



ISSN Print: 2394-7500
ISSN Online: 2394-5869
Impact Factor: 5.2
IJAR 2016; 2(9): 43-50
www.allresearchjournal.com
Received: 09-07-2016
Accepted: 10-08-2016

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Poverty eradication through the corporate social responsibility (CSR) initiatives: A case study on two selected banks in Bangladesh

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Abstract

This paper aims at studying the contribution of the Corporate Social Responsibility (CSR) department of two selected banks; Islami Bank Bangladesh Ltd. (IBBL) and Dutch Bangla Bank Ltd. (DBBL) towards poverty eradication in Bangladesh. This paper also highlights the challenges of the CSR department in eradicating poverty in Bangladesh. Finally the study recommends some suggestions, strategic plans and programs to overcome those challenges in promoting economic development of the country. The methodologies used in this study are analytical and descriptive. The study finds that the CSR policy can be a significant tool to exterminate the poverty level in modern Bangladesh. The study recommends, however, their policies should be improved systematically and effectively since they are facing some challenges in this arena. This paper would be very useful for academicians, researchers, policy makers and others who have interest to study in and learn more about this noteworthy field of knowledge.

Keywords: Poverty, CSR, IBBL, DBBL, Bangladesh

1. Introduction

Poverty alleviation has been a priority in Bangladesh's development plans and programs since 1972 because poverty is one of the biggest problems facing our society today. Though a lot of organizations including NGOs, MNCs, banks, insurances, regional & international organization and government engage with accelerating poverty reduction in Bangladesh. Some of them try to gear up it through performing the CSR. This paper attempts to explore the contribution of CSR towards poverty eradication in Bangladesh by the several organizations. In this paper author used qualitative approach. Data were collected from two organizations, one shariah based and another one conventional organization. A comparative study will be perform by using several statistical tool for testing is it really a way of poverty eradication process or not. This analysis reveals that CSR will be a significant tool to eradication poverty in Bangladesh if the relevant organization able to use their invested fund more systematically and effectively. This exploratory study makes a contribution to the relatively new body of work on CSR in Bangladesh, especially in the poverty eradication sector by the two banks where one is sharia based bank and another one is conventional bank. Poverty is a social, political, moral and economic problem. The poor are often trapped in this situation for most of their lives with little hope to escape for themselves and their children. They are being constantly connected with some of the most pressing social and political problems of our time: crime, violence, broken families, loss of communities, public health crises overpopulation, and environmental degradation, corruption, poor governance, and ethnic conflict. (Baneerjee, Benabou and Mookherjee, 2006).

Corporate Social Responsibility is the commitment of businesses to behave ethically and to contribute to sustainable economic development by working with all relevant stakeholders to improve their lives in ways that are good for business, the sustainable development agenda, and society at large (World Bank, 2001). But is CSR able to alleviate poverty? According to Yunus (1998) people can escape poverty if they are supported by institutions that assist them

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to achieve their potential in a favorable environment. Kolodner (1994) suggested that the private sector through their CSR programs can sufficiently impact whole nations in reducing poverty.

CSR in Bangladesh can also contribute a lot to community development. The corporate house can develop the community by creating employment, providing primary education, contribution to infrastructure development like road and high-ways and addressing environmental concerns. This is more relevant for a country like Bangladesh where the government interventions in these fields being augmented by corporate alliance can go a long way in developing the economy, society and environment. Drucker (1984) argued that governments are inherently unsuited to the time dimensions of social problems. Drucker argued that we need to focus on the private sector instead of governments to help alleviate poverty. Additionally, for many years the World Bank, donor nations, various aid agencies, national governments and civil organizations have fought to eradicate poverty, but the result is discouraging.

Apart from the benevolent social services by some business firms, the new concept of CSR is an emerging one. Businesses are driven by government, labor unions consumer groups and above all by considering CSR as a long time investment in Poverty eradication. In the context of Bangladesh, it is more relevant for the export-oriented industry. Globalization has made CSR practice an imperative for Bangladesh business. CSR concentrates on benefits of all stakeholders rather than just the stockholders. Awareness and sense of necessity for practicing CSR is becoming more and more pronounced as the country has to adapt itself to the process of globalization. But the overall status of CSR in Bangladesh is still very meager. Lack of Good Governance, absence of strong labor unions or consumer rights groups, and inability of the business community to perceive CSR as a survival pre-condition in export and PR investment local market constitute some of elements undermining the evolution of CSR practices. Some untoward incident like boycott from the importer has taught the local business community about the immense importance of CSR and adoption of this modern and competitive practice is gradually increasing in Bangladesh

