

# **Determinants of Corporate Social Innovation in South Africa's Commercial Banking Sector**

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Ethics Clearance Number: H20/07/16

A thesis submitted to the Faculty of Commerce, Law and Management,  
University of the Witwatersrand, Johannesburg, in fulfilment of the  
requirements for the degree Doctor of Philosophy

March, 2024

## Declaration

I, the undersigned, Lee Larbi, hereby declare that this research is my own, unaided work. It is being submitted in fulfilment of the requirement for the degree of Doctor of Philosophy at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

I further declare that:

- I have followed the required conventions in referencing the thoughts and ideas of others and,
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8 March 2024

## **Abstract**

This study is situated within the realm of Social Innovation (SI), specifically focusing on Corporate Social Innovation (CSIn) within the South African commercial banking sector. Addressing a significant gap in the understanding of the determinants of CSIn within this context, the study draws upon Institutional Theory and Social Capital Theory to extend theoretical insights in the domain of SI. While traditional Corporate Social Responsibility (CSR) practices often view social and environmental issues as external to core business strategy, the concept of Creating Shared Value (CSV) has emerged, emphasising the creation of economic value while addressing societal challenges.

Employing a sequential mixed methods approach, the study first administered a seven-point Likert scale questionnaire to 219 CSR professionals within commercial banks in South Africa. Subsequently, semi-structured interviews were conducted with 14 CSR senior managers and leaders to deepen the findings. Path analysis and Confirmatory Factor Analysis (CFA) were used for quantitative analysis, revealing positive and significant relationships between management support, transformational leadership, and internal social capital with CSIn in South African commercial banks. Furthermore, the study found that internal social capital mediates the relationship between transformational leadership and CSIn, and that transformational leadership mediates the relationship between management support and CSIn, as well as social proactiveness and CSIn in South African commercial banks.

The qualitative phase of the study involved thematic analysis of interview data to complement the quantitative findings. Methodological triangulation was employed to enhance the validity of the

results. Given the underdeveloped and empirically lacking literature on CSIn, particularly in the commercial banking industry, this study makes a substantial contribution by identifying key determinants and enriching the theoretical understanding through empirical insights. It underscores the importance of social innovative behaviours within banks in addressing societal challenges, fostering a culture of social innovation that contributes not only to meeting Environmental, Social, and Governance (ESG) targets but also brings numerous implicit benefits.

## **KEY WORDS**

Social Innovation, Corporate Social Innovation, Institutional Theory, Social Capital Theory, management support, social proactiveness, internal social capital, external social capital, transformational leadership

## **Acknowledgements**

I would like to thank the following people for their invaluable contribution and assistance in completing this research report:

- To my supervisor, Dr. Rob Venter whose continuous supervision was critical in the completion of this research report. Rob has supervised both my honours and masters research and I'm grateful to have had him in my corner over the past few years.
- To my parents and my siblings for their enduring support and constant motivation.
- To the CSR professionals who so generously gave up their time to participate in my study.

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## **List of Abbreviations**

**CSIn – Corporate Social Innovation**

**SI – Social Innovation**

**CSI – Corporate Social Investment**

**CBA – Cost Benefit Analysis**

**CCM – Catchment Characterisation and Modelling**

**CEAI – Corporate Entrepreneurship Assessment Instrument**

**CSE – Corporate Social Entrepreneur**

**CSR – Corporate Social Responsibility**

**CSV – Create Social Value**

**CVP – Customer Value Proposition**

**ESG – Environmental, Social and Governance**

**NGO – Non-profit organisation**

**R&D – Research and Development**

**ROI – Return on Investment**

**SE – Social Entrepreneurship**

**SEA – Social Entrepreneurship Agency**

**SEAS – Social Entrepreneurship Antecedent Scale**

**SCES – Social Corporate Entrepreneur Scale**

**SROI – Social Return on Investment**

# **Chapter 1: Introduction**

## **1.1 Introduction**

This study is located within the domain of Social Innovation (SI), and more specifically, Corporate Social Innovation (CSIn) within commercial banks in the South African financial sector. Theories within Social Innovation include Institutional Theory and Social Capital Theory and have been empirically explored by several authors (Van Wijk, Zietsma, Dorado, De Bakker and Martí, 2019; Landry, Amara and Lamari, 2002). However, limited empirical research and theoretical developments have been done that broaden the knowledge on SI within a commercial banking context.

In conjunction with theoretical and empirical insights, the study looked to extend SI knowledge and the underlying theories by first identifying the key determinants of CSIn within commercial banks in South Africa, and then subsequently establishing the perceived relationships between the constructs and CSIn.

## **1.2 Background**

Over the past several years, SI has become a highly discussed topic and has received increased academic interest as it is believed to be a possible solution to address societal issues that have failed to be addressed by existing stakeholders such as civil societies, NGOs, government, and organisations (Svensson and Hambrick, 2019). SI refers to processes, methods, ideas, and outcomes that provide novel means to address societal issues (Mirvis, Herrera, Googins, & Albareda, 2016). When adopted at the corporate level, SI receives the denomination of Corporate

Social Innovation (CSIn), an initiative that aims to create both social and shareholder value with the potential to change organisation strategies to increase competitive advantage, enhance employee motivation, change innovation systems, while simultaneously bringing solutions to societal needs (Maltz and Pierson, 2022).

Since the 2008 financial crisis and recession, financial institutions such as commercial banks increasingly have had more of an imperative to focus on the interest of all internal employees, as well as the society at large (Lins, Servaes & Tamayo, 2019). When commercial banks and external stakeholders; including investors, are faced with internal operational issues such as unethical leadership, this can result in a negative impact on society.

South Africa, like many other countries, is plagued by many societal issues related to extreme poverty, food security, and education (Francis & Webster, 2019). CSR emerges in environments where there are severe socio-economic challenges (Santos, 2012), therefore it is important that the distinct attributes of the South African context be examined. The conditions that drive CSR include high levels of poverty, unemployment, and food security (Xu, S., & Ma, P. (2022).

CSR can be defined as circumstances where organisations do not only focus on compliance but also participate in activities that have socio-economic benefits (Rodriguez-Gomez, Arco-Castro, Lopez-Perez and Rodríguez-Ariza, 2020). Commercial banks are believed to be amongst the biggest contributors to CSR activities and initiatives in South Africa due to their financial capability, as well as their position in society and the public (Siueia, Jailing & Deladem, 2019). Even though CSR is a well-established research domain, CSR research has largely been centered around developing goodwill in society, rather than about creating real and impactful social value (Schneider, A. (2020). Moreover, Porter and Kramer (2011) argue CSR is an outdated and

limited concept that has emerged as a way for improving a company's reputation, and consequently, they claim that Creating Shared Value (CSV) should replace CSR.

CSV can be defined as “policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress” (Kramer & Porter, 2011, p. 2). CSV has the ability to create sustainable value, and the first step in doing so is to determine the social issues for which businesses can effectively and socially responsibly develop a market-based solution (Lim and Lee, 2022). Creating novel sustainable solutions for social problems requires some level of CSIn (Alfalih, 2022). CSIn is about finding innovative ways to enable and share CSV (Dionisio and de Vargas, 2020). CSIn looks to ensure that organisations move from maximising returns to investors, towards optimising returns to stakeholders (Dionisio and de Vargas, 2020). CSIn is an activity with the intent to enable businesses to establish more robust forms of CSR (Zhou, Wang and Zhao, 2020). It is based on and expands upon three more conceptual frameworks, namely; corporate, social, and entrepreneurial entrepreneurship. As organisations have greater access to resources for Research and Development (R&D), there has been a shift from individual entrepreneurship, towards entrepreneurship within organisations (Schumpeter, 1942). However, over time, corporate bureaucracy has slowed the innovation process. To address this, innovation within organisations have received increasing attention. In parallel, the notion of CSIn has surfaced (Tabares, S. (2020). Porter and Kramer (2018) suggest that for organisations in the financial sector to transition from an outdated an unimpactful approach to CSR to a highly impactful approach to enable CSV, an organisational environment should be established that enables a culture of social entrepreneurship that encourages CSIn. However, for the CSIn

approach to be successful, employees are also required to have the right mindset to initiate and champion CSIn activities (Bapat and Upadhyay, 2021).

Through CSIn, organisations that typically have sizable CSR budgets (such as the financial sector), can address some societal issues by implementing a corporate social strategy that encourages CSIn that benefits communities at large (Ruggiero and Cupertino, 2018). In addition to the social and economic advantages that SIs may bring to nations, if implemented and executed correctly, they may also improve organisations' brand reputation, increase revenue in the long run, and attract investors (Ruggiero and Cupertino, 2018). Bhattacharya, Sen, and Korschun (2012) also suggest that organisations that have a strong focus on increasing or improving CSIns may improve employee pride in their organisations' social engagement in communities. In light of their enhanced reputation and self-esteem as a result of being associated with the company, this could result in increased retention rates for important personnel (Bhattacharya et al., 2012).

### **1.3 Context**

A microcosm of various cultures, languages, and socioeconomic environments can be found in South Africa. Its current socio-economic dynamics have been profoundly influenced by the lasting effects of apartheid (Abrahams, 2018). Through a variety of lenses, academics have examined South Africa's intricate socioeconomic problems in great detail, underlining past injustices, ingrained inequality, and the necessity of inclusive development policies (Khoza, Senyolo, Mmbengwa and Soundy, 2019; Gordon, Booysen and Mbonigaba, 2020). Socioeconomic problems in South Africa are intricately linked to the country's past, especially in light of the systematic racial segregation and economic exploitation that occurred under the apartheid era (Maphumulo and Bhengu, 2019). Due to the historical context, there remain persistent differences

in access to resources, healthcare, education, and income, which impede equitable development and prolong social exclusion (Maphumulo and Bhengu, 2019).

According to academic literature, South Africa has one of the highest rates of income disparity in the world, making it a major socioeconomic concern (Francis, D., & Webster, E. 2019). Inequitable wealth distribution increases social unrest and hinders long-term economic expansion (Chatterjee, Czajka, and Gethin, 2022). Nearly 70% of South Africans' wealth is owned by the top 1%, while the bottom 60% hold just 7% of it all together (Chatterjee, Czajka, and Gethin, 2022). Furthermore, unemployment is still a major problem that contributes to social unrest and economic stagnation, especially for historically marginalized populations (Francis and Webster, 2019). In the first quarter of 2021, the unemployment rate for African Americans was 35.5%, while that of white South Africans was 9.2% (Statistics South Africa, 2021). With notable differences in educational achievements correlated with both race and socioeconomic class, education gaps exacerbate South Africa's socioeconomic problems (Mzangwa, 2019). Compared to 77.1% of white South Africans aged 20 and over, just 44.1% of black South Africans had completed secondary education in 2019 (Statistics South Africa, 2019). Disparities in educational quality endure despite efforts to increase post-apartheid access to education, which sustains socioeconomic inequities and restricts prospects for upward mobility (Mzangwa, 2019).

Equitable access to healthcare services and a persistently high illness load, particularly HIV/AIDS and tuberculosis, make healthcare a key socioeconomic concern (Gordon, Booysen, and Mbonigaba, 2020). According to Gordon, Booysen, and Mbonigaba (2020), inadequate healthcare infrastructure, especially in rural regions, exacerbates health disparities and compromises public

health outcomes. The socio-economic problems facing South Africa are made worse by corruption and governance shortcomings, which erode public confidence, obstruct efficient service delivery, and impede economic growth (Masuku and Jili, 2019). According to Budhram and Geldenhuys (2018), addressing these governance deficiencies is crucial to fostering accountability, transparency, and inclusive growth.

### **1.3.1 Social Innovation – a South African Perspective**

According to Raubert and Traynor (2019), social innovation in South Africa is a dynamic and developing field that uses novel ways and solutions to tackle difficult socioeconomic problems, sometimes known as "wicked problems." In an effort to gain insight into social innovation's function, significance, and potential for promoting inclusive development, scholars have thoroughly investigated and analysed a variety of social innovation-related topics (Hart et al., 2014; Sheik, van Rooyen and Mazzei, 2023). Recognising South Africa's historical backdrop, which is characterised by the legacy of social division and inequality brought about by apartheid, is essential to this discussion. In response to these persistent problems, social innovation projects are born, using networks, resources, and local knowledge to spark positive change (Maphumulo and Bhengu, 2019).

Several case studies and empirical research initiatives shed light on the variety and efficacy of social innovation interventions in South Africa's various sectors. The transformative power of social innovation in addressing urgent social needs and empowering marginalised communities, for example, has been demonstrated by initiatives like community-led healthcare programs, sustainable agriculture projects, and grassroots education initiatives (Mangqalaza, 2020; Paganini and Stöber, 2021). These case studies demonstrate how crucial bottom-up strategies, participatory

techniques, and cooperative alliances are for advancing social innovation outcomes and processes. In addition, researchers have looked at the institutional dynamics and policy ramifications that shape South Africa's social innovation scene. The development and maintenance of social innovation ecosystems are influenced by a number of factors, including government regulations, funding sources, and policy frameworks (Lekhanya, 2019). A rising number of stakeholders, including government agencies, academia, the commercial sector, and civil society organisations, are realising the importance of creating supportive settings that encourage experimentation, learning, and collaboration (Maphumulo and Bhengu, 2019).

While social innovation has the potential to address socioeconomic concerns, scaling up and maintaining creative interventions continues to present challenges. The efficacy and inclusivity of social innovation programs are impeded by bureaucratic obstacles, power disparities within innovation ecosystems, and resource constraints (Rutert and Traynor, 2019). Furthermore, to make sure that social innovation interventions actually promote good social change and do not exacerbate already-existing disparities, critical reflections on the ethics, equity, and social impact of these interventions are crucial (Masuku and Jili, 2019). In order to advance knowledge and practice in social innovation in South Africa, future research directions call for interdisciplinary collaborations, longitudinal investigations, and context-sensitive techniques. Social innovation has the power to spur revolutionary change, encourage inclusive development, and help create more just and resilient societies both inside and outside of South Africa through coordinated efforts and creative methods (Sheik, van Rooyen, and Mazzei, 2023).

Corporate social innovation (CSIn) in South Africa refers to the strategic initiatives undertaken by

businesses to address social and environmental challenges while simultaneously driving economic value (du Plessis, 2022). It involves the development and implementation of novel ideas, products, services, or business models that contribute to sustainable development and societal well-being (du Plessis, 2022). In the South African context, CSIn is particularly significant due to the country's history of apartheid and the persistent socio-economic inequalities that continue to impact various sectors of society. As such, CSIn initiatives in South Africa often aim to address issues such as poverty, unemployment, education, healthcare, and environmental sustainability. Academic literature on CSIn in South Africa emphasises the role of businesses as key actors in driving social change and advancing the country's development agenda (Salim Saji and Ellingstad, 2016). These initiatives are seen as integral to corporate social responsibility (CSR) strategies, but with a focus on innovation and creating shared value for both business and society. CSIn in South Africa is often characterised by partnerships and collaborations between businesses, government, civil society organisations, and communities (de Villiers, 2021). These partnerships are essential for leveraging resources, expertise, and networks to address complex social challenges effectively. Key themes in the academic literature on CSIn in South Africa include the importance of stakeholder engagement, the role of leadership in driving CSIn initiatives, the integration of CSIn into business strategy, and the measurement and evaluation of CSIn impact (du Plessis, 2022).

At an organisational level, commercial banks in South Africa have the potential to significantly impact society by due to their resources and the regulations that govern the industry. Collaboration with government, non-profit organisations, and other stakeholders is essential for commercial banks to effectively address societal problems and create sustainable impact (Mallin, Farag and Ow-Yong, 2014).

### **1.3.2 Commercial Banks**

Commercial banks in South Africa possess substantial resources, influence, and networks that can be leveraged through CSIn initiatives to address socio-economic issues effectively (Siueia, Wang and Deladem, 2019).

