to Creswell (2013), identifies and defines the problem, selects techniques for data collection, describes, analyzes, and interprets the findings.

3.2. Population and Sample Size

A research's population is the study of a large group of people who share a common interest for which a study is relevant and useful. Workers in Tanzania's banking industry were the study's target group. The respondents were specifically management staff from various banks in Tanzania's city, Dar es Salaam.

The sample size for the study was calculated using Cochrane's (2006) formula, which is the smallest sample size possible.

$$n = \frac{Z^2 pq}{d^2}$$

When n = minimum sample size, Z = standard normal deviate corresponding to a 5% significance level, p = proportion of target population with a moderate to good standard of practice relating to environmental sanitation (Aswathy, 2015), thus 49 %, $q = 1p$ (1 0.49 = 0.51), d = tolerable error of margin set at 0.05, Z = 1.96. A total of 425 people were analysed using the formula above and correcting for incomplete and non-response rates.

Z^2 is the standard normal variant at a 95% confidence interval in the sample size calculation equation. P is the population's predicted proportion based on past research or pilot studies. Z^2 = 1.96 P = 50%, which is equal to 0.5% d^2 = 1 − 0.5 = 0.5 n = 1.962*0.5*0.50.52 = 384, however 425 were chosen for the full study.

3.3. Sampling Technique

The sampling methodology is a method of selecting and analyzing a small number of individuals or measures of individuals, things, or events in order to learn more about the full population from which they were selected. This study used a combination of convenience sampling and judgment sampling (where employees who are excellent prospects for truthful information were chosen). Convenience sampling is a non-probability sampling method in which participants are chosen based on ease of access and closeness to the researcher. Convenience sampling provided for the selection of the most accessible respondents, whereas judgment sampling assisted in the identification of respondents who appeared to be suitable. As a result, only employees who have been with the organization for more than six months were considered for the study.

3.4. Data Collection Procedure

The information was gathered from two main sources. There are two types of sources: main and secondary. During the field work, primary data was collected from employees by administering questionnaires. The self-completion questionnaire was employed in this investigation. A self-completed questionnaire is those that are given to the respondent directly, who fill them out and returns them to the researcher. Journals, papers, books, reports, publications, electronic books, and the internet were all used to gather secondary data. Secondary data is essential for every researcher since it helps them to see what has been done in their field of interest as well as the processes that were utilized to arrive at their conclusions.

With regards to the validation of the instruments, four experts in the field of Business Management from various noble institutions around the globe such as the University of Ghana, University of Witwatersrand in South Africa, Shenzhen University all validated the research instrument. The questionnaire's reliability was measured using the test-retest method, which showed a good reliability coefficient of r = 0.85 using Pearson product moment correlation. This shows that the instrument's internal consistency is deemed fit for the study.

3.5. Data Collection Instrument

The data gathering instrument was decided to be a questionnaire. Respondents were asked to tick the proper answer to close-ended questions on the questionnaire. The surveys were broken down into pieces to capture the key topics outlined in the study's objectives. After receiving copies of the questionnaire, the respondents were given a full explanation of the questions. The goal was to help respondents comprehend the significance of the study and contribute their own opinions on the questionnaire items. The researcher verified that the questionnaires were well-prepared, allowing for error minimization, in order to obtain accurate and reliable data.

For data collection in Tanzania, the study used a longitudinal survey that lasted three (3) months. Because the study's focus is on the banking industry, 85 bank branches from nine commercial banks in Tanzania's capital and other sub-regions were chosen at random. Employees with a minimum of six months' service with the Banks were recruited for the study.

Hard copies of the collections were distributed, as well as an online survey link provided by Survey Monkey. The questionnaires were collected in batches based on their closeness to one another. Respondents were given one month to complete the questionnaires invariably, however due to scheduling constraints, the data gathering took three months, from January to March of 2021, specifically. The response rate was quite satisfactory after the data was collected, since all respondents responded appropriately and as expected. A total of 425 people responded, resulting in a 100% response rate.

4. Data Analysis and Discussion

4.1. Introduction

The outcomes of the data collection procedure are presented in this chapter with great care, keeping to the methodology principles that were presented and discussed in the previous chapter. In addition to being presented, the conclusions and findings are addressed in light of some of the literature covered in prior chapters of this study, which helps to put the findings into context.