According to Costello (2007), many companies were often unaware of the possible contribution they could make in alleviating poverty. But why should companies integrate social performance, specifically poverty reduction, into their business strategy? There are several underlying reasons: first, fighting poverty helps establish secure and stable societies that benefit business in a number of ways. Second, poverty exacerbates a number of conditions - including environmental degradation, inadequate health, education system etc (Hill, 2001) - that add directly to the cost and risks of doing business. Overcoming these problems helps to reduce cost, improve resource efficiency and boost productivity (Matthews, 2002). Third, corporations will obtain an informal social license, assisting in conducting business in sensitive environments. The result could produce competent and healthy workers, prosperous consumers and investors, and provide the predictable, rule based and non discriminatory trading and financial systems, through which transaction costs can be reduced and corruption eliminated. As a summary, CSR is an effective medium for the company to reach low income consumers and alleviate poverty. It is regarded as a vehicle through which the private sector can

contribute to poverty reduction and other social objectives (Fox, 2004). We now discuss various poverty alleviation strategies currently available.

Data show that about a fifth of the world's population survive on less than \$1 per day and almost half of the world's population survives with only \$2 per day (Pralhalad and Hart, 2012). What can be done to alleviate poverty? In this paper we first outline the unique opportunities dealing with low-income consumers as they are important joint problem solvers. We then review CSR and types of poverty alleviation strategies launched by corporations. We conclude by proposing an empirical research program as a way to improve the effectiveness of all these programs. The practice of Corporate Social Responsibilities in corporate world as well as financial institutions has brought a new shape to the social economic scenario of the world around. According to Dusuki & Dar (2005) [6] Corporate Social Responsibilities outlines the standard of behavior to which a firm must subscribe to impact society in a positive and a productive manner at the same time as abiding by values which exclude profit seeking at any cost. Corporate Social Responsibilities is a set of management practices that ensures the company maximizes the positive impacts of its operation on society or "operating in a manner that meets and even exceeds the legal, ethical, commercial and public expectations that society has of business" (BSR, 2001). Jamali & Mirshak (2007) states CSR is therefore founded on a stronger recognition of the role of business as an active partner in a world of scarcity and dwindling resources. Factors like social awareness, regulatory requirements, pressure from social activists, nongovernment organization have driven banks to go for social activities. Banks all over the world, in developed as well as in developing countries, are adopting various social activities for social sustainable developments.

Up to now research has been done on CSR practice of different manufacturing companies as well as commercial banks in Bangladesh, but highlight on the contribution of the Corporate Social Responsibility (CSR) towards poverty eradication in Bangladesh is a new dimension which is the main focus point of this paper. The remainder of the paper proceeds as- Section 2 includes the literature review, section 3 states the objective of the study, section 4 describes the methodology used for this study, section 5 CSR Initiatives in Bangladesh in the perspective of Islamic Bank and DBBL, section 6 Analysis and Findings and lastly section 7 gives the conclusion part.

2. Literature Review

Though the practice of CSR has been exercised in the business communities for a long time, formal research on this issue has been generated in the 20th century. Carroll (1999) [5] states that although it is possible to see footprints of CSR thought throughout the world (mostly in developed countries), formal writing have been most evident in the United States, where a sizeable body of literature has accumulated. Bowen (1953) set forth an initial definition of the social responsibility of businessmen as "It refers to the obligation of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objective and values of our society." Carroll (1999) [5] has designated Bowen as the father of CSR". Following to Bowen many researches were done on the definition of CSR, its dimension and importance. In Harold Johnson's (1971) paper titled as Business in