The commercial banking system in South Africa includes ten locally controlled commercial banks, seven foreign controlled commercial banks, three mutual commercial banks, two co-operative commercial banks as well as about 50 branches and representative offices of foreign commercial banks (CFI, 2018). Commercial commercial banks include the following: Absa Group; Standard Commercial bank; Nedbank; First National Commercial bank; Africa Commercial bank Limited (ABL); Tyme Commercial bank; Al Baraka Commercial bank; Bidvest Commercial bank Limited; Commercial bank Zero; Discovery Commercial bank; Capitec Commercial bank Holdings; RMB Private Commercial bank; Investec Commercial bank Grindrod Commercial bank; HBZ Commercial bank; Merchantile Commercial bank Holdings; Ubank limited; and Wesbank.

In South Africa, companies spent approximately R10.3 billion on social activities in 2021, which represents a 4% decrease from the R10.7 billion in 2020 (Dialogue, 2021). For the first time, just over half of companies reported decreased Corporate Social Investment(CSI) expenditure in 2021, largely due to decreased profits stemming from the global Covid-19 pandemic. The top three contributing sectors include mining and quarrying (33%), and consumer services (27%), and financial services (22%)(Dialogue, 2021). The most supported development sectors include education (39%), social and community development (17%), food security and agriculture

(10%), and disaster relief (9%) (Trialogue, 2021). Commercial commercial banks in the financial sector have made notable contributions to key areas of social development, and their 2021 Corporate Social Investment (CSI) spend is tabulated in the table below.

**Table 1.1: Commercial banks Corporate Social Investment spend in 2020/2021**

Company Name	2020/21 published spend(Rm)	2019/20 published spend(Rm)	2018/19 published spend(Rm)	2020/21 development focus areas	Source of 2020/21 data
Absa	380	371	Not Available	Covid-19 relief, health, community support	Absa Integrated Annual Report 2020, p 56
African Commercial bank	11.2	11.6	10.2	Education, community development, sports and enterprise development	African Commercial bank Integrated Annual Report 2020, p 32
Bidvest	27	28	100	Education, health, welfare and community development	Bidvest Integrated Report 2021, p 15
Capitec Commercial bank	66	34	56.9	Education, donations, disaster relief	Capitec Commercial bank Integrated Annual Report 2021, p 39
FirstRand	338	403	428.0	Education, community development	First Rand Group Annual Integrated Report 2021, p 11
Investec	162.8	184.1	168.7	Education, learnerships, entrepreneurship, job creation, environment, other philanthropy	Investec Group Sustainability and ESG Supplementary Report 2021, p 55
Nedbank Group	103	130	124	Education, skills development, community development, health, environment, sports, arts	Nedbank Group Integrated Annual Report 2020, p 88
Standard Commercial bank	124.2	84	141	Covid-19 relief, education	Standard Commercial bank Group Integrated Annual Report 2020, p 18

Source: The Trialogue Business and Society Handbook (2022, p 66-70)

South African commercial banks appear to be relatively on par in comparison with the rest of the BRICS (Brazil Russia India China and South Africa) nations when it comes to Corporate Social Investment spend. Itau Unibanco (one of the largest commercial banks in Brazil) spent \$151m on environment and social projects in 2019 (Itau Unibanco Integrated Annual Report, 2019), HDFC, which is the largest private commercial bank in India, spent India Rupees 443.8 crore on CSR in 2018/2019 (HDFC Integrated Annual Report, 2019), and the Commercial bank of China which is in the top 4 commercial banks in China spent \$26m on CSR in 2018/2019 (Commercial bank of China Integrated Annual Report, 2019). The comparison of South Africa was done for other BRICS nations because these nations share many similarities, such as the economic crisis of 2008 which slowed down their path to development, similar poverty and unemployment rates, and unfilled economic potential (Contini, Annunziata, Rizzi & Frey, 2020).

#### **1.4 Research Problem**

The literature on CSIn is under-developed and empirically impoverished, requiring a substantial study on the determinants of CSIn particularly within the context of the Banking Industry. This thesis answers calls by several authors (Bulut, Eren and Halac, 2013; Phillips et al., 2015; Slimane & Lamine, 2017) for studies that examine how SI can be enhanced and made efficient at a CSIn level. Several studies have made attempts to understand drivers of CSIn, for example, de Souza João-Roland and Granados (2020) conducted a bibliometric analysis to determine what the main drivers of SI are in a social enterprise. The study found that factors such as managerial ability, the business model, external partnerships, and company culture are drivers of SI. Although useful, this study was not empirical in nature and only covered social enterprises. Moreover, the study made a call for future researchers to develop tools to measure the

determinants of CSIn within organisations. This thesis looked to address this.

A notable gap in academic enquiry lies in the integration of Institutional Theory and Social Capital theory to provide a more comprehensive understanding of the mechanisms influencing CSIn. Institutional Theory asserts that organisations are shaped by their external environment, encompassing regulatory frameworks, cultural norms, and stakeholder expectations (Lammers, Garcia, Putnam and Mumby, 2014). Commercial banks, as pivotal entities in the economy, operate within intricate institutional environments that influence their approach to corporate social innovation (Khan, 2010). Nonetheless, extant research often neglects the nuanced ways in which institutional pressures and legitimacy considerations interact with internal factors to stimulate or impede CSIn within banks. Conversely, Social Capital theory underscores the significance of social relationships and networks in generating resources and opportunities for innovation (Zheng, 2010). Within commercial banks, social capital can manifest in various forms, such as the relationships between employees, managers, and external stakeholders (Yeung, 2011). Nevertheless, research frequently overlooks the exploration of how distinct forms of social capital, including bonding, bridging, and linking social capital, affect the adoption of innovative social practices within banks.

CSIn in emerging economies remain very limited, especially within South Africa. Most studies appear to investigate financial performance in relation to CSR. For example, Siueia, Wang and Deladem (2019) conducted a study on the financial performance of banks based on CSR disclosure in South Africa and Mozambique. The study made use of content analysis to evaluate the general financial performance metrics, such as return on equity (ROE) and return on asset (ROA), as well as the CSR dimensions. The study established a strong and favorable correlation

between financial performance and CSR disclosure, thus indicating that banks might perform better when they engage in CSR activities. Similar studies have been conducted in other emerging economies such as India (Maqbool & Zameer, 2018), and have yielded similar results. These studies however did not empirically investigate CSIn specifically within a banking context, and how it can possibly enhance SIs. Moreover, key determinants to CSIn such as management support, social proactiveness, internal and external social capital, and transformational leadership in relation to CSIn have not been explored.

It can be seen through empirical evidence that new business opportunities that arise from value-added services and products are just one of the benefits of companies being socially responsible (Seifert, Morris, and Bartkus, 2003). The number of customers who are conscious of the components of services and customers is increasing (Aguilera, 2005), moreover, customers are increasingly showing a preference for purchasing products and services from companies that are socially responsible (Déniz and Suárez, 2005). To become a socially responsible bank, internal environments should be conducive to practices that enable CSIn to address ethical concerns. Moreover, ample evidence has been brought forward of the significantly positive relationship between financial performance and social performance (Seifert et al., 2003). For example, a study by Loza (2004) suggests that improved returns on investment, market growth, innovation and productivity are some of the benefits of companies being environmentally friendly.

When organisations engage in CSIn activities that enhance social value, they enhance their reputation for adhering to high levels of ethics and values, thus making them preferred employers and assists with recruiting skilled staff (Ng, Yam and Aguinis, 2019). Moreover, organisations that are socially responsible can increase employees' loyalty and as such, these employees are

more committed to company causes (Hejjas, Miller and Scarles, 2019), which is another reason for banks to enhance their CSIn. Potential employees view the image that companies portray as an important consideration when looking for employment (Meister & Willyerd, 2021). Organisations that are Environmental Social Governance (ESG) compliant such as banks are seen as more attractive places to work for potential employees who are socially conscious, thus increasing their motivation to join the company (Crowther & Rayman-Bacchus, 2004). ESG has emerged as a critical framework for assessing corporate sustainability and social responsibility. It encompasses a range of factors that measure a company's performance in environmental stewardship, social impact, and governance practices (Crowther & Rayman-Bacchus, 2004). ESG criteria are increasingly used by investors, stakeholders, and regulators to evaluate companies' long-term sustainability and societal impact (Porter, Serafeim and Kramer, 2019). ESG and CSIn are closely linked, as companies that prioritise ESG factors are more likely to engage in CSIn initiatives. By integrating ESG considerations into their business strategies, companies can identify opportunities for innovation that address societal needs and environmental challenges (Matten & Moon, 2008). For example, companies may develop sustainable products or services, implement eco-friendly practices, or engage with stakeholders to drive positive social change.

Moreover, socially responsible businesses increase employee loyalty (Salmones, Crespo and Bosque, 2005). The premise of CSIn is a business practice aimed at spreading a positive social impact through managing various business processes. Agrawal and Sahasranaman (2016) suggest the concept of CSIn is built upon the proposition that a business can enhance their CSR by fundamentally changing the way they operate with a few key factors: highlighting the

organisations' purpose and value; building alliances to produce double value; and creating a socially innovative and enabling environment. In an environment where banks typically engage in CSR activities as it forms part of their triple bottom line strategies (Munjal, Malarvizhi and Sharma, 2019), for banks to find new ways to enable CSV, CSIn is a means to achieve this.

The findings of this study will further fill the gap in the literature by empirically examining the mediating role of internal and external social capital (Portes, 2000; Adler & Kwon, 2002; Davidsson & Honig, 2003) in the relationship between transformational leadership and CSIn. Social capital is of significance to this study because it is known to facilitate knowledge search and knowledge sharing activities, which are believed to be of significance to CSIn performance and outcomes (Huggins, Johnston & Thompson, 2012). Moreover, knowledge acquisition and CSIn are significantly impacted by social capital at the organisational level (Paunescu, 2014). According to Găucă and Hadad (2013), social capital serves as the foundation for social innovators to establish a strong network of local communities, businesses, governments, and international organisations that collaborate to uphold mutual trust and a steady exchange of knowledge in order to address social issues. The success and performance of top companies in terms of CSIn and contribution to value creation can be explained by investments in social capital, which are not always financial investments (Paunescu, 2014).

Although the traditional approach to CSR has made significant strides towards addressing societal inequalities that still plague much of the developing world, it is important that alternative and innovative approaches to CSV be explored. By looking beyond traditional CSR practices, companies can identify new ways to create value for both society and the business. These approaches often focus on sustainability and long-term value creation, addressing societal needs

in a meaningful way while ensuring the company's continued success (Munjaj, Malarvizhi and Sharma, 2019). Moreover, alternative CSV approaches can help build stronger relationships with stakeholders, enhance trust and credibility, and contribute to higher employee engagement and talent attraction (Rachmawati, Basuki and Hamidah, 2019). By diversifying their approaches to CSV, companies can better manage risks, adapt to changes in the business environment, and ultimately, create a more sustainable and resilient business model (Porter & Kramer, 2011).

Alternative and innovative approaches to CSR are needed to improve and optimise efforts in tackling societal issues such as: poor education; social injustices; unemployment; poverty; and climate change.(Carrasco-Montegudo & Buendia- Martinez, 2013). Companies should pursue CSIn activities in the hope that this will foster innovation in their organisations and will improve corporate social performance. Novel frameworks that explore and explain key determinants for CSIn are a crucial component in the journey of creating and scaling social value that directly impact communities across the globe (Urban & Teise, 2015).

An important role that CSIn researchers can play in emerging economies is to identify and establish measures that can be put in place within organisations that will support leaders and managers in banks initiating CSIn activities (Tasavori, 2012). This is important to emerging economies because they have some of the world's highest unemployment and poverty rates (Aucamp & Lombard, 2018), and thus CSIn presents an opportunity to tackle these issues. For this purpose, it is important to identify which specific variables predict such behaviour, mediating the relationship between key determinants and CSIn in an emerging economy such as that of South Africa.

It is intended that the proposed integrated framework on CSIn, will identify and establish the relationship between key determinants to CSIn within banks in the South African financial sector and will build upon current academic literature on CSIn through new theoretical and empirical insights.

## **1.5 Research Objectives**

Drawing on Institutional Theory and Social Capital theory, the overarching objective of this study was to empirically contribute to SI literature by identifying the key determinants to CSIn and establishing the perceived relationship between these key determinants to CSIn within commercial banks in the South African financial sector. The theoretical and empirical objectives of the study are presented below.

### **1.5.1 Overarching Research Objectives**

In addition to the above objective, the study had additional general objectives:

- Review literature on CSIn within the South African financial sector.
- Contribute to theoretical developments for Institutional Theory and Social Capital Theory
- Review literature on management support, social proactiveness, internal and external social capital, transformational leadership and CSIn
- Contribute to the body of theory on CSIn in the South African financial sector.
- Enhance the understanding of CSIn and make recommendations based on research findings.

### **1.5.1 Quantitative Objectives**

**Objective 1:** To demonstrate CSR professional's perceived relationship of management support and CSIn within banks in the financial sector.

**Objective 2:** To establish CSR professional's perceived relationship of social proactiveness and CSIn within banks in the financial sector.

**Objective 3:** To establish CSR professional's perceived relationship of internal social capital and CSIn within banks in the financial sector.

**Objective 4:** To demonstrate CSR professional's perceived relationship of external social capital and CSIn within banks in the financial sector.

**Objective 5:** To demonstrate CSR professional's perceived relationship of transformational leadership and CSIn within banks in the financial sector.

**Objective 6:** To establish whether internal social capital is perceived by CSR professionals to mediate the relationship between transformational leadership and CSIn within banks in the financial sector.

**Objective 7:** To determine whether external social capital is perceived by CSR professionals to mediate the relationship between transformational leadership and CSIn within banks in the financial sector.

**Objective 8:** To determine whether transformational leadership is perceived by CSR professionals to mediate the relationship between management support and CSIn within banks in the financial sector.

**Objective 9:** To determine whether transformational leadership is perceived by CSR professionals to mediate the relationship between social proactiveness and CSIn within banks in the financial sector.

### **1.5.2 Qualitative Objectives**

**Objective 1:** To explore the roles of management support, social proactiveness, internal and external social capital, and transformational leadership as pivotal determinants of Corporate Social Innovation (CSIn) from the perspective of CSR senior management to elucidate the outcomes and gaps of the quantitative findings.

**Objective 2:** To assess the holistic perceptions of CSR senior managers regarding Corporate Social Innovation (CSIn) within the context of commercial banks in South Africa.

### **1.6 Research Questions**

To fulfil the research objectives and address the identified research problem, the study was guided by the following overarching primary research question:

*What are the perceptions of CSR professionals in commercial banks in South Africa of the relationship between key determinants to CSIn within commercial banks in the South African financial sector*

### **1.7 Thesis Outline**

The thesis is divided into seven chapters. Chapter 1 includes an introduction to the study, followed by background, context and the problem statement that the study looks to address. The chapter then concludes by highlighting the study's research objectives and questions. Chapter 2 is the literature review chapter where CSR is initially introduced, followed by a critique in relation to CSV. Theories of Innovation are highlighted, followed by a critique in relation to CSIn. The chapter then concludes with a critical discussion on Institutional Theory and Social Capital Theory

in relation to CSIn. Chapter 3 discusses the conceptual framework of the study and the subsequent hypothesis. Chapter 4 is the research methodology chapter, where the research approach, paradigm and design are discussed. Moreover, the unit of analysis is highlighted. Mixed method sequential approach is then discussed, followed by a critical discussion on quantitative and qualitative aspects of the study. The chapter then concludes with a brief discussion on ethical considerations. Chapter 5 presents and discussed the quantitative results of the study, whereas chapter 6 presents and discusses the qualitative results. Chapter 7 presents a conclusion to the study.

## **Chapter 2: Literature Review**

The purpose of the literature review chapter is to critically review literature pertaining to the key constructs of this study. The chapter begins with a discussion on CSR and CSV literature, followed by discussions on theories relating to innovation, makes critiques and suggestions in line with Corporate Social Innovation (CSIn).