4.2. Demographic Analysis

Table 1 summarizes the demographic information provided by the respondents. According to the table, males accounted for 62% of the respondents, while females accounted for 38%, with a frequency of 264 and 161 respectively. However, 119 out of 425 respondents were between the ages of 0 and 2, 208 out of 425 respondents were between the ages of 2 and 5, and 98 out of 425 respondents were over the age of 5. Furthermore, the bulk of the respondents were in middle level management positions, with 204 out of 425 respondents representing 48%, 140 out of 425 respondents representing 33%, and 81 out of 425 respondents representing 19% of the total respondents as the least. They asked about the respondents' ages in order to learn about their age characteristics, and the majority of the respondents were between the ages of 26 and 32 years, with 174 out of 425 representing 41% of the respondents, the second highest age category was 33 to 40 years, with 149 out of 425 representing 35% of the respondents, 81 were between the ages of 41 to 48 years, and 21 were above 48 years, representing 19% and 5% of the respondents, respectively.

Table 1. Demographic information of respondents.

Item	Scale	Frequency	% age
Gender	Male	264	62
	Female	161	38
Total		425	100
Age of employment	0 - 2 years	119	28
	above 2 - 5 years	208	49
	above 5 years	98	23
Total		425	100
Status/Position	Low level Manager	140	33
	Middle level Manager	204	48
	High level Manager	81	19
Total		425	100
Age of Respondents	26 years -32 years	174	41
	33 years - 40 years	149	35
	41 years - 48 years	81	19
	Above 48 years	21	5
Total		425	100

Author's Construct 2022.

4.3. Responses to Beneficial CSR Interventions Questions

The replies of the respondents are studied in this part in regard to their perceptions of the banks' beneficial initiatives. The numerous questions posed in relation to the questionnaires distributed, on the other hand, are given in a categorical manner.

1) Do the banks indulge in corporate social responsibilities?

In Table 2, the majority of respondents said yes to the issue of whether banks engage in any corporate social responsibility initiatives, while the minority was unsure about the consistency of such activities. As a result, they answered SOMETIMES, with 85% of respondents answering YES and 15% responding SOMETIMES. In conclusion, the study may confidently conclude that banks engage in corporate social responsibility efforts.

2) If yes, what category of corporate social responsibilities do the banks involve in?

According to Table 3, to determine the types of corporate social responsibility activities that banks engage in, respondents were asked to select from a list of CSR activities that included health-related CSR, education-related CSR, community-based CSR, disaster-based CSR, poverty alleviation CSR, and if none of these were available, they were asked to specify. The data gathered revealed

Table 2. Response to Corporate social responsibility indulgence.

	Frequency	% age
Yes	361	85%
No	0	0%
Sometimes	64	15%
Total	425	100%

Author's Construct 2022.

Table 3. Category of CSRs embarked on by the banks.

	Frequency	% age
Health Related CSR	191	45%
Education Related CSR	153	36%
Community Based CSR	64	15%
Disaster Based CSR	0	0%
Poverty Alleviation CSR	17	4%
Other (Please specify)	0	0%
Total	425	100%

Author's Construct 2022.

that banks engage in health-related CSR, as the majority of respondents (45%) agreed. Other respondents, on the other hand, believe that banks engage in education-related CSRs, with 36% of respondents agreeing. Furthermore, 15% of respondents believe that the majority of the company's corporate social responsibility activities are community-based CSRs, while 4% believe that the company's corporate social responsibility activities are usually poverty alleviation CSRs. Nonetheless, none of them believed the company engages in disaster-related or other operations in addition to the ones listed above.

3) What impact does CSR have on the performance of the banks?

Table 4 talks on how respondents were asked to state if corporate social responsibility had or no impact on bank performance in order to acquire an open view on how it might affect bank performance. According to their comments, the majority believe that corporate social responsibility has a good impact on the company's success, with 85% of the total respondents agreeing. Furthermore, 15% of respondents believe that corporate social responsibility has a negative impact on the company's success, but none of them believe that it has no impact.

4) What are some of the non-financial benefits the banks gains from CSR?

Table 5 shows the financial and non-financial benefits of CSR. Corporate social responsibility can result in both financial and non-financial benefits. Non-financial benefits include a larger client base, a better business image (reputation), customer confidence, and customer loyalty (Hilman & Gorondutse, 2013;

Table 4. Impact of CSR on performance of the banks.