Contemporary Society: Framework & Issues, the author presented a variety of definition on view of CSR and then proceeded to critique and analyze them. Steiner (1971) extended the meaning and circumstances under which CSR might be interpreted and applied. The World Bank (2001) defined poverty as relevant to the current condition and is expanded to include all the dimensions of human well-being: adequate food, shelter and comfort; reduced vulnerability to external shocks; access to education, health care, and basic infrastructure; and the opportunity to participate in social and political life on an equal basis with the rest of the population. The poor have to endure external and uncontrollable events hunger, violence, illness, unemployment, natural disaster, malnourishment, and depression (Henderson, 2004). Many markets and social groups are rejecting them as well. Dealing with poverty leads to tremendous challenge and opportunity as the poor would prefer a better life but they are in an acutely constrained environment and are often discouraged because they are powerless to achieve a better life. The poor are survivors who are both adaptive and value and brand conscious. The poor can be determined to achieve when they have the opportunity (Magleby, 2006). "The poor do not want charity. They want to be active players in the market economy. They want jobs; they want bills – a welcome sign of legitimacy; they want choices and even leisure products that some outside observers would consider luxuries" (World Business Council for Sustainable Development 2005, p. 25). Most companies tend to focus on the upper and middle class, but there is a huge potential of consumers who have little disposable income but are a promising market if businesses can rethink their strategies. "Looking outside the box offers opportunities for innovative and visionary firms to develop technologies, products and services geared specifically at meeting the unmet needs in the emerging and survival economies" (McIntosh and Mohan 1999, p. 2). Prahalad (2005) argues that large-scale and wide-spread entrepreneurship is the key solution to poverty reduction strategy by offering them choices and encouraging self-esteem. Matthews (2002) suggested that companies need to incorporate social performance and specifically poverty reduction into their business development strategy because fighting poverty helps create a secure and stable society that assists businesses in a number of ways. Currently, there are more and more companies recognizing the importance and value of combining commerce and social development. By focusing on wealthy consumers and partner organizations who participate in the formal economy, these firms are seeing only the tip of the iceberg (London and Hart, 2004). According to Prahalad (2005, p. 3), "What is needed is a better approach to help the poor, an approach that involves partnering with them to innovate and achieve sustainable win-win scenarios where the poor are actively engaged and, at the same time, the companies providing products and services to them are profitable". Next, we will discuss Corporate Social Responsibility as a medium to reach the poor. Cochran and Wood (1984) surveyed the various ways in which social performance and financial performance had been operationalized in the past and decided to use a reputation index as their measure of CSR. Hoffman, Frederick and Schwartz (2001) tried to address whether a corporation has a conscience and how ethical governance and managed care can coexist. They stressed the need for corporate morality.

Musonera (2010) depicted that whenever organizations, companies, businesses contribute to the community they are giving back to the people. Dusuki & Dar (2005)^[6] identifies several driving forces behind the growing trend towards CSR initiatives like growing market pressure on social and ethical issues, regulatory pressure, increased power of communication etc. On the other hand, the practice of Islamic banking has expanded remarkably. Salma (2005)^[8] states that, the practice of Islamic banking and finance has been institutionalized and has experienced impressive growth over the recent decades. Iqbal and Molyneux (2005) quote as of 2004, the prevalence of 70 Islamic banks (excluding those in Iran and Sudan), 40 conventional banks offering Islamic banking windows, 200 Islamic investment funds and 70 Islamic insurance companies, with a total market operation exceeding US\$ 150 billion. Dusuki & Dar (2005)^[6] finds that the areas and dimensions of CSR as proposed by many Western theoreticians and international bodies may well be applied to Islamic banking since most of them are consistent with the spirit and the teachings of Islam. Al Omar and Abdel-Haq (1996) indicate the duty of Islamic banks towards the society in which they operate by providing a clear expression outlined in the public statement of the International Association of Islamic Banks. Farook (2007)^[11] recognizes the dimensions of Islamic social responsibilities for Islamic Financial Institutions. Hasan (2005)^[1] and Tag el-Din (2005) voiced out the need to evaluate the performance of IFIs with reference to their contribution in meeting their social responsibilities. Hasan & Latiff (2009)^[2] states that as per Islamic business ethics, CSR of the business organization and Islamic Financial Institutions should be seen as a benefit rather than a cost. Metwally (1992), Aggarwal & Youssef (2000), Maali *et al* (2003) found that Islamic banks are not completely fulfilling their role in accordance with the prescription of Islam. The same sort of result was found by Usmani (2002). He found that very few Islamic banks and financial institutions have paid attention to the social aspects. He further highlight that in a number of Islamic banks, other permitted forms of financing are not affected according to the procedures required by the Shariah. Now it is the time to evaluate the scenario in context of Islamic Banks of Bangladesh. In Bangladesh Alam (2000)^[3] undertakes a case study on an interest-free financial institution in Bangladesh known as Islamic Bank Bangladesh Limited. Sarker (1999)^[9] in his study analyzes the performance, problems and prospects of Islamic Banking in Bangladesh. Islam, Hossain and Haque (2005) found that a significant statistical difference in sales revenue and in employee size between companies having environmental disclosure and companies not having environmental disclosure prevails in Bangladesh through using Wilcoxon rank sum test and Mann-Whitney U Test. Wise & Mahboob Ali (2009)^[12] determines the nature and extent of CSR reporting in the conventional banking sector in Bangladesh and to assess the need to improve CSR by such firms. Wise & Mahboob Ali (2010) further extends their work by concentrating to the nature and extent of corporate social responsibility disclosure in the banking sector in Bangladesh. But up to now no research has been done on the poverty eradication through CSR activities in Bangladesh. So this paper focuses light to the concept of CSR from the perspective of the Islamic bank and the conventional bank towards the alleviation of poverty through practices of CSR in Bangladesh. Basically this paper aims at studying the