### **2.1 Introduction to Corporate Social Responsibility (CSR) and Creating Shared Value (CSV)**

Corporate Social Responsibility (CSR) is a multifaceted theoretical framework deeply rooted in the ethical and social dimensions of business conduct (Lee, Zhang and Abitbol, 2019). It encapsulates the idea that corporations have a responsibility beyond profit maximisation, encompassing the integration of social and environmental considerations into their core business operations (Bhardwaj, Chatterjee, Demir and Turut, 2018). In the South African context, commercial banks are expected to fulfill these responsibilities by not only generating profits (economic responsibility) and complying with laws and regulations (legal responsibility) but also by adhering to ethical standards (ethical responsibility) and engaging in activities that contribute to the well-being of society (Siueia, Wang and Deladem, 2019). This includes promoting social justice, environmental sustainability, and economic development, particularly in communities that have been historically disadvantaged (Anwana, 2020).

Carroll's (1979) seminal CSR pyramid delineates economic, legal, ethical, and philanthropic responsibilities as integral components of corporate behaviour. However, the landscape has seen an augmentation of CSR theories, with an increasing emphasis on creating shared value (CSV).

Legitimacy theory, proposed by Suchman (1995), posits that firms engage in CSR to gain or maintain societal legitimacy. By aligning their actions with societal expectations, businesses seek to ensure their continued acceptance and existence. This theory is particularly relevant in contexts where public perception significantly influences corporate success. Dynamic capabilities theory, as articulated by Teece, Pisano, and Shuen (1997), offers a perspective that links CSR to a firm's ability to adapt and innovate in response to societal and environmental challenges. This theory emphasises the strategic advantage gained by firms that integrate CSR into their core competencies, turning it into a source of competitive advantage.

In the realm of motivation, scholars have debated the instrumental and normative views of CSR. The instrumental views, exemplified by McWilliams and Siegel (2001), suggests that socially responsible activities can contribute to long-term profitability and corporate success. In contrast, the normative view posits a moral obligation for businesses to contribute to societal well-being, irrespective of economic benefits (McWilliams and Siegel, 2001).

Porter and Kramer (2011) introduced the concept of Creating Shared Value (CSV), positing that businesses can concurrently enhance societal welfare and corporate profitability. CSV transcends traditional CSR by integrating social and economic considerations into the core strategy of a company. It implies a strategic reconceptualisation of corporate activities, seeking to identify synergies between societal needs and business interests (Porter and Kramer, 2011). By aligning profit generation with societal well-being, CSV addresses the limitations of traditional CSR, fostering sustainable and mutually beneficial relationships between corporations and their stakeholders. Corporate Social Innovation (CSI<sub>n</sub>) emerges as an offshoot of CSR and CSV,

encapsulating the transformative processes through which companies generate novel solutions to societal challenges. CSIn leverages innovative strategies, technologies, and business models to address social and environmental issues, going beyond conventional philanthropy or compliance-driven initiatives. It incorporates elements of design thinking, open innovation, and cross-sector collaboration to drive positive social impact (Dionisio and de Vargas, 2020).

The intersectionality of CSR, CSV, and CSIn is evident in the transformative potential they collectively hold. CSR establishes the ethical foundation (Freeman, 1984, Carroll, 1991; Matten and Moon, 2008), CSV provides the strategic framework for integration (Porter and Kramer, 2011; Pfitzer, Bockstette and Stamp, 2013), and CSIn propels the innovation necessary for sustained societal impact (Margolis and Walsh, 2003). This synergy results in a dynamic and adaptive approach to corporate engagement with societal issues.

### **2.1.1 Critique of Corporate Social Responsibility (CSR)**

Porter and Kramer's (2011) argue that traditional CSR approaches, which focus on mitigating harm or giving back to communities, are limited in their impact because they often treat social and environmental issues as external to the core business strategy. Instead, the authors propose CSV, which involves creating economic value in a way that also creates value for society by addressing social and environmental challenges. This approach, they argue, is more sustainable and impactful because it aligns business goals with societal needs, leading to mutually beneficial outcomes. Moreover, Hanlon (2008) critiques traditional CSR for being apolitical and suggests that it often fails to address the root causes of social and environmental problems. Hanlon (2008) argues that CSR should not be seen as a substitute for government regulation or social activism but rather as a way for firms to engage more politically with society. Hanlon (2008) suggests that CSV offers a

more holistic approach by recognising the political nature of business decisions and advocating for a more proactive and engaged role for firms in addressing social and environmental challenges.

Carroll and Shabana (2010) provides a comprehensive review of the concept of CSR and its evolution over time. The authors critique traditional CSR approaches for often being limited to philanthropic activities or stakeholder management, which they argue may not create sustainable value for businesses or society. Instead, the authors advocate for a more strategic approach to CSR that integrates social and environmental considerations into core business strategies. While the authors do not explicitly endorse CSV, their arguments align with the principles of CSV by emphasising the importance of creating shared value for both business and society.

These articles collectively highlight the limitations of traditional CSR approaches and the potential benefits of adopting a CSV approach. They emphasise the importance of aligning business objectives with social and environmental goals to achieve sustainable value creation and advocate for a more proactive and engaged role for firms in addressing societal challenges.

### **2.1.2 Creating Shared Value (CSV) as a Suitable Approach**

Traditional CSR, while a commendable concept, faces several challenges. One key challenge is the often-criticised approach of "greenwashing," where companies engage in superficial CSR activities to improve their image without truly integrating social and environmental concerns into their core business strategies (Kourula and Delalieux, 2016). Additionally, CSR programs are often disconnected from the core business operations, leading to a lack of alignment and integration, which can limit their impact and sustainability (Porter & Kramer, 2011). Another challenge is the

focus on mitigation rather than innovation. Traditional CSR tends to focus on minimising negative impacts or addressing existing social and environmental issues, rather than proactively seeking new solutions or business models that create shared value (Porter & Kramer, 2011). Moreover, there is limited impact of traditional CSR initiatives on addressing systemic social and environmental issues in South Africa. Research by Idemudia and Kwakyewah (2018) indicates that CSR programs often focus on philanthropic activities or community development projects, which may not address the root causes of social and environmental challenges, such as poverty or inequality.

CSV, as proposed by Porter and Kramer (2011), suggests that companies can generate economic value while simultaneously creating value for society by addressing social and environmental challenges through their core business activities. CSV recognises that social and environmental issues are often intertwined with business opportunities, and by addressing these issues, companies can drive innovation, enhance their competitiveness, and contribute to societal progress. CSV offers a more strategic and integrated approach to addressing social and environmental challenges compared to traditional CSR. By aligning social and environmental goals with business objectives, companies can create sustainable value for both shareholders and society, leading to long-term success (Porter & Kramer, 2011).

### **2.1.3 Corporate Social Innovation (CSIn) in Support of CSV**

Corporate Social Innovation (CSIn) plays a crucial role in supporting CSV within commercial banks in South Africa by fostering a culture of innovation and enabling the development of new products, services, and business models that create shared value (Mirvis, Herrera, Googins and

Albareda, 2016). By embracing CSIn, banks can overcome the challenges associated commercial with traditional CSR and drive sustainable business practices. CSIn involves the identification of social and environmental challenges as opportunities for innovation, leading to the creation of products or services that address these challenges while also creating economic value (Saka-Helmhout, Chappin and Rodrigues, 2022).

Mirvis, Herrera, Googins and Albareda (2016) argue that CSIn involves a shift in mindset from traditional corporate social responsibility (CSR) approaches, which often focus on mitigating harm or giving back to communities, to a more proactive and innovative approach that seeks to create value for both business and society. The authors highlight that CSIn goes beyond philanthropy or stakeholder management and requires firms to integrate social and environmental considerations into their core business strategies. The authors discuss the process of learning to innovate for the greater good, emphasising the importance of organisational learning and knowledge sharing. It suggests that firms can learn from their own experiences as well as from external sources, such as partnerships with non-governmental organisations (NGOs) or collaboration with other firms in the industry (Mirvis et al., 2016). By embracing CSIn, commercial banks can overcome the challenges associated with traditional CSR by embedding social and environmental considerations into their core business strategies and driving innovation that creates shared value (Dionisio and de Vargas, 2020). CSIn enables companies to proactively address societal needs, differentiate themselves in the market, and build long-term resilience and competitiveness (Cutovoi, 2018).

## **2.2 Theories of Innovation – locating CSIn**

Innovation theory encompasses a broad array of concepts and frameworks that seek to explain the processes, mechanisms, and outcomes of innovation within organisations and societies (Wisdom, Chor, Hoagwood and Horwitz, 2014). At its core, innovation theory seeks to understand how new ideas, technologies, products, and processes are developed, adopted, and diffused, and how they ultimately impact economic growth, competitiveness, and societal progress (Gaziulusoy, 2015). Several key theories within innovation theory provide different lenses through which to understand these complex phenomena.

Schumpeterian theory posits that innovation is driven by entrepreneurs who introduce new products, services, or production methods into the market (Schumpeter, 1942). Schumpeter argued that these innovations disrupt existing economic structures, leading to the creation of new industries and the replacement of outdated technologies with more efficient ones (Schumpeter, 1942). This process of "creative destruction" is seen as a key driver of economic growth and progress. Neo-Schumpeterian innovation theory builds on Joseph Schumpeter's concept of creative destruction, emphasizing the central role of technological innovation in driving industrial transformation and economic growth. It highlights the critical functions of entrepreneurs as agents of change, and the importance of innovation systems, which include the interaction between firms, governments, and research institutions (Dosi, 1982). The theory integrates endogenous growth models (Romer, 1990), which position innovation and knowledge investment at the core of economic development. Furthermore, it addresses how technological paradigms and trajectories shape industries over time (Dosi, 1982), while recognizing the sector-specific nature of innovation processes. These insights have contributed to a deeper understanding of how systemic,

institutional, and entrepreneurial factors foster innovation and influence long-term economic growth (Freeman, 1995; Nelson, 1993).

Building on Schumpeter's (1942) ideas, Rogers' (1962) diffusion of innovations theory explains how new ideas, technologies, or products spread through society over time. Rogers (1962) identified different types of adopters, ranging from innovators who are eager to try new innovations to laggards who are hesitant to change. The theory highlights the importance of understanding the social and psychological factors that influence the adoption of innovations.

Systems theory offers a holistic perspective on innovation, viewing organisations as complex systems that interact with their environments (Bertalanffy, 1968). According to this theory, innovation is the result of dynamic interactions between various internal and external factors, including stakeholders, environments, and feedback loops (Bertalanffy, 1968). Systems theory highlights the interconnected nature of innovation processes and the need to consider a wide range of factors when seeking to understand and promote innovation within organisations. The distinction between incremental and radical innovation, as proposed by Dewar and Dutton (1986), highlights the different types of innovation that organisations can pursue. Incremental innovations involve small improvements to existing products or processes, while radical innovations involve entirely new products or processes that disrupt existing markets Dewar and Dutton (1986). Understanding this distinction is important for firms seeking to balance the need for continuous improvement with the pursuit of more transformative innovations.

Following Everett Rogers' foundational work on the Diffusion of Innovations (1962), several key contributions have furthered the understanding of innovation adoption. Fred Davis (1989) developed the Technology Acceptance Model (TAM), highlighting the role of perceived

usefulness and ease of use in technology adoption. This model was later expanded by Venkatesh and Davis (2000) with TAM2, incorporating social influences. The Unified Theory of Acceptance and Use of Technology (UTAUT) by Venkatesh et al. (2003) further integrated elements from earlier models, identifying performance expectancy, effort expectancy, social influence, and facilitating conditions as drivers of adoption. Contributions from behavioral economics (Kahneman & Tversky, 1979) introduced cognitive biases, such as loss aversion, affecting adoption decisions. Additionally, Clayton Christensen's (1997) theory of disruptive innovation explained why incumbents often fail to adopt new, disruptive technologies until they pose a competitive threat. These developments have deepened the understanding of innovation adoption by incorporating technological, social, and psychological factors.

The Resource-Based View (RBV) of the firm, introduced by Barney (1991), emphasizes that a company's competitive advantage stems from its ability to develop and leverage unique, valuable, and hard-to-imitate resources. In relation to innovation, RBV highlights that internal resources such as knowledge, R&D capabilities, and technological expertise are critical drivers of innovation. Firms with these resources can innovate more effectively, creating new products and processes that competitors struggle to replicate. Teece et al. (1997) extended this with the concept of dynamic capabilities, emphasizing a firm's ability to adapt and reconfigure its resources to respond to changing environments and sustain innovation. RBV also recognizes that innovation must be supported by organisational learning, making knowledge and capabilities key strategic assets for continuous innovation and long-term competitive advantage.

Finally, Chesbrough's (2003) concept of open innovation challenges the traditional view that

innovation is conducted solely within the boundaries of a firm. Chesbrough (2003) argues that firms should actively seek external sources of knowledge and collaborate with other organisations to accelerate innovation. Open innovation is seen to access new ideas and technologies more quickly and efficiently, leading to faster time-to-market and increased competitiveness.

### **2.3 Social Innovation - Narrative**

Dissatisfaction with the way social issues are resolved has led to a heightened degree of activity in the scholarly discourse surrounding the conceptualisation of social innovation (SI) (Mulgan, 2012). The academic pursuit of developing a conceptual framework has followed various paths (Fahrudi, 2020). Kanter (1999) articulated the "shift by private organisations away from corporate social responsibility toward corporate social innovation" (p. 442) around the end of the 20th century, which is when social innovation was first mentioned. According to Phillips et al. (2015), this change is seen as a chance for the social sector—or the third sector in some cases—to come up with concepts and produce innovations that create value for the target groups. The definition of social innovation was first expanded by Moulaert et al. (2005), who proposed three interrelated dimensions: (1) meeting unmet human needs; (2) changing social interactions; and (3) empowerment through improved access to resources and socio-political capacities. With this, the sociological conceptualisation of social innovation

This framework, which approaches social innovation from a sociological perspective, incorporates a basic understanding: it deals with new methods of bringing about and carrying out social change, forming a paradigm that is accountable for revitalising social aspects associated with different

types of innovation (van der Have and Rubalcaba, 2016). As a result, social practices molded by intentional, group-based, and goal-oriented acts are encouraged to reshape how social objectives are attained (van der Have & Rubalcaba, 2016).

The term "social innovation" is used widely, but its definition is still up for debate. Different definitions include new concepts, procedures, goods, or services that are designed to meet social needs (Osburg and Schmidpeter, 2013). Two prominent definitions of this concept are that of Phillips et al. (2008, p. 39), which defines it as "a novel solution to a social problem that is more effective, efficient, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals," and Mulgan (2006, p. 146), which defines it as "innovative activities and services that are motivated by the goal of meeting a social need."

According to Phillips et al. (2008), social innovations have a cultural focus, aim to address human social needs, and encourage cooperation between social actors, such as social entrepreneurs and social enterprises. The crucial component is generating societal benefit, which may be demonstrated by programs like corporate social responsibility. Fundamentally, social innovation takes many different forms, but they all revolve around one key component: meeting social needs through conditions that change, both in terms of the innovations' results (Cui et al., 2017) and methods (Lettice and Parekh, 2010).

Social innovation is portrayed in the literature as being in its early stages (Farinha, Sebastião, Sampaio and Lopes, 2020). This literature forms an interesting discourse that crosses a number of research fields, such as social movements, social entrepreneurship, and community development (Farinha et al., 2020). One of the challenges facing social innovation is providing academics and

practitioners with a clear description (Novak, 2021). Still, its core is apparent: it is about bringing about constructive social change by voluntary social interaction (Mulgan, 2006). In addition, it can be argued that social innovations are meant to address societal challenges by providing results that improve societal well-being. This is consistent with the European Union's policy of employing social innovation to tackle modern social and environmental issues (Moulaert and Ailenei, 2005).

Social innovation is becoming progressively more popular (van der Have and Rubalcaba, 2016), yet planning and predicting it is still difficult (Novak, 2021). Dissatisfaction with the current quo can motivate actors to generate unique ideas that contribute to the solution of social problems, and this is why motivational impetus emerges as a crucial element in the generation of social innovation (Novak, 2021). Despite having historical roots, the concept of social innovation is relatively new (Farinha et al., 2020). The opportunity to create both economic and social benefits at the same time is driving the popularity boom.