	Frequency	% age
Positive Impact	361	85%
Negative Impact	64	15%
No	0	0%
Total	425	100%

Author's Construct 2022.

Table 5. Non-financial benefits of CSR.

	Frequency	% age
Increase in customer base	191	45%
Good corporate image	153	36%
Customer confidence	64	15%
Customer loyalty	17	4%
Other (Please specify)	0	0%
Total	425	100%

Author's Construct 2022.

Chong, 2008; Kaplan & Norton, 1992). According to the responses, the majority of respondents believe that corporate social responsibility increases a company's customer base (45%), followed by 36% who believe that it gives the company a good corporate image (36%), 15% who believe it increases customer confidence, and 4% who believe it increases customer loyalty.

5) What are some of the financial benefits THE BANKS gains from CSR?

Another benefit of corporate social responsibility is financial performance. According to many studies, corporate social responsibility can boost the financial health of any company that participates (De Massis et al., 2015; Gronum et al., 2012; Lonial & Carter, 2015). Increased market share, profit, sales, and share price, among other things, are among the financial rewards. According to the responses, the majority of respondents (45%) believe that corporate social responsibility increases a company's market share. Increased profit earned the second-highest response rate, with 36% feeling that corporate social responsibility boosts profits, 15% believing that it boosts sales, and 4% believing that it raises the company's stock price. Corporate social responsibility, according to the respondents, has an impact on bank financial performance. This is shown in **Table 6**.

6) Do you have a budget for providing social facilities?

In **Table 7** shows budget for social responsibilities as every organization incorporates such a liability in its budget to account for it before engaging in any financial action. In this regard, respondents were asked to indicate whether they budget for any of their social duties on a regular basis. 85% of respondents stated they budget for all parts of their social duty in their remarks, but 15% said they weren't sure.

7) Is the provision of some social facilities more beneficial than others?

According to **Table 8**, In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled.

Table 6. Financial benefits of CSR.

	Frequency	% age
Increase in market share	191	45%
Increase in profit	153	36%
Increase in sales	64	15%
Other (share price)	17	4%
Total	425	100%

Author's Construct 2022.

Table 7. Budget for social responsibilities.

	Frequency	% age
Yes	361	85%
No	0	0%
Not sure	64	15%
Total	425	100%

Author's Construct 2022.

Table 8. Social facilities more beneficial than others.

	Frequency	% age
Yes	336	79%
No	0	0%
Sometimes	89	21%
Total	425	100%

Author's Construct 2022.

In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled. In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled. In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled. In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled. In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled. In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled. In order to evaluate whether certain social amenities are more valuable than others, respondents were asked to choose between yes, no, or occasionally. According to their responses, 79% of people believe that providing some social services is more beneficial than providing others. Some social services are more beneficial than others, according to 21% of those polled.

8) Which of the CSR interventions do you consider beneficial to the banks?

In Table 9, response to the question of whether some social services are more valuable than others, respondents were asked to list the kind of interventions that are more advantageous to the company. The majority of respondents agreed that health-related CSRs are more beneficial to the company than other types of CSRs, with 45% of the total respondents agreeing. On the other side, 36% believe that education-related CSRs are more useful than the rest, while 15% and 4% agree that community-based and poverty alleviation CSRs are more beneficial.

9) How do you decide which CSR intervention to go for?

In order to better understand what factors influence a bank's decision to engage in corporate social responsibility, respondents were asked to select one of the following factors: management decision, government suggestion, employee decision, societal petitions, shareholder decision, or others. The majority of respondents (45%) believe that it is always management's decision to engage in any corporate social responsibility activity. On the other side, 25% believe it is due to social petitions, 15% believe it is due to employee decision, 10% believe it is always due to shareholder decision, and 5% believe it is due to government recommendation. This is explained in Table 10.

Table 9. CSR interventions beneficial to the banks.

	Frequency	% age
Health Related CSR	191	45%
Education Related CSR	153	36%
Community Based CSR	64	15%
Disaster Based CSR	0	0%
Poverty Alleviation CSR	17	4%
Other (Please specify)	0	0%
Total	425	100%

Author's Construct 2022.

Table 10. Decision on CSR intervention.

	Frequency	% age
Management Decision	191	45%
Government Recommendation	21	36%
Employee Decision	64	15%
Societal Petitions	106	25%
Shareholders Decision	43	10%
Other (Please specify)	0	0%
Total	425	100%

Author's Construct 2022.