contribution of the Corporate Social Responsibility (CSR) initiative of two selected banks; Islami Bank Bangladesh Ltd. (IBBL) and Dutch Bangla Bank Ltd. (DBBL) towards poverty eradication in Bangladesh.

3. Objectives of the Study

The overall objective of this paper is studying the contribution of the Corporate Social Responsibility (CSR) initiatives of two selected banks; Islami Bank Bangladesh Ltd. (IBBL) and Dutch Bangla Bank Ltd. (DBBL) towards poverty eradication in Bangladesh. To achieve this objective, specific objectives have been set as:

- To know about the challenges of the CSR initiatives in eradicating poverty in Bangladesh.
- To know about the role of Islami Bank Bangladesh Ltd. towards poverty eradication through CSR initiatives.
- To know about the role of Dutch-Bangla Bank Ltd. towards poverty eradication through CSR initiatives.

4. Methodology

As our intention is to get a picture of the contribution of the Corporate Social Responsibility (CSR) department of two selected banks; Islami Bank Bangladesh Ltd. (IBBL) and Dutch Bangla Bank Ltd. (DBBL) towards poverty eradication in Bangladesh we mainly focused for secondary data. The following secondary data sources have been used:

- a. Informal contact with the relevant person/ parties.
- b. Annual Report: Banks have to disclose information regarding their participation in CSR on the annual report so that investors and all other related parties can know about the banking decisions. So we looked at the annual report to learn about banks' activities as a part of their CSR.
- c. Web-site: As a part of promotion tool, banks disclose all related information of its business products, services and most of all CSR activities. So by visiting sample banks' website, we gathered some important data.
- d. Newsletter: Newsletter issued by banks also content important information regarding social activities.
- e. News Paper & Magazine
- f. Publication of Bangladesh Bank

5. CSR Initiatives in Bangladesh

5.1 CSR in Islamic Bank

Islamic banking inherent the principle of equity based investment. That means under Islamic banking profit and loss earned by the bank is distributed among the depositors and also investment is done based on profit/loss sharing basis. Alam (2000) ^[3] states that the introduction of interest free and equity based financing by the Islamic banking is based on the principle of Islamic economics. Mella *et al* (1988) observes that the aim of Islamic economics is not only the elimination of interest based transaction and the introduction of the Zakah system but also the establishment of just and balanced social order free from all kinds of exploitation. The intense commitment of Islam to justice and brotherhood demands that Islamic banks should follow their responsibility towards society. Also as per Islamic Shariah, all Islamic banks should be aware and involved in social responsibilities. According to Sadeq (2007) ^[11] the prime objectives and functions of Islamic banks are the achievement of general human being; bringing about social and economic benefits to the Islamic world; making brotherhood, social equality and equitable distribution a

reality in Muslim societies; establishment of distributive justice; development and support of small scale enterprises; discharging of corporate social responsibility, including its disclosure. Farook (2007) ^[11] identifies vicegerency of mankind on earth, divine accountability and the duty on mankind to enjoin good and forbid evil as the three major foundational principles for Islamic Corporate Social Responsibility. He further states that Islamic financial institutions have a responsibility to comply with the form and substance of Islamic Law in all aspects of their operations. This is because they are in a representative and exemplary religious position, whereby they represent the interests of their stakeholders and at the same time are exemplars to their stakeholders. Farook (2007) ^[11] divides the corporate responsibilities of Islamic financial institutions into two groups as- mandatory and recommended. He defines the terms as-

5.1.1 Mandatory Forms of CSR

This form of social responsibility refers to conduct that must be carried out or conduct that must be avoided. This form of social responsibility does not involve a significant amount to be invested rather they are within the reach of every bank.