## **2.4 Corporate Social Innovation**

Numerous academics view innovation as necessity for a market-based economy (Sandal 2017; Milley, Szijarto, Svensson, & Cousins, 2018). This study endeavoured to build on the academic inquiry done by these authors to unpack SI from a CSIn perspective. Sandal (2017) suggests many benefits are gained from innovations such as economic development, freedom, equal rights, and a better world for all in general. Further, this outlook is confirmed by other scholars for whom CSIn pushes the social enterprise and acts as a motor for local development as if it were working in a circle (Tortosa Conchillo, De Pablo Valenciano, & Uribe Tori, 2018l).

It is suggested that Schumpeter (1942) pioneered the debate on innovation from a social context. After almost a century since Schumpeter's (1942) initial research, which numerous CSIn academics advocate for, and whose dedication to socialism was tempered by his positive outlook including the idea that liberal democracies might influence progressive change to the general wellbeing of society (Moulaert & Ailenei, 2005), and of explorations and works of definition of the topic of innovation, this organically underwent numerous transformations. Additionally, Schumpeter's work as an economist, proposed a change in focus from a linear to a systemic model of R & D, in which science drives change, and in which organisations are the only ones leading the innovative field, leading to a systemic and enhanced notion of innovation in that numerous social agents and organisations can be innovative (Puelles & Ezponda 2016).

Considering it is impractical for governments to have solutions to all the problems of society, change agents continuously advancing academic activities (Scott-Cato & Hillier 2010) are critical to the journey of using innovation to solve social problems. Mumford and Moertl (2003) suggest the advancement of the notions behind CSIn appears to have arisen from great discontent with some facets of performance within society, organisations, and governments.

Innovations are generally triggered by market pressures such as competition, new legislation, and policies or pressures from shareholders to maximise profit, whereas SIs are typically driven by socio-economic issues such as poverty and unemployment as opposed to commercial gain (Wittmayer et al., 2019). There is a distinct overlap with social business and social entrepreneurship (Dwivedi & Weerawardena, 2018; Chipeta, Venter & Kruse, 2020), particularly regarding innovative activity with a social objective (Van Wijk, Zietsma & Dorado, 2019), however, there are several differentiating factors such as the collaboration of people

owning and driving social change (Portales, 2019). CSIn can be widely described as the creation of novel strategies, concepts, and tools that aid groups in realising the objective of enhancing social well-being (Sheik, van Rooyen, & Mazzei, 2022). CSIn comprises a range of novel services, processes, and products that tackle social challenges and enhance the quality of lives at macro and micro levels (Maclean, Harvey & Gordon, 2013).

Risk taking is inherent in the implementation of innovation, however it can greatly improve the quality and delivery of social services (Manzini, 2015). Developing models and frameworks for change that are sustainable, leveraging resources, working together and with less is what is meant by innovation in the social sphere (Phillips, Lee, Ghobadian, O'Regan, James, 2015). Young (2011, p. 2185) defined CSIn as “a novel mechanism that increases the welfare of the individuals who adopt it compared with the status quo”. CSIn integrates socially sustainable outcomes and generates new ideas (Nicholls, Simon & Gabriel, 2015). An outcome of CSIn is to address social issues while the innovation is developed and diffused through organisations (Munshi, 2010).

Community-based collaborations are notably effective for fostering CSIn as strengths of the community and partners with residents and clients can be leveraged; residents are closest to the social problem and comprehend them more thoroughly than professionals or scholars (Manzini, 2015). This notion is a unique viewpoint that the social work profession offers to the literature and practice of CSIn. According to Howaldt, Domanski, and Kaletka (2016), involving clients in every step of the idea's development and delivery can improve the CSIn and provide sustainability for the idea's execution. Building those capacities can be facilitated by involving members of marginalised communities in the creation and development of innovative concepts (Moulaert, 2016). User-driven innovation is considerably more sustainable than ideas created by an entrepreneur alone. Examples of this type of innovation include giving voice to end users of

products and services in the development of solutions. This method fosters conditions that are empowering for clients while upholding the social work ideals of client self-determination (Tedmanson & Guerin, 2011).

According to Brown and Wyatt (2010), there are a number of obstacles that impede innovation, including managers' fear of change and resistance to change, high employee turnover, difficulties implementing new ideas due to high staff turnover, a lack of incentives and regulatory frameworks that stifle socially innovative ideas, the notion that change can only come from the top, and, lastly, the risk and vulnerability of service users may make it difficult for service providers to try new ideas. Nevertheless, incorporating staff members in the development and application of socially innovative concepts can empower and inspire them in addition to improving practice (Van der Have & Rubalcaba, 2016).

Mirvis, Googins and Kiser (2012) suggest CSIn differs from traditional CSR efforts in several respects. Firstly, CSIn represents a strategic investment that organisations manage like other organisation investments, whereas CSR results from a philanthropic intent. Secondly, CSIn engages an organisation in societally relevant R&D and applies the full range of organisational assets to the challenges at hand, whereas CSR programs involve contributions of manpower and financial resources. Thirdly, CSIn involves deeper interaction between departments within an organisation and with external parties to co-create novel sustainable solutions to societal issues.

In South Africa, where the legacy of apartheid and persistent socio-economic inequalities present significant challenges, CSIn has emerged as a crucial avenue for businesses to contribute positively to society. A notable aspect of CSIn in South Africa is its role in addressing environmental

challenges. The mining industry, a significant contributor to the South African economy, has been under pressure to adopt more sustainable practices. A study by Blumberg and Tost (2019) explored how mining companies in South Africa are innovating to reduce their environmental footprint. The study highlighted initiatives such as Anglo American's "Smart Energy for the Future" program, which aims to reduce energy consumption and greenhouse gas emissions. In a study relating to commercial banks in South Africa, a study by Seo and Park (2020) examined how companies in South Africa have embraced CSV, highlighting the case of Standard Bank. The study found that Standard Bank's CSR initiatives, such as its "Beyond Painting Classrooms" program, not only improved the lives of beneficiaries but also enhanced the bank's brand reputation and customer loyalty.

Despite these positive developments, challenges remain in the implementation of CSIn in South Africa. One key challenge is the need for greater collaboration between the private sector, government, and civil society to address systemic issues such as inequality and unemployment (de Villiers, 2021). Another challenge is the need for large organisations with significant resources such as commercial banks to move beyond superficial CSR initiatives and embrace more meaningful, long-term CSIn strategies that create sustainable social impact.

## **2.5 Critique of Innovation Theories**

While innovation theories such as Schumpeterian, Diffusion of Innovations, and Resource-Based View have been instrumental in understanding innovation within organisations, they fall short in explaining social innovation and CSIn comprehensively. These theories often focus on technological or market-driven innovations and may not fully capture the unique characteristics

and drivers of social innovation, which aims to address social, environmental, and economic challenges (Costello, 2018).

Schumpeterian theory, for example, emphasises the role of entrepreneurs in driving innovation through the introduction of new products or processes (Schumpeterian, 1942). While this can apply to certain forms of social innovation, it may not account for the collaborative and participatory nature of many CSIn initiatives, which often involve multiple stakeholders working together to address complex social issues. Similarly, Diffusion of Innovations theory, while valuable in understanding how new ideas spread (Rogers, Singhal and Quinlan, 2014), may not fully capture the dynamics of social innovation, which often involve non-linear, emergent processes that are influenced by a wide range of social and cultural factors beyond simple adoption curves. The Resource-Based View of innovation, which focuses on how firms leverage their internal resources and capabilities to drive innovation (Barney, 1991), may also have limitations in explaining social innovation, which often relies on external collaborations, partnerships, and networks to create social impact.

In contrast, Institutional Theory and Social Capital Theory offer more suitable frameworks for understanding corporate social innovation within organisations. Institutional Theory emphasises the influence of external institutional pressures and norms on organisational behaviour (van Wijk, 2019). In the context of CSIn, this theory can help explain why organisations engage in social innovation to comply with societal expectations, gain legitimacy, or respond to regulatory pressures. Social Capital Theory, on the other hand, focuses on the value of social relationships and networks in creating and sharing knowledge, resources, and opportunities (Zheng, 2010). In

the context of CSIn, this theory can help explain how organisations leverage their social capital to collaborate with external stakeholders, access new ideas and resources, and drive social change.

By integrating Institutional Theory and Social Capital Theory, researchers and practitioners can gain a more nuanced understanding of corporate social innovation and the role of organisations in addressing complex social challenges. These theories provide valuable insights into the contextual factors and social dynamics that shape corporate social innovation initiatives, helping organisations develop more effective strategies for creating positive social impact.

## **2.6 Institutional Theory**

Institutional theory offers a foundational framework for understanding the interplay between organisations and their broader socio-cultural environment, particularly pertinent in the realm of corporate social innovation (CSIn) and management support (Lammers et al., 2014). Rooted in sociology and organisational theory, institutional theory posits that organisations are not isolated entities but are deeply embedded within social structures and norms, which shape their behaviours, strategies, and outcomes (DiMaggio & Powell, 1983). This theoretical perspective underscores the significance of institutional pressures and influences in shaping organisational behaviour and decision-making (Jepperson and Meyer, 2021).

Within the domain of CSIn, institutional theory provides valuable insights into how organisations navigate the complex landscape of societal expectations, norms, and values related to sustainability, ethics, and social responsibility. Organisations often face pressures from various institutional stakeholders, including governments, regulatory bodies, NGOs, consumers, and investors, to engage in socially responsible practices and contribute positively to society

(Clemens and Douglas, 2005).

In the context of commercial banks, institutional theory helps understand how these institutions are shaped by and respond to various external pressures and influences. For example, banks are subject to regulations set by government authorities, such as central banks and financial regulators, which dictate their operations and risk management practices (Vives, 2006). These regulations are part of the institutional environment that banks must conform to in order to operate legally and maintain their legitimacy in the eyes of stakeholders.

In addition to regulatory pressures, commercial banks are also influenced by industry norms and practices (Boora, 2018). For instance, banks often adopt similar strategies and practices as their competitors, driven by the desire to conform to industry standards and maintain their competitive position (Boora, 2018). This is known as isomorphism, where organisations become similar to each other over time due to external pressures (Mason, 2012).

Furthermore, institutional theory suggests that organisations can also be agents of change within their institutional environments (Vives, 2006). Commercial banks, for example, can engage in corporate social innovation (CSIn) initiatives to address societal challenges, such as financial inclusion or environmental sustainability. By doing so, banks can not only conform to societal expectations but also actively shape and redefine the norms and practices within their industry (Mallin et al., 2014).

### **2.6.1 Institutional Theory and Management Support**

Alshumrani, Baird and Munir, (2022) suggest management support can play a crucial role in mediating the relationship between institutional pressures and organisational responses to CSIn.

Leadership commitment and support are essential for initiating, implementing, and sustaining social innovation initiatives within organisations (Pless, Murphy, Maak and Sengupta, 2021). Management support encompasses not only the allocation of resources and implementation of policies conducive to social innovation but also the cultivation of a supportive organisational culture that values and prioritises social and environmental objectives (Pless, Murphy, Maak and Sengupta, 2021).

Drawing on institutional theory, researchers have investigated how organisations interpret and respond to institutional pressures for social innovation, examining factors such as legitimacy, conformity, and organisational identity (Suchman, 1995). Organisations may engage in CSIn not only to comply with external expectations and gain legitimacy but also to differentiate themselves from competitors, attract socially conscious consumers and investors, and foster long-term organisational resilience and sustainability (Van Wijk, Zietsma, Dorado, De Bakker and Martí, 2019).

Moreover, management support plays a critical role in shaping organisational responses to institutional pressures for social innovation. Effective leadership can facilitate the alignment of organisational goals with societal expectations, foster innovation-oriented cultures that encourage experimentation and learning and overcome internal barriers to change (Cote, 2017). Conversely, lack of management support or resistance from top leadership can impede the adoption and implementation of socially innovative practices, hindering organisational responsiveness to external pressures and limiting opportunities for positive societal impact (Spielberger, Vagg and Wasala, 2003).

## **2.6.2 Institutional Theory and Social Proactiveness**

Institutional theory posits that organisations are influenced by societal norms, values, and rules, which shape their behaviours and practices (Lammers et al., 2014). Within this framework, social proactiveness refers to an organisation's willingness to take proactive steps to address societal issues and challenges (Matten & Moon, 2008). Institutional theory suggests that organisations are motivated to engage in social proactiveness and CSIn to conform to institutional pressures and expectations (DiMaggio & Powell, 1983). Organisations seek legitimacy and approval from stakeholders, including customers, investors, and regulators, by demonstrating their commitment to social and environmental responsibility (Eliyana and Ma'arif, 2019). As a result, organisations may adopt socially proactive behaviours and pursue social innovation to align with prevailing institutional norms and values (Amenta and Ramsey, 2010).

Moreover, institutional theory suggests that organisations may engage in social proactiveness and corporate social innovation as a form of strategic response to institutional pressures (Tina Dacin, Goodstein and Richard Scott, 2002). By proactively addressing social and environmental issues, organisations can enhance their reputation, attract new customers, and differentiate themselves from competitors (Porter & Kramer, 2011). Thus, institutional theory provides a theoretical lens through which to understand how organisations are driven to engage in social proactiveness and corporate social innovation as a means of gaining legitimacy and competitive advantage in their institutional environment.

## **2.7 Social capital**

Social capital refers to “connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them that can improve the efficiency of society by facilitating coordinated actions” (Putnam, 2000, p. 19). Moreover, stocks of social capital such as networks, norms, and trusts, are cumulative and self-reinforcing. The civic community can be defined by traits such as collective well-being, civic engagement, reciprocity, trust, and cooperation. Joseph (2004) suggests the lack of these characteristics in the uncivic community is also self-reinforcing. The intangible assets of consensus, legitimacy, trust, and reputation are all aspects of social capital (Spence, Schmidpeter & Habisch, 2003), the basis of the long-term performance of organisations and particularly businesses embedded into the communities in which they operate. The literature provides a concrete direction for further studies in CSR: providing organisations with guidance and tools to implement and report on their CSR performance, policies, and processes efficiency, based on their social capital (Joseph, 2000). At the organisational level, social capital can be categorised as either internal or external social capital (Leana & Pil 2006). Internal social capital refers to the relationships, norms, and trust among individuals within an organisation (Adler & Kwon, 2002). These social connections are vital for fostering a sense of belonging, collaboration, and mutual support among employees. Internal social capital is built through regular interactions, shared experiences, and common goals, which contribute to a cohesive and resilient organisational culture (Adler & Kwon, 2002). Within this context, social capital acts as a form of social glue that binds individuals together and enhances their ability to work together effectively (Spence, Schmidpeter & Habisch, 2003). External social capital, on the other hand, refers to the relationships and connections that an organisation has with external stakeholders, such as customers, suppliers, government agencies,

and community organisations (Barroso-Castro, Villegas-Periñan and Casillas-Bueno, 2016). These external relationships provide the organisation with access to valuable resources, information, and support that can enhance its competitive advantage and sustainability (Barroso-Castro et al., 2016). External social capital is cultivated through proactive engagement with external parties, building trust, and establishing mutually beneficial partnerships (Javakhadze, Ferris and French, 2016). It enables organisations to access new markets, identify emerging trends, and seize opportunities that may not be available solely through internal resources (Kim and Cannella, 2008).

With regards to sustainability, commercial banks were created to produce value for various stakeholders. Through their social capital, commercial banks can facilitate innovation, assist people to find jobs, strengthen supplier relations and information sharing among stakeholders, and promote career success (Adler & Kwon, 2002).

### **2.7.1 Social Capital and Transformational Leadership**

Peachey, Burton, and Wells (2014) state that previous research on transformational leadership has tended to focus on human capital as opposed to social capital. Social capital theory suggests that social relationships with external stakeholders and internal organisational members, result in critical resources such as advising each other and distributing information, all representing critical antecedents for SI, knowledge development and information sharing (Zheng, 2010). The characteristics, actions, and abilities that managers display when interacting with staff members make up their leadership style. Although few research have examined the effects of transformational and transactional leadership on social capital, leaders manage and influence a

significant portion of resources through social capital (Chen et al., 2016).