4.4. Exploratory Analysis

4.4.1. Model

In order to perform the regression analysis of the study, the model below is proposed;

$$\text{Organizational performance} = \text{f}\left(\text{Corporate Social Responsibility}\right) \tag{1}$$

Where the equation could be estimated as;

$$\gamma = \beta_0 + \beta_x + \varepsilon \tag{2}$$

In Equation (2), Y is the dependent variable thus organizational performance, β_0 is the coefficient of the intercept or constant term, β_x represents the coefficient of the independent variable thus corporate social responsibility and ε represents the error term or disturbance that could occur in the model.

4.4.2. Test for Normality

In **Table 11**, the goal of the normalcy test is to determine the type of approach that would be appropriate for the data. A non-parametric approach of analysis is required for a positive or negative skewed distribution, while a parametric method is required for regularly distributed data. The test conditions are 0.05 or fewer p-values in the Shapiro Wilks and Kolmogorov-Smirnov tests (Stebbins, 2001). The studied data in **Table 11** demonstrates that all of the parameters have a p-value less than 0.05, indicating that the data regarding the various constructs is normally distributed, justifying the use of a parametric test approach throughout the investigation.

4.4.3. Test for Data Adequacy

Determine whether the data used in the study is sufficient for exploratory factor analysis. The data was checked for adequacy using KMO and Bartlett's test of sphericity. The test findings are shown in **Table 12**, and the study can clearly affirm that the data is more adequate because all of the variables had KMO test values closer to 1 and Bartlett's test of sphericity values of 0.784, 0.937, 0.804, 0.783, and 0.798 at the 1% significant level. The findings imply that the factors account for 78.4%, 93.7%, 80.4%, 78.3%, and 79.8% of the variation, respectively. As a result, the null hypothesis that the data used is insufficient is rejected.

4.4.4. Convergent Validity

Cronbach alpha, average variance explained, and composite reliability tests were used to ensure that the study's data was reliable and valid. The results of these tests are shown in **Table 13**. The variable factor loadings were statistically accurate, as expected, because all of the constructs' items loaded correctly. All of the variables' CA and CR, on the other hand, were between 0.5 and 0.9; the least loading was 0.60, according to the table. The items used to measure the constructs of financial performance, employee commitment, corporate reputation, social CSR, and environmental CSR all passed the threshold requirement value of 0.5 for average variance explained (AVE) (Henseler et al., 2009), composite reliability, and Cronbach alpha (CA) value of 0.70 and above (Hair et al., 2014). The data to be used in the study has a maximum level of reliability, as shown by these results (see **Table 13** for more details).

Table 11. Test for normality.

	No. of items extracted	Kolmogorov-Smirnova		Shapiro-Wilk	
		Statistic	Sig.	Statistic	Sig
Financial Performance	7	0.312***	0.000	0.721***	0.000
Corporate Reputation	3	0.337***	0.000	0.652***	0.004
Employee Commitment	3	0.262**	0.025	0.716***	0.000
Social CSR	8	0.302***	0.000	0.718***	0.000
Environmental CSR	8	0.325***	0.000	0.756***	0.003

Author's Construct 2022.

Table 12. Test for adequacy of data.

	No. of items	KMO test value	Bartlett's Test of Sphericity
Financial Performance	7	0.784	356.160 (0.000)***
Corporate Reputation	3	0.937	402.101 (0.000)***
Employee Commitment	3	0.804	465.179 (0.000)***
Social CSR	8	0.783	351.231 (0.000)***
Environmental CSR	8	0.798	425.253 (0.000)***

Author's Construct 2022.

Table 13. Convergent validity.

Construct	Items	Loadings	Composite Reliability	Cronbach Alpha	AVE
Financial Performance	FP1	0.76	0.899	0.958	0.598
	FP2	0.77			
	FP3	0.81			
	FP4	0.78			
	FP5	0.78			
	FP6	0.74			
	FP7	0.65			
Corporate Reputation	Coprep1	0.84	0.913	0.955	0.777
	Coprep2	0.90			
	Coprep3	0.91			
Employee Commitment	Empcom1	0.89	0.87	0.965	0.693
	Empcom2	0.89			
	Empcom3	0.70			
Social-CSR	Soccsr1	0.83	0.765	0.935	0.529
	Soccsr2	0.80			
	Soccsr3	0.52			
	Soccsr4	0.75			
	Soccsr5	0.60			
	Soccsr6	0.99			
	Soccsr7	0.88			
	Soccsr8	0.79			
Environmental-CSR	Envcsr1	0.74	0.869	0.954	0.527
	Envcsr2	0.79			
	Envcsr3	0.72			
	Envcsr4	0.75			
	Envcsr5	0.85			
	Envcsr6	0.68			
	Envcsr7	0.67			
	Envcsr8	0.59			

Author's Construct 2022.