5.1.1.1 Screening of Investment

Islamic banks should not invest money in enterprises that engage themselves in impermissible activities of Islam. They should have a clear policy outlining their method of screening investment and the depth of their screening. All the six sample Islamic banks in Bangladesh involve themselves in the permissible activities and try to restrict their involvement from impermissible ones. This scenario is reflected from the investment portfolio of the sample banks.

5.1.1.2 Earning Prohibited by Shariah

Earning from impermissible activities is impermissible to be utilized for the operation of the bank. As the sample banks engage in permissible acts, so they can protect themselves from earnings prohibited by Shariah and this is imitate from the different earning sources as reported in income statement of the banks.

5.1.1.3 Responsible Dealing with Clients

Islamic banks need to ensure that they substantially follow Islamic prescriptions on how to deal with debtors. In this aspect, the sample banks try to follow as much softness as possible. But in some cases it becomes difficult for them because they do business with people money and need to protect depositors' interest.

5.1.1.4 Employees

It is the responsibility of the Islamic bank that they deal with all employees equally and should treat with them with justice. It is better if they maintain a policy on the fair treatment of employees. It is difficult to judge on this issue without having a direct survey from the employees, however all the sample banks maintain a service policy for their employees.

5.1.1.5. Zakah

In Islam Zakah has been given importance in every case. It has been set as one of the five basic moralities of Islam. So every Islamic bank should have a Zakah fund for collection and payment of Zakah. All the sample banks of this study

maintains Zakah fund to accomply with the Shariah requirements. So from the above discussion, it is apparent that the sample banks are fully involved in the mandatory forms of CSR as prescribed by Farook (2007) ^[11].

5.1.2 Recommended Forms: This includes conduct that the Islamic financial institutions should engage in if it has the ability or capacity. The recommended forms of CSR practice of Islamic financial institutions as been denoted by Farook (2007) ^[11] are as below:

5.1.2.1 Qard Hassan: Gratuitous loan given to needy people for a fixed period without requiring the payment of interest or profit.

5.1.2.2 Reduction of impact on the environment: To ensure that investment which are harmful for the environment be avoided by the banks as well as their clients.

5.1.2.3 Screening clients and contractors: Islamic banks should screen and negotiate terms with customers to ensure their activities comply with Islamic principles.

5.1.2.4 Industry wise investment quotas: Islamic banks should direct their investment to the most beneficial industry for economic development and are aligned to Islamic Principles.

5.1.2.5 Social impact based investment quotas: Should invest in industries that produce social, cultural or religious development.

5.1.2.6 Environmental impact based investment quotas: Should invest in projects that will benefit the environment.

5.1.2.7 Par excellence customer service: Banks should provide the best service possible to the clients.

5.1.2.8 Micro & small size business and social savings and investment: To provide assistance for poor and week units in the economy.

5.1.2.9 Employee welfare: Islamic banks should try to improve the socio-economic condition of employees.

5.1.2.10 Charitable activities: Islamic banks should give charity to the fullest extent of their capacity.

5.1.2.11 Waqf management: Securing revenues from awqaf and distributing it to the specific charitable causes.

5.2 CSR in DBBL: Social Responsibilities and Economic performance

The ethos of DBBL for pursuing its activities in social arena has got further momentum with your enthusiasm and support. Dutch-Bangla Bank Foundation (DBBF) is consistently pursuing its objective of being active in those social areas where it is needed most. The Foundation carries out diverse social and philanthropic activities in the field of education, health, conservation of nature, creation of social awareness, rehabilitation of distressed people and such other programs to redress human sufferings. It also promotes different socio-cultural and sports activities. Board of Directors in order to discharge its corporate social

responsibilities in a greater perspective continued its contribution amounting to 5.00% of Bank's profit after charging loan loss provision to Dutch-Bangla Bank Foundation (DBBF). DBBL is socially responsible in various says. It is helping the society in the following ways:

5.2.1 Scholarships

Education is a pre-requisite for the overall development of the country. Dutch-Bangla Bank Limited (DBBL) has been awarding the largest number of scholarships in Bangladesh for the meritorious and needy students every year since 2003. This scholarship is available for different levels of education such as:

5.2.1.1 HSC and Graduation Level: DBBL awards about 300 new scholarships every year to needy and meritorious students along with the continuing awardees studying at HSC and Graduation Level.