Performance can be enhanced by social capital by making information and essential sources more accessible (Johnson, Schnatterly & Hill, 2013). Golmoradi and Ardabili (2016), for example, claimed that businesses with high social capital might have quick access to a variety of information needed to produce creative work. Additionally, social capital helps to share knowledge through elements like cooperation and trust, which enhances an organisation's capacity for innovation (Turkina & Thai, 2013). Furthermore, social capital may have a variety of effects on an organisation's efficiency through innovation and information exchange (Johnson et al., 2013). According to Johnson et al. (2013), social capital is a value that members of social networks share because of shared cultural norms, productive interactions, interpersonal relationships, and mutual trust.

According to an empirical study, transformational leaders, like charismatic leaders, deliberately try to work well with staff members even in ambiguous situations in order to improve organisational performance and innovation (Jansen, Vera, & Crossan, 2009). Previous research has suggested intellectual stimulation leadership (Sánchez-Cardona, Soria & Llorens-Gumbau, 2018), inspirational leadership (Salas-Vallina, Simone & Fernández-Guerrero, 2020), and visionary leadership (Khattak, Jiang, Li, and Zhang, 2019) are critical transformational leadership behaviours that are essential for CSIn practices. Transformational leadership is believed to increase employees' social behaviours by motivating them to go beyond self-interest and instead adopt a culture of selflessness in pursuit of a common organisational goal (Bass & Steidlmeier, 1999). Podsakoff et al. (1990) analysed the effect of transformational leadership on organisational citizenship behaviours, and it was concluded that the effect is indirect and mediated

by employees' trust in their leadership. Comparably, Engelbrecht and Chamberlain (2005) found support for an indirect effect of transformational leadership on organisational citizenship behaviours due to the mediating effects of procedural trust and justice. Podsakoff et al. (2000) suggest there is a significantly positive relationship between civic virtue, sportsmanship, conscientiousness, courtesy, and altruism and transformational leadership behaviours.

Boukamcha (2019) suggests transformational leadership is a significant predictor of CSE, and ultimately CSIn. Moreover, transformational leaders are typically involved with fostering the entrepreneurial spirit within their organisation and play a role in promoting problem-solving through innovation (Chen et al., 2016). Innovation, social awareness and social proactiveness are typically important to transformational leaders as entrepreneurial strategies are built on these. Menzel, Aaltio and Ulijn (2007) conducted research on a team of engineers and established that top managers are required to encourage communication, autonomy, and innovation, and making strategies for these engineers to take initiative. Furthermore, transformational leaders support CSIn by facilitating and championing socially innovative ideas and providing the necessary resources so that employees need to take action (Baloch et al., 2010). Eagly and Johannesen-Schmidt (2001) further ascertained that transformational leaders empower and mentor followers so that they too take can think critically and innovatively to solve societal problems through CSIn. Eagly and Johannesen- Schmidt (2001) suggest that they motivate employees to achieve their full potential in sustainable projects inside organisations and look to empower them by delegating substantial authority to them. Transformational leaders create a culture of social awareness within organisations and provide the necessary training and skills that will allow employees to use entrepreneurial activities to solve societal problems (Antoncic & Hisrich, 2001).

Transformational leadership requires two key elements: innovation and proactivity (Eyal & Kark, 2004). Furthermore, according to Franco and Gonçalo Matos (2015), transformational leaders exhibit entrepreneurial tendencies by taking initiative and working to enhance the performance of the organisation. According to Jung, Chow, and Wu (2003), transformational leaders convey a vision that prioritizes CSV inside the organisation and focuses workers' energies on developing socially innovative and self-renewing behaviors. By attempting to align employees' beliefs and identities more closely with the culture and identity of their company, these executives hope to increase their internal incentive to develop new initiatives and social projects through socially entrepreneurial behavior.

Jaiswal and Dhar (2015) argue that transformational leaders strive to create an environment that empowers their employees and provides the support required for SI. Transformational leaders are instrumental in developing a CSIn orientation work climate that allows employees to think progressively towards solving societal problems by motivating them and giving them the necessary tools and training (Akter, Rathnayaka & Ahmadi, 2021). The four distinct behavioral components of transformational leadership—inspiring motivation, individualised consideration, intellectual stimulation, and idealised influence—exhibited by immediate supervisors have a positive impact on attitudes toward CSIn and help to foster a positive employee perception of a climate that supports innovation (Eliyana & Ma'arif, 2019). Transformational leaders ultimately establish an environment where CSIn is encouraged and provide enough organisational support that it may become a part of the organisational culture and can thus be sustained. Some researchers have claimed that transformational leadership is one of the most essential predictors of CSIn (Jaiswal & Dhar, 2015).

## **2.8 Conclusion**

The chapter discussed key theories relating to innovation and key constructs of this study. Several critiques and arguments were made of CSR in favour of CSV, and draws on constructs of institutional theory and social capital theory. The next chapter discusses the conceptual framework and hypotheses.

## **Chapter 3: Conceptual Framework and Hypotheses**

### **3.1 Introduction**

The interaction between key determinants (management support, social proactiveness, transformational leadership, internal & external social capital) to CSIn was explored in Chapter 2 to create a framework for the study. Corporate social innovation (CSIn) within commercial banks can be elucidated through the lens of several theoretical frameworks, including institutional theory and social capital theory as suggested in the literature review. The next section explores each research construct in detail and highlights key determinants to CSIn.

### **3.2 Management Support**

Management support is a crucial factor in facilitating corporate social innovation (CSIn), which refers to the development and implementation of new ideas and practices that create social value while also benefiting the organisation (Garcia-Perez, Ghio, Occhipinti and Verona, 2020). Institutional theory provides a relevant framework for understanding the relationship between management support and CSIn.

According to institutional theory, organisations are influenced by societal norms, values, and expectations, which shape their behaviour and strategies (DiMaggio & Powell, 1983). Organisations often engage in CSIn to conform to these institutional pressures related to corporate social responsibility (CSR) and sustainability (Bansal & Roth, 2000). Management support plays a key role in this process by legitimising and promoting CSIn initiatives within the organisation.

Several studies have highlighted the importance of management support in driving CSIn. For example, Kourula et al. (2012) found that top management support was positively associated with the implementation of CSIn practices in Finnish companies. Similarly, Aramburu et al. (2020) argued that management support is a critical antecedent of corporate social innovation, as it provides the necessary resources and legitimacy for innovative social initiatives.

Overall, institutional theory suggests that management support is essential for organisations to engage in CSIn, as it helps align their strategies with external institutional pressures and promotes the adoption of innovative social practices. By understanding the role of management support in CSIn, organisations can enhance their capacity for social innovation and contribute to positive social change.

### **3.3 Social Proactiveness**

Institutional theory provides a comprehensive lens through which to understand the relationship between social proactiveness and organisations. Central to this theory is the concept of institutional pressures, which are external forces that influence organisations to conform to societal norms, values, and expectations (Porter et al., 2019). Organisations that exhibit social proactiveness often do so in response to these institutional pressures, seeking to align their actions with prevailing social expectations and norms.

One key concept in institutional theory is institutional isomorphism, which refers to the process by which organisations adopt similar structures, practices, and behaviours to fit in with their institutional environment (Aguilera, 2005). Organisations may engage in social proactiveness as a form of mimetic isomorphism, where they imitate the actions of other organisations perceived as

socially responsible or successful in addressing social issues. For example, a company may adopt sustainable business practices in response to pressure from stakeholders or in imitation of competitors who have received positive attention for their social initiatives.

Additionally, organisations may engage in social proactiveness to achieve normative isomorphism, where they conform to the normative expectations of their institutional environment (DiMaggio & Powell, 1983). For instance, companies may engage in philanthropic activities or environmental stewardship to align with societal expectations of corporate social responsibility. By doing so, organisations seek to enhance their legitimacy and reputation in the eyes of stakeholders and society at large.

Furthermore, coercive isomorphism may also drive social proactiveness, where organisations comply with external regulations, laws, and mandates related to social issues (Goldsby et al., 2018). For example, a company may invest in diversity and inclusion initiatives to comply with regulations or to avoid negative publicity and legal action.

Previous studies have applied institutional theory to understand social proactiveness in organisations. For example, Bansal and Roth (2000) argue that organisations engage in environmental proactiveness to gain legitimacy and competitive advantage. Similarly, Kourula et al. (2012) found that organisations engage in social proactiveness to conform to societal expectations and enhance their legitimacy.

### **3.4 Internal Social Capital**

Social capital theory, rooted in sociology and organisational behaviour, provides a framework for understanding how social relationships and networks can create value for individuals and organisations (Huggins, Johnston and Thompson, 2012). Internal social capital, which refers to the social relationships and networks within an organisation, plays a critical role in fostering corporate social innovation (CSIn) by facilitating communication, collaboration, and knowledge sharing among employees (Paunescu, 2014).

Internal social capital is particularly relevant for CSIn because it can enhance organisational learning and knowledge creation, which are essential for generating innovative social initiatives (Adler & Kwon, 2002). By fostering strong social ties and networks among employees, organisations can create a culture of innovation where new ideas are encouraged and shared. For example, research has shown that teams with higher levels of internal social capital are more effective in generating and implementing innovative solutions to social and environmental challenges (Cummings & Cross, 2003).

Moreover, internal social capital can also influence the adoption and diffusion of CSIn initiatives within an organisation. Social capital theory suggests that social relationships can facilitate the spread of new ideas and practices through informal channels (Dubos, 2017). Thus, organisations with high levels of internal social capital are more likely to successfully implement and sustain CSIn initiatives over time.

Several studies have applied social capital theory to understand the relationship between internal social capital and CSIn. For example, Nahapiet and Ghoshal (1998) found that internal social capital was positively related to organisational performance, including innovation and adaptability. Similarly, Aramburu et al. (2020) highlighted the role of internal social capital in driving CSIn, suggesting that organisations with strong internal social networks are more likely to engage in innovative social initiatives.

Social capital theory provides a valuable framework for understanding the role of internal social capital in fostering CSIn. By fostering strong social relationships and networks within an organisation, organisations can enhance communication, collaboration, and knowledge sharing, leading to increased innovation and the successful implementation of social initiatives.

### **3.5 External Social Capital**

Social capital theory offers a valuable perspective on how external social capital, defined as the relationships and networks between an organisation and external stakeholders (Claridge, 2018), can influence CSIn. This theory suggests that external social capital can provide organisations with access to valuable resources, information, and opportunities that can facilitate innovation and create social value (Adler & Kwon, 2002).

One key concept in social capital theory is the notion of bridging and bonding social capital (Claridge, 2018). Bridging social capital refers to connections between diverse groups or individuals, while bonding social capital refers to connections within homogenous groups. Both forms of social capital are relevant to CSIn, as bridging social capital can provide organisations

with access to new ideas and perspectives, while bonding social capital can facilitate collaboration and collective action.

External social capital can enhance CSIn by providing organisations with access to external knowledge, expertise, and resources that can stimulate innovation (Lin, 2017). For example, partnerships with non-governmental organisations (NGOs) or community groups can provide organisations with insights into social issues and help them develop innovative solutions to address these challenges.

Moreover, external social capital can also enhance the legitimacy and credibility of CSIn initiatives, making them more acceptable to external stakeholders (Barroso-Castro, Villegas-Periñan and Casillas-Bueno, 2016). By building strong relationships with external stakeholders, organisations can gain support for their social initiatives, leading to increased adoption and impact.

Several studies have applied social capital theory to understand the role of external social capital in CSIn. For example, Aramburu et al. (2020) found that external social capital, in the form of partnerships and collaborations, was positively related to the success of CSIn initiatives. Similarly, Bansal and Roth (2000) highlight the role of external social capital in enhancing the legitimacy and effectiveness of environmental initiatives.

Social capital theory provides a valuable framework for understanding how external social capital can influence CSIn. By building and leveraging relationships with external stakeholders,

organisations can gain access to valuable resources and support that can stimulate innovation and enhance the impact of their social initiatives.

### **3.6 Transformational Leadership**

Transformational theory, particularly in the context of leadership, provides a valuable framework for understanding how transformational leadership can drive CSIn. Transformational leadership is characterised by leaders who inspire and motivate followers to achieve extraordinary outcomes and transcend their self-interest for the greater good of the organisation or society (Ghasabeh, Soosay and Reaiche, 2015).

Transformational leaders are often seen as catalysts for change, encouraging innovation and creativity within organisations (Bush, 2018). In the context of CSIn, transformational leaders can play a critical role in fostering a culture of innovation and social responsibility, encouraging employees to think creatively about how the organisation can address social and environmental challenges.

One key aspect of transformational leadership is its focus on vision and values. Transformational leaders articulate a compelling vision for the future and align organisational goals with values that emphasise social responsibility and sustainability (Ghasabeh, Soosay and Reaiche, 2015). By promoting a shared vision and values, transformational leaders can inspire employees to engage in socially innovative initiatives that contribute to the organisation's overall mission and purpose.

Moreover, transformational leaders are effective communicators who can inspire and motivate

others through their words and actions (Bush, 2018). In the context of CSIn, effective communication is essential for engaging stakeholders, building support for social initiatives, and promoting a culture of transparency and accountability.

Several studies have applied transformational theory to understand the role of transformational leadership in driving CSIn. For example, Avolio and Gardner (2005) found that transformational leadership was positively related to organisational innovation and performance. Similarly, Waldman et al. (2006) highlighted the role of transformational leadership in promoting social responsibility and ethical behaviour in organisations.

Transformational theory provides a valuable framework for understanding how transformational leadership can drive CSIn. By inspiring and motivating employees, articulating a compelling vision and values, and fostering a culture of innovation and social responsibility, transformational leaders can play a key role in driving positive social change within organisations.

### **3.7 Conceptualisation and Development of Hypothesised Framework**

This study focuses on individual employees as the unit of analysis, which is common in business research and represents the first level of analysis (Kumar, 2018). The study aims to explore employee perceptions within commercial banks. Specifically, it examines the responses of employees within the context of a commercial banking environment. The study's scope is to measure the opinions and perceptions of these respondents regarding CSIn within commercial banks.

Research findings suggest that employees play crucial roles as essential stakeholders and key drivers of innovation processes, including initiatives related to Corporate Social Innovation (CSIn), within organisations. For example, studies by Gupta and Sharma (2019) and Zhou, Liu, and Yang (2019) highlight the pivotal role of employees' attitudes, beliefs, and behaviours in fostering an innovative culture conducive to implementing socially responsible practices within corporate environments. By focusing on employees' perceptions, researchers can gain insights into the internal dynamics and organisational factors that drive CSIn within commercial banks.

Numerous studies within the banking sector have underscored the pivotal role of employees in driving organisational innovation and sustainability initiatives (Hillman & Keim, 2001; Shabbir et al., 2018). For instance, Shabbir et al. (2018) emphasised the significance of employees' attitudes and perceptions in shaping the implementation and success of sustainability practices within banks. Therefore, examining employees' perceptions regarding CSIn determinants aligns with existing literature that emphasises the importance of internal stakeholders, such as employees, in promoting organisational innovation and socially responsible behaviours within the banking sector.

### **3.7.1 Direct Relationships**

#### **Hypothesis 1**

In the South African context, management support is particularly crucial for driving corporate social innovation (CSIn) within commercial banks. South Africa is characterised by a history of social inequality and economic disparities, stemming from its apartheid past (Francis and Webster,

2019). As a result, there is a growing expectation for businesses, including banks, to play a more active role in addressing these challenges and promoting social justice and inclusivity (Gordon, Booysen and Mbonigaba, 2020). Management support is essential in this context as it provides the leadership and direction needed to drive CSIn initiatives that address these complex social and economic challenges. Management support can help create an organisational culture that values and prioritises CSIn, setting the tone for employees at all levels to engage in social innovation (Hsu, Liu, Tsou and Chen, 2019). Moreover, management support can provide the resources and guidance needed to implement CSIn initiatives effectively. In South Africa, where resources may be limited and regulatory requirements for CSIn are stringent, management support can help overcome these barriers by allocating resources and providing strategic guidance for CSIn initiatives (Khoza et al., 2019).