4.4.5. Discriminant Validity

Discriminant validity is a method of determining how dissimilar one construct or variable is from another variable or construct (Hair et al., 2014). Fornell and Larker (1981) recommended that the value of square root of average variance explained (AVE) for each variable should be greater than the value of correlation with other variables; this approach is used to determine validity at this stage. The results of the discriminant validity test are shown in **Table 14**.

4.4.6. Results and Discussion of Findings

The study's goal was to learn more about the impact of corporate social responsibility on an organization's performance. In order to determine the extent of CSR's impact on performance, ordinary least square regression analysis was used. However, using the standardized coefficient and the significance threshold, the hypotheses outlined in the preceding chapter are tested, as is the relationship. Furthermore, the two elements of corporate social responsibility are evaluated individually to determine their impact on an organization's success. Environmental CSR had the highest coefficient of 0.81, followed by Social CSR with 0.56, and a combined coefficient of environment and social CSR of 0.17.

The regression coefficient value of = 0.17 (p-value 0.05) indicates that there is a positive association between corporate social responsibility (CSR) and organizational performance (PFR) as shown in **Table 15**. This is due to the direct effect of corporate social responsibility on organizational performance; as a result, an increase of 0.17 % in corporate social responsibility activities among Tanzanian banks could boost their performance (corporate reputation, employee commitment, and financial performance). To account for the indirect influence of social and environmental CSR, the regression coefficient value for social CSR to performance was = 0.56 (p-value = 0.01), and for environmental CSR to performance was = 0.81 (p-value = 0.01). According to the findings, a 1% increase in the banks' social CSR may boost their performance by 0.56%, while a 1% rise in their environmental CSR might boost their performance by 0.81%.

Table 14. Discriminant validity.

	1	2	3	4	5
Financial Performance	0.882				
Corporate Reputation	0.218	0.773			
Employee Commitment	0.394	0.246	0.833		
Social-CSR	0.239	0.255	0.326	0.726	
Environmental-CSR	0.319	0.304	0.338	0.391	0.728

Author's Construct 2022.

Table 15. Assessing the impact on CSR on performance (OLS regression).

	Coefficient	T-statistics	Hypothesis
Indirect effect			
Social-CSR -> PFR	0.56	18.090 (0.000)***	Supported
Environmental-CSR -> PFR	0.81	11.365 (0.000)***	Supported
Intercept	11.32	39.52 (0.000)***	
Direct effect			
CSR -> PFR	0.17	2.103 (0.036)**	Supported
Intercept	9.25	25.69 (0.051)**	
CSR -> FP-CorpRep-EmpCom	0.23	32.65(0.001)***	Supported
Model fitness:	Indirect	Direct	Combined
R2	0.72	0.66	0.75
Adjusted R2	0.81	0.69	0.85
F-statistics	256.321***	236.549***	235.325***
P-value	0.001	0.000	0.000

Note: ***represents 1% significance level, **represents 5% significance level. Author's Construct 2022.

In essence, all the hypotheses outlined are supported in the study's findings.

- *H1 = There is a strong correlation between the performance of an organization and corporate social responsibility.*
- *H1a = There is a significant impact of social CSR impact on organizational performance.*
- *H1b = There is a significant impact of environmental CSR on the performance of an organization.*
- *H2 = There is significant impact of corporate social responsibility on corporate reputation, employee commitment, and financial performance.*

According to **Table 15**, social CSR (H1a) had a substantial impact on performance, environmental CSR (H1b) had a considerable impact on performance, and the association between CSR and performance was also strong and significant. As a result, the study can statistically demonstrate that the relationship between corporate social responsibility and organizational performance is favorably and significantly associated, suggesting that all of the study's hypotheses are supported and accepted.