The Scholarships are available for the entire academic period and the Bank spends about Taka 4.00 crore every year for awarding these scholarships. Under this program a scholarship awardee is provided with the following benefits

5.2.1.2 M. Phil / Ph.D/ Post Doctoral Level: Fellowship is awarded to those researchers having Masters Degree and studying at different public universities in M. Phil / Ph.D/ Post Doctoral Level. Every year 50 fellowships are given in this level to the researchers for their full research period (as required by the university curriculum) at the rate of Taka 5,000.00 per month.



5.2.2 Assistance to Ibrahim Cardiac Hospital

An amount of Taka 93,600,000.00 was donated to Ibrahim Cardiac Hospital for setting up a Cath Lab, two Operation Theatres with facilities for Liver & Kidney Transplantation and Heart Surgery.

5.2.3 Smile Brighter

Cleft-lip is far more a social set back than a health problem. Boys and girls cursed with cleft-lips face a lot of problems in everyday life ranging from disruption of formal education, attending social ceremonies and impediment at the time of getting married. Considering the gravity of the situation DBBL has taken the initiative to bring back smile on the face of the boys and girls with cleft-lip through plastic surgery since 2003. More than 3000 number of poor cleft-lipped

boys & girls have so far been successfully operated across the country. Besides special camps were arranged under this 'Smile Brighter' program in Dhaka, Chittagong, Cox's Bazar, Rajshahi, Sylhet, Khulna, Barisal, Bogra, Comilla, Rangpur, Dinajpur, Lalmonirhat, Faridpur, Jessore, Mymensingh, Sirajgonj, Kushtia, Satkhira, Feni, Savar, Bhola etc. As a continuous process, the cleft-lipped boys & girls are being operated across the country for restoration of hope and dignity in their lives.

5.2.4 Assistance to Acid Victims

Since 2000, DBBL launched massive campaign against social menaces like acid violence through print & electronic media. Subsequently, DBBL has taken a financial support program to rehabilitate the helpless acid victim women of the country by maintaining small scale agro-based rural enterprises like poultry, vegetable farming, goat farming, fish farming etc. Under this program, 351 acid victims already received financial support at the rate of Taka 10,000.00 (Taka ten thousand) each to become self-reliant.

5.2.5 Caring patients living with AIDS/HIV Positives

In the year 2000, DBBL first initiated a campaign on AIDS prevention through print and electronic media. Subsequently, DBBL has taken a financial assistance program for supporting HIV positive patients since 2004 titled- "Caring Patients Living with AIDS." Under this program, 50 HIV/AIDS patients (HIV/AIDS affected women and children) are being provided with ARV medicines, clinical supports, food supplement and others.

5.2.6 Prevention of drug abuse

An amount of Taka 1, 00, 00,000.00 (Taka one crore) was donated to APON to establish the first comprehensive drug rehabilitation centre in Bangladesh named "APONGAON" at Singair, Manikganj.

5.2.7 Rural Medi-Care Service Center

DBBL has established 10 Rural Medi-Care Service Centers at its rural branches to render free medical services to the rural and destitute people of the adjoining areas especially for the women and children.

5.2.8 Assistance to Impact Foundation Bangladesh

Taka 21, 00,000.00 (Taka twenty one lac) was donated to Impact Foundation Bangladesh to procure equipment and medical instrument for Operation Theater of a newly build hospital named "Jibon Mela" at Meherpur district.

5.2.9 Assistance to Thengamara Mohila Sabuj Sangha

Taka 10, 00,000.00 (Taka ten lac) was donated to Thengamara Mohila Sabuj Sangha for modernizing the Operation Theater of Rafatullah Community Hospital, Bogra.

5.2.10 V.V.F. & prolaps uterus operating facilities for the financially handicapped women

DBBL has been providing financial support to poor and helpless women suffering from V.V.F. & prolaps uterus to meet entire cost of repair to bring them back to normal & reproductive life.

5.2.11 Saving the Nation from the curse of Dowry

Since 2000, DBBL initiated massive campaign against dowry culture through print & electronic media to restore

hope & dignity in lives of dowry victims. DBBL has been extending financial assistance to the helpless dowry victim women by setting up agro-based rural enterprises like poultry, vegetable farming, goat farming, fish farming etc. Under this program, 800 dowry victims already received financial support at the rate of Tk. 10,000.00 (taka ten thousand) each to become self-reliant.

5.2.12 Financial assistance to meet natural disaster

The Bank's foundation undertakes a number of programs arising out of the natural calamities and health hazards which are emergent in nature and cannot be addressed by the poor people. In

2007, a total amount of Taka 4,21,25,000.00 in cash and kind was donated for rehabilitation of people seriously affected by cyclone, flood and land slide. The donations in kind included food, medicine, water purifying tablets and blankets.