Furthermore, management support can help banks navigate the unique challenges and opportunities present in the South African context. By understanding and responding to the country's social, economic, and regulatory environment, management can ensure that CSIn initiatives are relevant, impactful, and sustainable (Zwikael and Levin, 2008). Management support can create a supportive organisational culture that values and rewards innovation and social responsibility (Shen and Zhang, 2019). In South Africa, where the banking sector is highly competitive, management support for CSIn can help banks differentiate themselves from their competitors and build a positive reputation among customers and stakeholders (Maphumulo and Bhengu, 2019).

Several studies have shown that management support is positively related to CSIn within

organisations. For example, Hąbek and Saeed (2024) found that management support was a key driver of corporate social investment. Similarly, Alshukri, Ojekemi, Öz Alzubi (2024) highlighted the role of management support in fostering a culture of social responsibility and innovation within banks.

Given the findings from theoretical considerations, and previous studies on social innovation highlighting management support, the following hypothesis is proposed:

*H1: CSR professionals in commercial banks in South Africa perceive there to be a positive and significant relationship between management support and CSIn*

## **Hypothesis 2**

Social proactiveness involves anticipating and responding to social issues before they become crises, which aligns with the proactive nature of innovation (Goldsby, 2018). In the context of South Africa, where social and environmental challenges are prevalent, banks that are socially proactive are more likely to identify and capitalise on opportunities for innovative social initiatives that address these challenges (Rutert and Traynor, 2019). Social proactiveness is associated with a willingness to take risks and experiment with new approaches to social issues (Tuppura, Toppinen and Jantunen, 2013). This willingness to innovate is essential for driving CSIn within commercial banks, as it encourages employees to think creatively about how the bank can contribute to positive social change (Torugsa, O'Donohue and Hecker, 2013).

Moreover, social proactiveness can enhance the bank's reputation and legitimacy in the eyes of stakeholders, which can create opportunities for collaboration and partnership that support CSIn

initiatives (Rim and Ferguson, 2020). By taking a proactive stance on social issues, banks can build trust and credibility with stakeholders, making it easier to garner support for innovative social initiatives.

One of the key drivers of social proactiveness within commercial banks in South Africa is the regulatory environment. The Broad-Based Black Economic Empowerment (B-BBEE) Act, for example, encourages banks to proactively address social and economic transformation by empowering historically disadvantaged groups (Kruger, 2014). Socially proactive banks are more likely to take a strategic approach to B-BBEE compliance, using it as an opportunity to innovate and create lasting social impact (Chauke, 2020). Several studies have highlighted the positive relationship between social proactiveness and CSIn within organisations. For example, Kihm (2019) found that companies that were socially proactive were more likely to engage in innovative social initiatives. Similarly, Groza, Pronschinske and Walker (2011) highlighted the role of social proactiveness in fostering a culture of innovation and social responsibility within banks.

Given the theoretical considerations and the findings from previous studies highlighting the relationship between social proactiveness and CSIn, the following hypothesis is proposed:

*H<sub>2</sub>: CSR professionals in commercial banks in South Africa perceive there to be a positive and significant relationship between social proactiveness and CSIn*

### **Hypothesis 3**

South Africa has a history of economic inequality, poverty, and environmental degradation, which have made corporate social responsibility (CSR) and sustainable business practices increasingly important for commercial banks operating in the country (Rutert and Traynor, 2019). Commercial

banks in South Africa are increasingly recognising the importance of CSIn, which goes beyond traditional CSR activities to include innovative solutions to social and environmental challenges. Internal social capital within commercial banks in South Africa is critical for driving CSIn initiatives (Siueia, Wang and Deladem, 2019). The banking sector relies heavily on collaboration and knowledge sharing among employees to develop and implement innovative solutions (Tran, 2014). Trust and shared values among employees are essential for fostering a culture of innovation and social responsibility within commercial banks (Hoch, 2013).

Social capital fosters a culture of trust, reciprocity, and shared norms among employees within an organisation. According to Lin (2017), social capital comprises three dimensions: structural (networks and connections), relational (trust and norms), and cognitive (shared language and codes). These dimensions are essential for promoting collaboration and knowledge sharing among employees, which are critical for generating innovative ideas and solutions (Lin, 2017) Further, internal social capital enhances communication and information sharing within the organisation. Strong social ties facilitate the flow of information across different departments and hierarchical levels, enabling employees to access diverse perspectives and expertise (Poleacovschi, Javernick-Will and Tong, 2017). This open communication climate is conducive to the exchange of innovative ideas and the identification of opportunities for CSIn (Thompson, 2018).

Moreover, internal social capital can enhance employee motivation and commitment to CSIn initiatives. When employees perceive a supportive social environment, they are more likely to feel valued and empowered to contribute to social innovation efforts (Yazdanifar, 2018). This sense of belonging and purpose can drive employees to go beyond their routine tasks and engage in creative

problem-solving for social and environmental issues.

Furthermore, internal social capital can facilitate the mobilisation of resources and the formation of partnerships for CSIn. Strong internal networks can help organisations connect with external stakeholders, such as NGOs, government agencies, and community groups, to collaborate on social innovation projects (Cots, 2011). These external collaborations can provide access to additional resources, expertise, and legitimacy, which are crucial for implementing successful CSIn initiatives.

Given the theoretical considerations and findings from previous studies highlighting internal social capital and CSIn, the following hypothesis is proposed:

*H<sub>3</sub>: CSR professionals in commercial banks in South Africa perceive there to be a positive and significant relationship between internal social capital and CSIn*

#### **Hypothesis 4**

Commercial banks in South Africa are increasingly expected to play a role in addressing social and environmental issues, such as poverty alleviation, job creation, and environmental sustainability (Penn and Thomas, 2017). External social capital can help banks meet these expectations by providing them with access to local knowledge, resources, and networks that are essential for developing and implementing effective CSIn initiatives (Cuevas-Rodríguez, Cabello-Medina and Carmona-Lavado, 2014).

Furthermore, South Africa's unique social and economic context, characterised by high levels of inequality and unemployment, creates both challenges and opportunities for commercial banks to

innovate in their approach to social responsibility (Sheik et al., 2023). External social capital can help banks navigate these challenges by providing them with insights into the needs and priorities of the communities they serve, as well as opportunities for collaboration with other stakeholders to address these issues collectively (Rutert and Traynor, 2019).

External social capital, which encompasses the relationships and networks that organisations have with external stakeholders such as customers, suppliers, partners, and the community, plays a crucial role in driving corporate social innovation (CSIn). One key benefit of external social capital is the access it provides to valuable external resources, information, and expertise. Lins et al., (2019) highlights that organisations with strong external social capital are better positioned to identify and leverage external resources for innovation, including funding, technology, and market insights. This access to resources can be instrumental in developing and implementing innovative solutions to social and environmental challenges.

Additionally, external social capital facilitates knowledge exchange and learning with external stakeholders. Adler and Kwon (2002) argue that engaging with external stakeholders enables organisations to gain new knowledge and perspectives, stimulating innovation and creativity. Tsai and Ghoshal (1998) found that organisations actively engaged with external stakeholders are more likely to acquire new knowledge and insights, which can lead to the development of innovative solutions to social and environmental issues.

Furthermore, external social capital can create opportunities for collaboration and knowledge sharing between commercial banks and other organisations, leading to the co-creation of

innovative social solutions (Shrestha, 2013). By collaborating with external stakeholders, banks can leverage their collective knowledge and resources to address complex social challenges more effectively than they could alone.

Furthermore, external social capital provides organisations with valuable market and consumer insights, which are essential for identifying unmet social needs and developing innovative products or services to address these needs. Javakhadze, Ferris and French (2016) suggest that external social capital can help organisations gain a better understanding of market trends and changes, allowing them to respond more effectively to social and environmental challenges. Dhanaraj and Parkhe (2010) found that organisations with strong external social capital are more attuned to market dynamics, enabling them to innovate and meet changing societal demands.

Moreover, external social capital enhances an organisation's reputation and legitimacy, which are crucial for driving corporate social innovation. Preston (2004) argues that a positive reputation can attract partners, customers, and investors who are supportive of social innovation initiatives. Claridge (2018) highlight that external social capital can help organisations gain legitimacy for their social and environmental initiatives, increasing their credibility and influence in driving social change.

Given the theoretical considerations and findings from previous studies highlighting external social capital and CSIn, the following hypothesis is proposed:

*H4: CSR professionals in commercial banks in South Africa perceive there to be a positive and significant relationship between external social capital and CSIn*

## **Hypothesis 5**

Transformational leadership, characterised by visionary communication and the ability to inspire and empower employees, has been shown to have a positive relationship with corporate social innovation (CSIn). Bass and Riggio, (2006) argue that transformational leaders can motivate employees to engage in CSIn by aligning their efforts with the organisation's broader social and environmental goals. This aligning of efforts is crucial for fostering a sense of purpose and direction among employees, which can lead to increased commitment to CSIn initiatives (Gumusluoglu and Ilsev, 2009).

The regulatory landscape in South Africa also impacts how transformational leadership relates to Corporate Social Innovation (CSIn) within commercial banks. For instance, the Broad-Based Black Economic Empowerment (B-BBEE) Act incentivizes banks to participate in CSIn as a means of advancing economic transformation and social development (Krüger, 2014). Transformational leaders can leverage their influence to ensure that CSIn initiatives are in line with the objectives of the B-BBEE Act and other regulatory mandates, thereby increasing their effectiveness and long-term viability (Krüger, 2014). Furthermore, South Africa's diverse and multicultural society presents both challenges and opportunities for CSIn within commercial banks. Transformational leaders can leverage the diversity of their workforce and stakeholders to develop innovative solutions that are culturally sensitive and inclusive (Gordon et al., 2020). By fostering a culture of inclusivity and respect, transformational leaders can enhance the effectiveness of CSIn initiatives and contribute to positive social change in South Africa (Jaiswal and Dhar, 2015).

Moreover, transformational leaders empower employees to take ownership of CSIn initiatives and provide them with the necessary support and resources. Eliyana and Ma'arif (2019) suggests that this empowerment fosters a culture of innovation and creativity, as employees feel empowered to experiment and take risks in addressing social and environmental challenges. Walumbwa and Hartnell (2011) suggests transformational leaders who empower and support their followers create a climate conducive to innovation, which is essential for successful CSIn efforts.

Moreover, transformational leaders are effective communicators who can engage and mobilise employees, stakeholders, and the broader community around CSIn initiatives (Eliyana and Ma'arif, 2019). In South Africa, where collaboration and stakeholder engagement are critical for addressing complex social issues, transformational leaders can use their communication skills to build partnerships and coalitions that support the implementation of CSIn initiatives (Gordon et al., 2020).

Furthermore, transformational leadership is associated with a focus on individual development and empowerment (Arnold, 2017). By empowering employees to take ownership of CSIn initiatives and develop their skills and capabilities, transformational leaders can create a culture of innovation and social responsibility within banks, leading to the development of new and impactful social initiatives (Arnold, 2017).

Additionally, transformational leaders stimulate intellectual curiosity and challenge employees to think creatively about social and environmental issues. This intellectual stimulation can lead to the generation of innovative ideas and solutions for addressing these challenges (Pawar, 2016).

Gumusluoglu and Ilsev (2009) argues transformational leaders who encourage employees to question assumptions and explore new possibilities are more likely to foster a culture of innovation and creativity in the organisation, which is essential for driving CSIn.

Furthermore, transformational leaders serve as role models for ethical behaviour and social responsibility, setting an example for employees to follow. By demonstrating a commitment to social and environmental values, transformational leaders can inspire employees to incorporate these values into their work and decision-making processes (Pawar, 2016). Walumbwa et al. (2008) found that transformational leaders who exhibit ethical and socially responsible behaviour are more likely to influence employees to engage in socially responsible actions, including CSIn initiatives.

Given the theoretical considerations and findings from previous studies highlighting transformational leadership and CSIn, the following hypothesis is proposed:

*H<sub>5</sub>: CSR professionals in commercial banks in South Africa perceive there to be a positive and significant relationship between transformational leadership and CSIn*

### **3.7.2 Mediators**

The following section proposes the mediators in this study; internal and external social capital, and transformational leadership. A mediator is a variable that explains the relationship between two other variables (Preacher and Kelley, 2011). It helps to clarify how or why the two variables are related (Nguyen, Schmid and Stuart, 2021).

## **Hypothesis 6**

Internal social capital enhances the communication and coordination of activities within the organisation, which is crucial for the successful implementation of CSIn initiatives (Adler & Kwon, 2002). Transformational leaders who invest in building internal social capital are more likely to create a supportive organisational culture that facilitates the exchange of ideas and resources needed for CSIn.

Moreover, internal social capital can enhance the motivation and commitment of employees to CSIn initiatives (Paunescu, 2014). Transformational leaders who cultivate strong relationships with employees are more likely to inspire them to engage in CSIn initiatives and to go above and beyond their regular job responsibilities to contribute to positive social change.

Several studies have highlighted the mediating role of internal social capital in the relationship between leadership and innovation within organisations. For example, Hansen et al. (2003) found that internal social capital mediated the relationship between leadership style and innovation in a Norwegian telecommunications company. Similarly, Nahapiet and Ghoshal (1998) highlighted the role of internal social capital in facilitating knowledge sharing and innovation within organisations.

Sanchez-Famoso, Maseda, & Iturralde (2014) argue that transformational leaders have a higher propensity to discover enhanced innovation and greater novelty through interactions and exchanges, as they are less fearful of taking risks. Transformational leaders use their internal social capital to build high performance teams by encouraging team interactions, creating a culture of information sharing and collaboration, and building strong relationships

(Teymournejad & Elghaei, 2017). Rodriguez, Green, Sun, and Baggerly-Hinojosa (2017) argue that effective organisational innovativeness can be created by teams who openly share information, as they are more likely to possess knowledge that is difficult to be replicated by competitors. Moreover, transformational leaders use their internal social capital to inspire employees to work towards a common goal by communicating appealing visions (Eliyana & Ma'arif, 2019). Cetin and Kinik (2015) suggest that creating a sense of collaboration, shared responsibility, and trust is critical to enable innovation within teams.

Given the theoretical considerations and findings from previous studies highlighting the association of transformational leadership and internal social capital, the following hypothesis is proposed:

*H<sub>6</sub>: CSR professionals in commercial banks in South Africa perceive that internal social capital positively and significantly mediates the relationship between transformational leadership and CSIn*

### **Hypothesis 7**

Boundary spanning behaviours such as interacting with external entities and scanning the environment is encouraged by transformational leaders, which results in improved quality of external capital. Transformational leaders use their external social capital to provide collaborative opportunities, access to resources, and information exchange by connecting organisations with outside stakeholders (Adler & Kwon, 2002). Adler and Kwon (2002) suggest that a transformational leader's social ties with external stakeholders (e.g., suppliers, public service providers, business partners, customers, and suppliers) can improve the creation of new

ideas and innovation, garner strategic information about the external environment and have an increase in different perspectives. Moreover, outside resources can be accessed through transformational leaders' external ties, which can present opportunities to acquire alliance resources, and create new knowledge, services, and products through CSIn activities (Koka & Prescott, 2000). Through being skilled at building legitimacy and trust from external stakeholders, transformational leaders can assist their top team management to access external support and alliance resources that are critical for entrepreneurial behaviours and CSIn (Sparrowe & Liden, 2005).

Given the theoretical considerations and findings from previous studies highlighting the association of transformational leadership and external social capital, the following hypothesis is proposed:

*H7: CSR professionals in commercial banks in South Africa perceive that external social capital positively and significantly mediates the relationship between transformational leadership and CSIn*

### **Hypothesis 8**

Management support is critical for promoting CSIn within organisations, including commercial banks. It involves providing resources, encouragement, and direction to employees to engage in CSIn initiatives (Zwikael and Levin, 2008). In the context of South Africa, where commercial banks face social and environmental challenges unique to the region, such as economic inequality and environmental degradation, management support is crucial for driving meaningful CSIn initiatives that address these challenges (du Plessis, 2022).