In comparison to other studies, it was discovered that the findings of this study are consistent with those of (Rettab et al., 2009; Dobre et al., 2015; Lin et al., 2015; Pan et al., 2014; Torugsa et al., 2012; Famiyeh, 2017), as they all believe that there is a positive relationship between corporate social responsibility and organizational performance. This finding could literally mean that by demonstrating social responsibility, an organization's image is projected, thereby strengthening its corporate brand and reputation. It also increases market share because existing and potential customers perceive the organization as charitable and giving back to society. Furthermore, patronage of their products or services will enable the organization to provide social services to the country, which will help to improve the organization's financial performance as revenues will surge as a result of patronage. Employees, on the other hand, feel proud of their company when its reputation is good, and they commit to working harder and more diligently to achieve higher productivity.

According to the findings, there is a significant and well-supported correlation between CSR and financial performance. Many studies in Western, Asian, and other nations have indicated that CSR has a positive impact on financial performance (Rettab et al., 2009; Dobre et al., 2015; Lin et al., 2015; Pan et al., 2014; Torugsa et al., 2012). Furthermore, Choongo et al. (2017) discovered that CSR participation is encouraged in Zambia for financial reasons. As a result, participation in CSR efforts such as energy and water conservation is expected to result in cost savings, which will ultimately improve corporate performance. These findings imply that corporate social responsibility has a positive impact on corporate performance in non-Western cultures as well. A significant %age of the link between CSR and firm reputation is understood. Organizations may have a smaller impact on corporate reputation than major businesses.

Organizational visibility to the public and media is more difficult, according to Fraj-Andrés et al. (2012), because organizations do not generally publicize or publish their CSR initiatives. As a result, CSR may not have a significant impact on corporate reputation, despite the fact that other authors, such as Turban and Greening (1997), claim that CSR activities in organizations contribute to the development of a positive image and strong marketing position, which leads to a competitive advantage. The CSR-employee commitment relationship's conclusion is also only partially recognized. This is a surprising discovery, given that CSR in Sub-Saharan Africa stresses community ties, and businesses think they are responsible for the well-being of their community and employees, including their family members (Demuijnck & Ngnodjom, 2013; Vives, 2005). Strong community ties help to enhance the bond between the company and its personnel. Employee commitment may increase as a result of care for the community, employees, and their families, which may lead to better employee productivity, which may contribute to improved organizational performance in the long run (Ali et al., 2010).

This result could be explained by the fact that improving company performance may entail investing in assets, promoting products, hiring workers, and training and developing employees. Employee loyalty to the company may suffer as a result of this. Business owners can invest in CSR efforts such as training and development to raise employee commitment and, as a result, improve the firm's performance over time. Employee loyalty and cheaper hiring costs will arise from employees' strong commitment to the organization, which will increase the company's performance over time.

5. Conclusion and Recommendations

5.1. Conclusion

Both the quantitative and regression analysis revealed that corporate social responsibility has a favorable and significant impact on an organization's performance (Rettab et al., 2009; Dobre et al., 2015; Lin et al., 2015; Pan et al., 2014; Torugsa et al., 2012). This finding could literally mean that by demonstrating social responsibility, an organization's image is projected, thereby strengthening its corporate brand and reputation. It also increases market share because existing and potential customers perceive the organization as charitable and giving back to society. This research also backs up the stakeholder theory, which focuses on the concept of a social contract, meaning that a company's survival is contingent on how well it functions within society's rules and standards. Furthermore, patronage of their products or services will enable the organization to provide social services to the country, which will help to improve the organization's financial performance as revenues will surge as a result of patronage. Employees, on the other hand, feel proud of their company when its reputation is good, and they commit to working harder and more rigorously to increase productivity.

The majority of Tanzanian banks' CSR operations are health-related, education-related, and community-based projects, according to the report. In addition, most of these decisions are made by management, with rare exceptions made by employees or shareholders.

5.2. Recommendations

It is recommended that organizations achieve Employee Engagement in CSR initiatives. According to previous research, firms should engage workers to a greater extent in higher intellectual processes and implementation processes related to CSR activities (Hill et al., 2003; Aras & Crowther, 2010). They assert unequivocally that "informing employees about CSR initiatives through a variety of channels of communication could be a potent technique of increasing organizations' social responsibility performance" (Aras & Crowther, 2010). This claim is backed up by Cilliberti et al. (2008), who claim that worker participation in CSR-related efforts can significantly boost worker satisfaction as well as the efficiency and effectiveness of CSR projects.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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