5.2.13 National Steering Committee on Voter List and National ID Card Project

DBBL donated Tk. 87,00,000.00 (eighty seven lac) to National Steering Committee on Voter List and National ID Card Project to procure laptop computers and accessories for the implementation of Pilot Project for Voter Registration and National ID Card.

5.2.14 Pediatrics Department of Sir Salimullah Medical College & Mitford Hospital

DBBL has donated a Multimedia Projector to Pediatrics Department of Sir Salimullah Medical College & Mitford Hospital for facilitating modern medical education.

5.2.15 Pediatrics Department of Dhaka Medical College Hospital

DBBL has donated a Multimedia Projector to Pediatrics Department of Dhaka Medical College Hospital for facilitating modern medical education.

5.2.16 Donation to Nurture

Taka 5, 00,000.00 (Taka five lac) was donated to Nurture for setting up a physiotherapy unit in their new six storied building.

5.2.17 Assistance to 14 selected organizations

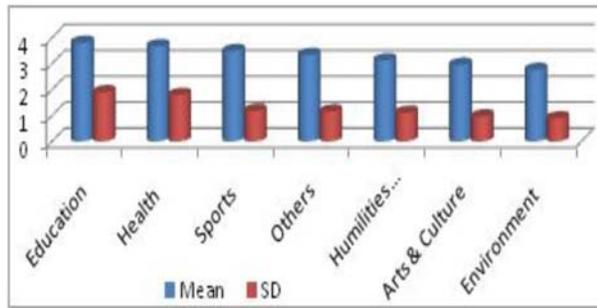
Financial support was given to 14 selected organizations working with disabled children for ensuring education, training and rehabilitation.

5.2.18 Mass campaign for prevention of road traffic accident

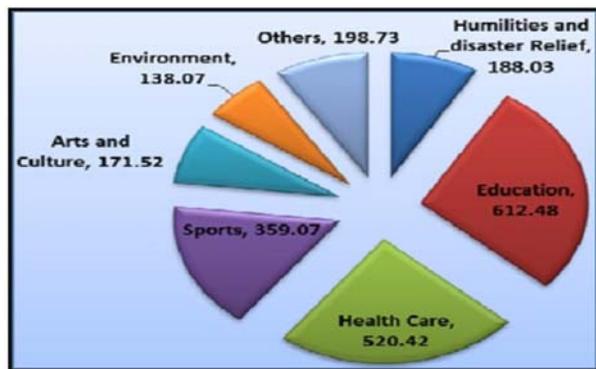
Taka 2, 00,000.00 was given to Nirapad Sarak Chai to organize the program named National Road Safety Day-2007. Mentionable that Taka 5, 80,000.00 was given earlier to Nirapad Sarak Chai for helping the families victimized by road accident.

6 Analysis and Findings

The respondents' were asked to give their opinion regarding the level of importance of some important sectors of CSR practices. For descriptive analysis, the researchers considered the mean and standard deviation of the sectors of CSR practices. On the basis of respondents significant opinion following table and graph are designed.



From the above table and graph indicate that the private commercial banks have given the more concentrations in the sector of education followed by healthcare, sports, Humiliates & disaster relief and others. The CSR initiatives has proved that the respondents opinion is accurate because in 2011 the sector wise pattern of CSR expenditure BDT (million) private commercial banks in Bangladesh is given below with a chart.



In the year 2013, the 'Education' and 'Health Care' sectors were getting more attention and appeared to be the most popular sectors for CSR activities as huge investments are being made by several banks in these segments. Besides these two important sectors large concentrations are found in the field of sports, humanities and disaster relief. As earlier the researchers mentioned, the banks are spending in CSR purpose is increasing gradually. The following table has proved the statement. In general, there are three types of poverty alleviation strategies used by corporations. The first model is the 'profit' strategy. This model enables the company to explore the untapped market of low income consumers by creating affordable goods and services with the expectation to find profit within these low income consumers (London and Hart, 2004). The starting point is the company's resources and capabilities, then the creation of innovative products and/or services to match the needs of low income consumers. The poor then will bring the wealth back to the company. The second model is the 'non-profit' strategy. The poverty alleviation programs are launched by non-profit organizations. The organization directly provides help for the poor with nothing expected in return.