Transformational leadership, characterised by visionary communication, empowerment, and ethical behaviour, plays a key mediating role between management support and corporate social innovation within commercial banks in South Africa. Transformational leaders inspire and motivate employees to embrace the organisation's social and environmental goals, translating these goals into meaningful actions and initiatives (Bush, 2018). By communicating a compelling vision for social change and innovation, transformational leaders align employees' efforts with the organisation's broader social responsibility objectives, fostering a sense of purpose and direction among employees (Bass and Riggio, 2006).

Furthermore, transformational leaders empower employees to take ownership of CSIn initiatives and provide them with the necessary support and resources to succeed (Samad, 2012). This empowerment creates a culture of innovation and creativity within commercial banks, where employees feel encouraged to explore new ideas and solutions to social and environmental challenges. By serving as role models for ethical behaviour and social responsibility, transformational leaders inspire employees to incorporate these values into their work and decision-making processes, fostering a culture of integrity and social responsibility (Arnold, 2017).

Given the theoretical considerations and findings from previous studies highlighting the relationship between management support and transformational leadership in relation to CSIn, the following hypothesis is proposed:

*H<sub>8</sub>: CSR professionals in commercial banks in South Africa perceive that transformational leadership positively and significantly mediates the relationship between management support*

*and CSIn*

### **Hypothesis 9**

Social proactiveness, characterised by a firm's proactive stance in identifying and addressing social issues, is crucial for fostering corporate social innovation (CSIn) within commercial banks in South Africa. This proactive approach involves anticipating and responding to social and environmental challenges, such as poverty alleviation, environmental conservation, and economic development (Goldsby, 2018). CSIn in commercial banks in South Africa encompasses the development and implementation of innovative solutions to these challenges, such as sustainable finance initiatives and community development programs, which contribute to the overall well-being of society (Rim and Ferguson, 2020).

Transformational leadership plays a mediating role in translating social proactiveness into corporate social innovation within commercial banks in South Africa. Transformational leaders have the ability to inspire and motivate employees to embrace the organisation's social and environmental goals, aligning their efforts with the broader vision of social responsibility (Torugsa, O'Donohue and Hecker, 2013). Pawar (2016) suggest that transformational leaders can translate organisational values and goals into action by fostering a sense of purpose and direction among employees, which is essential for driving corporate social innovation.

In the South African context, transformational leadership is particularly important due to the country's history of social and economic challenges, such as inequality, poverty, and environmental degradation. Transformational leaders in commercial banks can leverage their

influence to drive social change and innovation, addressing these challenges through innovative solutions and initiatives (Pawar, 2016). By inspiring employees to think creatively and proactively about social issues, transformational leaders can create a culture of innovation and social responsibility within commercial banks, leading to the development of impactful CSIn initiatives that benefit both the organisation and society as a whole.

Given the theoretical considerations and findings from previous studies highlighting the relationship between social proactiveness and transformational leadership in relation to CSIn, the following hypothesis is proposed:

*H9: CSR professionals in commercial banks in South Africa perceive that transformational leadership positively and significantly mediates the relationship between social proactiveness and CSIn*

The conceptual framework depicting the hypothesised relationship between variables is depicted in figure 3.1.

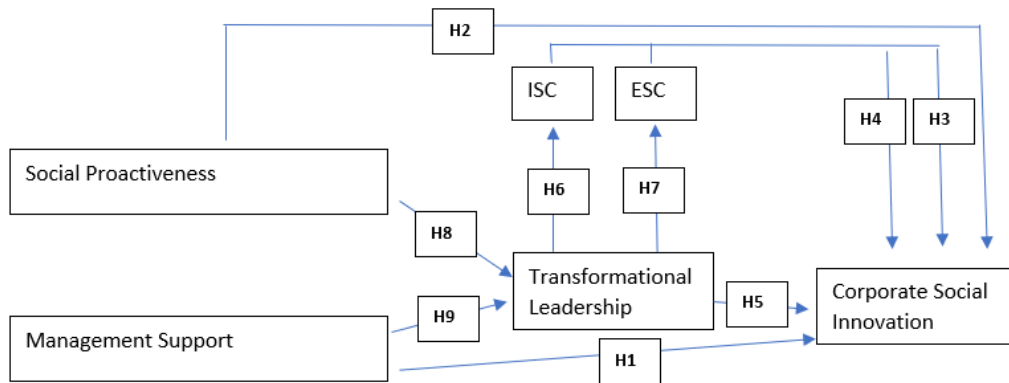


Figure 3. 1: The conceptual research model

### 3.8 Conclusion

The chapter identified and critically discussed the key constructs of the study. Having critically reviewed related literature, the chapter then presented and argued the hypotheses of the study.

The next chapter discusses the research methodology of the study.

## **Chapter 4: Research Methodology**

### **4.1 Introduction**

The preceding chapters inform the research methodology of the study and is discussed in this chapter. The chapter begins with a discourse on the research paradigm, the population, and the sample. The chapter then proceeds to discuss the process of data collection, data analysis, validity, and reliability, for the quantitative component, followed by a discussion on data collection, data analysis and trustworthiness. The chapter is then concluded with a discussion on ethical considerations.

### **4.2 Research Approach and Paradigm**

According to Robertson (2020), multiple approaches to social reality can be undertaken by researchers. The options presented to the researcher include a qualitative, a quantitative, or a mixed method approach which is essentially a combination of qualitative and quantitative methodologies. In this study, a mixed method approach was adopted. Mixed methods helped to coherently present clearer results (Bentahar & Cameron, 2015), which was an ideal approach as the purpose of this study was to gain a deeper understanding of CSIn practices within a commercial banking environment. Mixed methods help to generate a detailed account of respondents' experiences and at the same time, enable researchers to form testable closed-ended questions that permit hypothesis testing (Sahin & Öztürk, 2019). Phase 1 of the data collection was quantitative, whereas Phase 2 was qualitative.

“Paradigms, which overtly recommend mixed methods approaches allow the question to determine the data collection and analysis methods applied, collecting both quantitative and qualitative data and integrating the data at different stages of inquiry” (Mackenzie & Knipe, 2006, p. 10). The pragmatism paradigm was used in this study. A mixed methods approach traditionally adopts pragmatism (Kaushik & Walsh, 2019). According to Creswell (2014), pragmatism accepts that there can be single or multiple realities that are open to empirical inquiry. Pragmatism argues that knowledge and reality are based on beliefs and habits that are socially constructed (James, 2020).

Philosophical justification for mixed research methodology can be provided by pragmatism (Denscombe, 2008). For instance, Mitchell (2018) has argued that pragmatism is "the philosophical partner" of mixed research as its underlying notion provides the essence for mixing research methods. Moreover, Johnson and Rohrer (2007) argue that pragmatism is an advanced philosophy that has epistemology and the logic for combining the qualitative and quantitative methods. The role of the researcher in relation to pragmatism was to transform the research problem by investigating the complex elements of CSIn through using dynamic and innovative ways to get a better understanding of the concept.

The researcher believes in an epistemological point of view that directly flows from the reality cycle stance. This epistemological position is conceptualised as “double-faced knowledge” (Kelly & Cordeiro, 2020). Allemang, Sitter and Dimitropoulos (2022) suggest that according to double-faced knowledge, based on the ontological position of the researcher not on the nature of knowledge itself, any type of knowledge can be viewed as observable or unobservable. Therefore, the pragmatic researcher accepted both types of knowledge based on his immediate ontological

position and the primary goal was to select the correct research method that most appropriately served the research objectives and was the most suitable to the ontological position.

According to the principle of “ontological foundationalism” it is essential that a researcher have a clear view about reality, as the right methodological choice cannot be made without it (Lohse, 2021). Pragmatism should flow from an ontological stance that is in the middle of the objectivity-subjectivity continuum (Lohse, 2016). In this study, the researcher conceptualised this ontological stance as the reality cycle. The reality cycle is based on the idea of the existence of one reality and multiple perceptions of this reality in the social actors' minds.

The pragmatic researcher was biased only by the degree necessary to enhance the research and help to answer the research questions. This is what is known as an axiological stance or the necessary bias principle (Maarouf, 2019). Further, even from a positivism point of view, the researcher acknowledges that there's nothing that can be called bias-free research.

### **4.3 Methodological Triangulation**

At root it can be argued that the core justificatory principle underpinning mixed method approaches is that of triangulation (Moon, 2019). Triangulation refers to using more than one approach when doing research, to obtain richer, fuller data and/or to help confirm the results of the research (Ashour, 2018). Methodological triangulation was used in this study, and this enabled the researcher to establish new knowledge about CSIn within a commercial banking environment as an approach to CSIn. Methodological triangulation was used to increase the understanding of the data collected and subsequently increase the study's validity. There are four types of triangulation (Noble & Heale, 2019): (1) data triangulation, which involves factors like time, space, and people;

(2) investigator triangulation, which involves using multiple researchers in a study; (3) theory triangulation, which supports multiple theoretical frameworks to facilitate the interpretation of a phenomenon; and (4) methodological triangulation, which encourages the use of multiple data collection techniques like interviews and observations.

Within the context of identifying and explaining the relationship between determinants of CSIn within banking institutions, the application of methodological triangulation proves to be particularly salient and advantageous. In essence, the synergy between quantitative data collected from CSIn employees and qualitative narratives extracted from Senior Managers within commercial banks not only strengthens the validity and credibility of research findings but also enriches the depth and breadth of understanding regarding the underlying determinants of CSIn within commercial banking institutions. This integrated approach facilitates the development of comprehensive theoretical frameworks that resonate with the empirical realities of CSIn, thereby advancing scholarly discourse and informing strategic decision-making processes within the commercial banking sector.

#### **4.4 Research Design and Strategy**

As defined by Barnes, Grove and Burns (2003, p. 195), a research design is “a blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings”. Parahoo (1997, p. 142) describes a research design as “a plan that describes how, when and where data are to be collected and analysed”. The study adopted a deductive mixed method design, with quantitative being the dominant methodology, and qualitative secondary. The limitations of quantitative design, such as the lack of in-depth data collected, was enriched by

the qualitative design, collecting more insightful data from senior managers and executives. The qualitative data provides a detailed understanding of the experiences, perceptions, and motivations of key stakeholders involved in CSIn initiatives, complementing the quantitative data collected (Creswell, 2014). This integration allowed for a more comprehensive analysis, as it helps to contextualise the quantitative findings within a banking environment and social context (Creswell, 2014). Additionally, the qualitative data helped uncover complex relationships and processes that quantitative data alone may not reveal, contributing to theory building (Creswell & Creswell, 2017). Triangulating both types of data enhanced the validity of the study's conclusions, providing robust evidence to support practical implications for managers and policymakers in commercial banks seeking to enhance their CSIn (Creswell & Creswell, 2017).

#### **4.5 Unit of Analysis**

The unit of analysis of this study is the individual employee. Individuals represent the most common units of analysis in business research, constituting the first level of unit of analysis (Kumar, 2018). The study is interested in investigating employee perceptions within commercial commercial banks. The study was interested in their responses, but merely within the context of the respondents being employees within a commercial banking environment. The scope of this study was about measuring the opinions and perceptions of these respondents concerning CSIn within the context of commercial commercial banks.

Empirical research suggests that employees within organisations serve as vital stakeholders and primary drivers of innovation processes, including CSIn initiatives. For instance, studies by

Gupta and Sharma (2019) and Zhou, Liu, and Yang (2019) underscore the pivotal role of employees' attitudes, beliefs, and behaviours in fostering a culture of innovation conducive to the implementation of socially responsible practices within corporate settings. By focusing on employees' perceptions, the researcher was able to gain insights into the internal dynamics and organisational factors that drive CSIn within commercial banks. Numerous studies within the banking domain have highlighted the pivotal role of employees in driving organisational innovation and sustainability initiatives (Hillman & Keim, 2001; Shabbir et al., 2018). For instance, Shabbir et al. (2018) underscored the significance of employees' attitudes and perceptions in shaping the implementation and success of sustainability practices within banks. Thus, examining employees' perceptions regarding CSIn determinants aligns with existing literature emphasising the importance of internal stakeholders, such as employees, in promoting organisational innovation and socially responsible behaviours within the banking sector. Moreover, several empirical studies in social innovation have used employees as the unit of analysis such as Smith and Jones (2017) who investigated the role of leadership and organisational climate in employee-driven innovation within social services, Brown and Green (2016) explored the impact of employee participation in social innovation activities on organisational performance, Johnson and Lee (2015) conducted a case study on employee empowerment and social innovation in a nonprofit organisation, and Williams and Smith (2013) studied the role of employee engagement in fostering social innovation in the healthcare sector.

Adopting a social constructivist perspective, scholars such as Amineh and Asl (2015) argue that employees' perceptions reflect socially constructed realities shaped by organisational contexts, norms, and values. Therefore, exploring employees' perceptions provides a nuanced

understanding of the socio-cultural dynamics influencing the conceptualisation, prioritisation, and operationalisation of CSIn within commercial banks.

Focusing on employees' perceptions allowed the researcher to capture the diverse perspectives and experiences of individuals occupying different hierarchical levels and functional roles within commercial banks. This multi-level approach, as advocated by scholars like Kozlowski and Klein (2000), enables a comprehensive analysis of how organisational structures, leadership styles, and interdepartmental collaborations influence the integration of CSIn principles into strategic decision-making and operational processes across the banking sector.

Furthermore, empirical evidence from studies such as those conducted by Jackson, Colquitt, and Wesson (2010) underscores the significance of employee engagement and commitment in driving organisational innovation and performance outcomes. Employees' perceptions of key determinants for CSIn within commercial banks represent an appropriate unit of analysis for this research purposes due to their centrality in social innovation processes, their role in shaping organisational realities and the multi-level insights they provide.

#### **4.6 Sequential Explanatory approach**

There are two separate phases to the mixed-methods sequential explanatory design: a quantitative phase and a qualitative phase (Creswell, 2014). Quantitative was the dominant approach as substantial and relevant literature was available to develop a theoretical framework and test hypotheses. Due to the dominant quantitative nature of the study, a deductive approach was followed.

Firstly, the researcher gathered and analysed the quantitative data. The qualitative data is gathered and analysed second in the sequence and attempts to further explain the results achieved in the first phase (Casula, Rangarajan & Shields, 2021). The qualitative phase is the second phase and builds on the first phase, then the two phases are brought together in the intermediate stage in the study. The quantitative data and the subsequent analysis provided a general understanding of the research problem (Azungah, 2018), and also addressed the research objectives which was to explain the relationship of key determinants to CSIn. The qualitative data and the analysis refine and explain those statistical results by exploring participants' views in more depth (Woiceshyn & Daellenbach, 2018; Pearse, 2019; Creswell 2014). The data for the quantitative phase was collected using a self-administered structured questionnaire, and for the qualitative phase a semi-structured interview guide was used.

#### **4.6.1 Justification for Sequential Approach**

Utilising a mixed-method sequential methodology with a precedence on quantitative data collection and analysis followed by qualitative data collection and analysis offers significant advantages in achieving a comprehensive understanding of complex phenomena. This approach aligns with the pragmatist paradigm, which emphasises the importance of combining different methodologies to address research questions effectively (Creswell, 2008).

Quantitative data collection and analysis are crucial in the initial phase due to their ability to provide structured insights into the prevalence, magnitude, and statistical significance of CSIn activities within commercial banks. Prior research emphasises the significance of quantitative analyses in examining the relationship between corporate social responsibility (CSR) practices, financial performance, and stakeholder engagement within the banking sector (Zhang, Wei and

Kang, 2010). Therefore, quantitative methods such as surveys or archival data analysis can effectively capture and quantify the extent to which various determinants, such as regulatory pressures, competitive dynamics, and internal capabilities, influence CSIn adoption and implementation among commercial banks.

Following the quantitative phase, qualitative data collection and analysis complement the quantitative findings by delving deeper into the underlying mechanisms and contextual nuances surrounding CSIn initiatives within commercial banks. Qualitative methods, such as interviews with bank executives, CSR practitioners, and external stakeholders, enable researchers to explore the motives, values, and organisational processes driving CSIn practices (Roulston and Choi, 2018). Past studies have highlighted the importance of qualitative inquiry in uncovering the organisational culture, leadership dynamics, and stakeholder relationships that shape CSIn strategies within financial institutions (Korschun, Bhattacharya, & Swain, 2014; Pelozo & Shang, 2011).