As an example, the St. Vincent de Paul Society of Australia supports homeless men, women and children, families and youth with financial assistance, temporary shelters and other social activities.

The final model is a CSR model. This is where the company has a social mission. This model uses the problems and challenges faced by low income consumers as a starting point. The problems are critically analyzed and solved with

both parties reaping the benefits. The starting point of this strategy is the poor. The poor offer challenges and opportunities; subsequently social strategy is created to solve these problems. The products and services will bring wealth to the low income consumer and then transfers back to the company who supplies it. The difference with the previous two models is that problems and challenges for low income consumers are solved while both can benefit from the relationship. These types of company combine the passion of a social mission with an image of business-like discipline, determination and innovation (Clayton *et al.*, 2006).

The central criterion for this company is mission-related impact, not merely wealth creation (Dees, 2001). By using the low income consumer as important joint problem solvers, we can concentrate and tackle the cause of problems not just the symptoms. Understanding the dynamics of poverty is a key factor to delivering an effective poverty alleviation strategy. Unfortunately, although an increasing number of firms are exploring the economic opportunities for low income consumers, strategies in these markets have not been empirically examined in the marketing literature (Hout, Porter, and Rudden, 1994; Barlett and Ghoshal, 1989; London and Hart, 2004).

Bangladesh is a developing country. Because of global competitiveness and demand, the CSR practices and standards are being implemented in Bangladesh. But we are yet go a long way. There are challenges to implement CSR properly in Bangladesh. Ultimately CSR practices should be better practiced in Bangladesh for better and enhanced performance. In the publication "Good Governance and Market-Based Reforms: A Study of Bangladesh, Fara Azmat and Ken Coghill relates Good Governance with CSR by discussing the good governance indicators of regulatory quality, rule of law and control of corruption in the context of Bangladesh and analyses how lack of good governance indicators affects the success and sustainability of reforms and contributes to the lack of business ethics and CSR in Bangladesh. There are a number of reasons for doubting the claim that adopting CSR will make growth more inclusive and more equitable, and thereby reduce poverty. The evidence presented here suggests that CSR is unlikely to have a significant impact on poverty in the South, except in a limited number of rather specific cases. A key factor constraining the impact it is likely to have on the production side is the relatively small number of people employed in developing countries by the leading TNCs that have adopted CSR. Similarly, on the consumption side, most of these companies do not produce goods for the poor. This is not to deny that TNCs may well contribute to poverty reduction through social projects of a charitable nature, but this should not be confused with the adoption of CSR, which involves the integration of environmental and social considerations into core business strategies. As at present constituted, CSR initiatives do not include poverty reduction as a major objective, focusing rather on environmental issues and labor and human rights. These are undoubtedly important issues, and this article should not be read as a criticism of this orientation. However, given the lack of an explicit focus on poverty reduction, the first question that needs to be addressed is whether or not CSR as it is currently practiced helps indirectly reduce poverty.

7. Conclusion

Some of the characteristics of CSR highlighted in the editorial introduction to this special issue of International

Affairs suggest that there are inherent features which limit its ability to address poverty. The question to consider is whether the CSR agenda can be extended to incorporate poverty reduction as a key element, along with labor rights and environmental protection. The first is the way in which CSR prioritizes the 'business case' which, as pointed out above, is particularly difficult to make in relation to poverty reduction. While there is some (debated) evidence that high environmental and labor standards are associated with better financial performance, there is no reason to suppose that a similar relation will exist between company actions to reduce poverty and profitability. A second limitation lies in the origins of the current CSR movement as a response to criticism of the environmental and social impacts of the organization.

This has led to a definition of CSR largely in negative terms—firms should not harm the environment, not employ child labor, not discriminate in employment, not be complicit in human rights abuses—or at best permissive terms: they should allow freedom of association and collective bargaining. Tackling global poverty would require a much more positive commitment, for example to discriminate in favor of the poor in employment, or to provide goods to the poor at discounted prices.

Finally, the centrality of stakeholders within CSR also limits its usefulness in approaching poverty. Almost by definition, the poor are those who do not have a stake. When an organization invests in a country's capital city, the poor in remote rural regions will not be considered stakeholders; moreover, the decision of many investors to concentrate in the capital both reproduces their poverty and excludes them from being stakeholders.

In conclusion, then, CSR as currently practiced is unlikely to play a significant role in reducing poverty in developing countries, despite the enthusiasm of many development agencies. It is also doubtful whether reform of CSR can make it more amenable to achieving this objective.

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