Furthermore, the sequential nature of the mixed-method approach allows for the validation and enrichment of quantitative findings through qualitative insights. Qualitative data can elucidate unexpected patterns, identify contextual constraints, and provide real-world examples that contextualise quantitative results (Alsaawi, 2014). By triangulating quantitative and qualitative data, researchers can develop a comprehensive understanding of the key determinants driving CSIn within commercial banks, thereby enhancing the credibility and robustness of the study's conclusions (Creswell, 2008).

#### **4.6.2 Quantitative Phase**

In the first phase of the study, the quantitative research questions focused on measuring the

perceptions of the direct relationships of management support, social proactiveness, internal social capital, external social capital and transformational leadership to CSIn, then measured the perceptions of mediating relationships of internal and external social capital between transformational and CSIn, and the perceptions of mediating relationship of transformational leadership between management support and social proactiveness to CSIn. The quantitative results were obtained by providing a self-administered structured questionnaire to 219 individuals who were directly or indirectly involved with CSR activities across commercial banks in South Africa. Here, the self-administered structured questionnaire was focused on collecting data from junior, mid-level, and mid-senior level employees.

#### **4.6.3 Qualitative Phase**

In the second qualitative phase, 14 interviews were carried out with CSR Senior Managers in various commercial banks to explore in depth the results from the statistical tests. The purpose of the qualitative phase was to gain further insights into the results obtained through the self-administered questionnaire.

Whilst the quantitative component focused more on junior, mid-level, and mid-senior level employees, the qualitative component focused on senior level management and executives as it was important to gather rich insights from key decision-makers and personnel who have input into strategy and implementation, as well as manage employees who ultimately execute initiatives. Senior managers, positioned at the helm of decision-making hierarchies, wield significant influence over the integration of CSIn initiatives within banking institutions (Marquis & Qiao, 2017). Their strategic insights into market trends, stakeholder expectations, and regulatory

landscapes serve as indispensable resources for aligning CSIn efforts with overarching corporate objectives (Brammer & Millington, 2008). A study by Smith et al. (2020) corroborates this assertion, highlighting the pivotal role of senior managers in steering CSIn agendas towards sustainable and impactful outcomes. A qualitative approach encouraged discussion as it was more open in nature as opposed to the quantitative approach that adheres to a fixed set of questions (Hollstein, 2011).

## **4.7 Quantitative Aspects of the Atudy**

### **4.7.1 Population**

Individuals who have shared or common attributes in a specific study are known collectively as the research population (Majid, 2018). For this study, the population consisted of CSR related professionals who are employed in all commercial banks across South Africa who have direct and indirect involvement with CSR activities as they are most likely to engage in CSIn activities. CSIn within banks is important as it allows banks to address societal challenges and contribute to sustainable development, aligning with global trends towards corporate sustainability (Yeung, 2011). Moreover, it can foster innovation and creativity within the bank, leading to the development of new products, services, and business models that benefit society and the bottom line (Moon, Crane and Matten, 2006). The commercial banks in South Africa as documented in Chapter 1 in include Absa Group; Standard Commercial bank; Nedbank; First National Commercial bank; Africa Commercial bank Limited (ABL); Tyme Commercial bank; Al Baraka Commercial bank; Bidvest Commercial bank Limited; Commercial bank Zero; Discovery Commercial bank; Capitec Commercial bank Holdings; RMB Private Commercial bank; Investec Commercial bank Grindrod Commercial bank; HBZ Commercial bank; Merchantile

Commercial bank Holdings; Ubank limited; and Wesbank.

A sampling frame was developed using LinkedIn. LinkedIn was used to compile a list of people employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments, and have at least 1 year of experience - this list constitutes the study's population. In many organisations, CSR employees are integrated into marketing and public relations departments rather than being housed in a standalone CSR department. This integration offers strategic advantages, including alignment with brand image and messaging, as marketing and PR professionals are adept at managing the organisation's reputation (Bhatt and Altinay, 2013). Additionally, this approach facilitates strategic communication of CSR initiatives to internal and external stakeholders, leveraging the expertise of marketing and PR professionals in developing effective communication strategies (Pomeroy and Dolnicar, 2009). Integrating CSR into existing departments also promotes resource efficiency, as it allows organisations to leverage existing resources and infrastructure (Sweeney and Coughlan, 2008). Furthermore, this integration ensures that CSR is not treated as a standalone initiative but is instead integrated into the organisation's core operations and decision-making processes, aligning CSR efforts with broader business objectives (Luo and Bhattacharya, 2006).

The target population of was study is 477. The researcher made use of *LinkedIn Sales Navigator* to identify respondents for the study based on the inclusion criteria. *LinkedIn Sales Navigator* is an add-on tool by *LinkedIn* that allows professionals to perform advanced searches, among other features (*LinkedIn*, 2021). Job titles relating to CSR, Marketing and Public Relations were searched for on *LinkedIn Sales Navigator* to identify relevant respondents across commercial banks. Several academic studies have utilised LinkedIn Sales Navigator as a tool for various research purposes. Christopher, Johnson, and Treviño (2020) used it to recruit survey

respondents, highlighting its effectiveness in reaching specific professional populations. Mahoney and Barnes (2020) also utilised Sales Navigator for recruitment and data collection, showcasing its utility in accessing targeted samples for organisational research. These studies demonstrate the value of LinkedIn Sales Navigator in academic research for efficiently gathering responses from specific populations, such as professionals and organisational members.

The below tabulates the quantitative study population size.

**Table 4. 1: Quantitative population**

Population	No. of employees	Source
People employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments	541	LinkedIn SalesNavigator, Accessed October 2022
People employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments AND have at least 1 year of experience in CSR related function such as PR, CSR or marketing	477	LinkedIn SalesNavigator, Accessed October 2022

Through this process, 477 emails and LinkedIn messages were sent to respondents. In some instances, email addresses of the targeted population were gathered from the respondent's *LinkedIn* profile – which is publicly available information, however where email addresses were not available, *LinkedIn InMail* was used to send emails to the respondents. According to LinkedIn (2023), an InMail is 2.6x more effective than an email or a phone call. Stokes, Vandyk, Squires, Jacob and Gifford (2019) used a similar data collection method sourcing respondents through *LinkedIn*. Links to the consent form, the participation information sheet, and the self-

administered questionnaire were sent via LinkedIn InMail and emails. *Qualtrics* was then used to manage the online self-administered questionnaire – only South African (Internet Protocol) IP addresses were accepted to prevent respondents outside of the sample taking part in the self-administered questionnaire. *Qualtrics* is a widely used software package used to distribute self-administered questionnaires electronically and collect the subsequent data (Tharp & Landrum2017). The email contained a link that when clicked, directed the recipient to the self-administered questionnaire. The email also contained a participation information sheet of the study, and can be found in Annexure B. The participation consent form can be found in Annexure C.

#### **4.7.2 Sampling for Quantitative Component**

Random sampling methodology serves as a cornerstone in research design, enabling researchers to generate representative samples and make valid inferences about target populations (Noor, Tajik and Golzar, 2022). Singh and Masuku (2014) emphasise the critical role of random sampling in producing unbiased estimates and reliable statistical inferences, particularly in surveys with intricate sampling frames and unequal probabilities of selection.

To select a random sample, the researcher first obtained a list of all CSR professionals in the banking sector that met the research requirements. The researcher then used a random number generator or a similar method to select a subset of employees from this list. The researcher initially wanted a sample size of 300 CSR professionals from a total population of 447, thus generated 300 random numbers between 1 and 477 and selected the CSR professionals corresponding to those numbers.

Random sampling ensured that each member of the population had an equal probability of being chosen for inclusion in the sample, thus mitigating the risk of selection bias and facilitating the application of inferential statistics to make valid inferences about the broader population. Random sample infact ensured banks with more employees had a higher chance of being included. Random sampling was essential for ensuring the external validity and generalisability of the research findings, as it enabled the researcher to draw robust conclusions that are representative of the target population.

### **4.7.3 Sample Size for Quantitative Component**

Sampling can be referred to as the process of inferring information from populations without examining everyone (Asiamah et al., 2017). When sampling is used, the workload can be reduced, and quality information can be attained with less difficulty (Singh and Masuku, 2014). Gogtay and Thatte (2020) however, stress that in order to derive accurate findings, the sample size should be large enough. For confirmatory factor analysis (CFA), some researchers recommend a minimum sample size of 100 to 200 cases, while others suggest that 200 to 300 cases are necessary for more complex models with multiple latent factors and indicators (Wolf et al., 2013). For path analysis, the guidelines are similar. A minimum sample size of 100 to 200 cases is often suggested, but larger sample sizes may be required for more complex models with multiple paths and variables (Kline, 2017). Based on a population of 477, the sample size needed for the self-administered questionnaire was at least 214 respondents. This was calculated using the Raosoft© sample size calculator, which can be accessed on <http://www.raosoft.com/samplesize.html>. The margin of error used was 5%. The margin of error

represents the acceptable level of deviation. If 90% of respondents provide a positive response and 10% provide a negative one, the researcher may be more lenient with errors compared to a scenario where respondents are evenly divided or slightly skewed towards one option (Kosar, Bohra & Mernik, 2016). An acceptable margin of error used by most self-administered questionnaire researchers typically falls between 4% and 8% at the 95% confidence level; it is affected by sample size, population size, and percentage. Confidence interval (CI) is defined as “a range of values for a variable of interest constructed so that this range has a specified probability of including the true value of the variable” (Gelman & Greenland, 2019). The specified probability is called the confidence level, and the end points of the confidence interval are called the ‘confidence limits. By convention, the confidence level is usually set at 95%. For purposes of this study, the confidence level used was 95%. The 95% CI is defined as “a range of values for a variable of interest constructed so that this range has a 95% probability of including the true value of the variable” (Gelman & Greenland, 2019). While a 99% confidence interval allows for more confidence that the true value in the population is represented in the interval, for most analyses, it is acceptable to use a 95% confidence interval to extend the results to the general population (Klockars, Hancock and Tombari, 2010). The response rate was 50%. Response rate refers to how many people respond to the self-administered questionnaire.

The following table depicts the research techniques for the quantitative study.

**Table 4.2: Quantitative research techniques**

Variable	no.	Description
Population	541	People employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments
Target population	477	People employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments AND have at least 1 year of experience in CSR related function such as PR, CSR or marketing
Unit of analysis	NA	Employees perceptions of CSIn within the context of commercial banks
Recommended sample size	214	Raosoft used to calculate this using following formula: $x = Z(c/100)^2 r(100-r)$ $n = N x / ((N-1)E^2 + x)$ $E = \text{Sqrt}[(N-n)x/n(N-1)]$ Raosoft (2022)
Completed responses	231	Responses that were 100% completed (all questions answered)
Discarded responses	12	Exluded due to incomplete responses
Completed responses	219	Final sample size that was used for analysis purposes
Sample Design		Random sampling.
Collection of Information		Electronic self-administered questionnaires

#### 4.7.4 Self-administered Questionnaire design

The research constructs were identified and derived from literature. The below table highlights important definitions and discussions that informed the research objectives and scale development.

**Table 4. 3: Research construction definitions for self-administered questionnaire development**

Construct	Theoretical definition	Operational definition
Management support	Management support can be theoretically defined as the provision of resources, guidance, and encouragement by organisational leaders to facilitate the achievement of goals and objectives within the organisation. This support is crucial for fostering employee motivation, enhancing productivity, and ensuring effective decision-making processes (Zwikael and Levin, (2008).	Management support in the context of CSIn refers to the endorsement and allocation of resources by organisational leaders to initiatives that integrate social and environmental concerns into business practices, fostering sustainable development and societal well-being (Bansal & Roth, 2000; Seitanidi & Crane, 2009). This backing is essential for legitimizing CSIn efforts, aligning them with strategic goals, and overcoming institutional barriers to innovation (Pattberg & Widerberg, 2015; Scherer et al., 2013)
Social proactiveness	Refers to the proactive engagement of individuals or groups in social activities aimed at fostering positive change or addressing societal issues before they escalate, demonstrating a proactive orientation toward social responsibility and collective well-being (Goldsby et al., 2018).	Social proactiveness in the context of CSIn refers to a strategic orientation characterised by the proactive pursuit of opportunities to address societal challenges through innovative business practices, stakeholder engagement, and the integration of social and environmental considerations into corporate strategy and operations (Tuppura, Toppinen and Jantunen, 2013).
Internal social capital	Internal social capital	Social internal social

	refers to the network of relationships, norms, and trust among individuals within an organisation, facilitating cooperation, collaboration, and knowledge sharing, thus enhancing organisational performance and resilience (Claridge, 2018)	capital within Corporate Social Innovation refers to the reservoir of relational resources embedded within the organisational structure, fostering trust, cooperation, and knowledge sharing among internal stakeholders, thereby facilitating the creation and implementation of innovative social initiatives. It encompasses the network ties, norms, and reciprocity among employees and organisational units, influencing the diffusion of novel ideas and the alignment of interests towards sustainable social impact (Yazdanifar, 2018).
External social capital	External social capital refers to the relationships, networks, and connections that an organisation maintains with external stakeholders such as other organisations, communities, and institutions, enabling access to resources, information, and opportunities beyond the organisation's boundaries, thereby enhancing its competitiveness and legitimacy (Lin, 2017)	Social external social capital refers to the network of relationships and connections that a corporation leverages outside its organisational boundaries to foster innovation with societal impact. This includes partnerships with community organisations, NGOs, governmental bodies, and other stakeholders, contributing to the firm's CSIn efforts. (Preston, 2004)
Transformational leadership	Transformational leadership involves inspiring and motivating followers to achieve beyond their self-interests through vision, charisma, intellectual stimulation, and individualised consideration, fostering positive changes in individuals and	Transformational leadership in the context of Corporate Social Innovation (CSI) refers to a leadership approach characterised by visionary direction, inspirational motivation, intellectual stimulation, and individualised consideration, aimed at fostering organisational

	organisations toward higher levels of performance and innovation (Bush, 2018)	change towards socially innovative practices (Arbold, 2017).
Corporate social innovation	CSIn refers to the strategic deployment of novel business practices and solutions aimed at addressing societal challenges while simultaneously generating economic value. It encompasses initiatives such as social entrepreneurship, shared value creation, and sustainable business models, emphasising the integration of social and environmental considerations into corporate strategies (Tabares, 2020).	CSIn within the banking sector refers to the deliberate integration of innovative strategies and practices by financial institutions to address societal challenges while concurrently enhancing their financial performance. This entails the development of novel financial products, services, and business models that align with sustainable development goals and promote social welfare (Maltz and Pierson, 2022).

Cronbach’s alpha was used to assess internal consistency and reliability and is fully presented in the next chapter. However, a brief summary of the Cronbach’s alpha scores from the initial scales derived from previous studies and adopted in this study, is provided below, in order to establish their initial reliability for use in this study.

**Table 4. 4: Sources of questions and reliability levels of final self-administered questionnaires**

Category/Sections	Source of the instrument	Cronbach’s alpha	Number of items
Management support	Hornsby (2002)	.92	8
Social proactiveness	Kuratko et al. (2017)	.67	3
Internal social capital	Chen et al. (2016)	.93	9
External social capital	Chen et al. (2016)	.87	6
Transformational leadership	Carless, Wearing, & Mann (2000)	.9	7
CSIn	Developed by author using literature review (2024)	.92	6

The scale for CSIn was author developed, and was grounded in a thorough review of the academic literature on innovation. This process involved identifying key themes and factors that drive CSIn, such as management support, social proactiveness, internal social capital and transformational leadership. These constructs were informed by foundational studies on innovation (i.e. Schumpeter, 1934). Each item was validated through expert review and empirical testing.

The researcher used a seven-point Likert scale self-administered questionnaire denominating one as strongly disagree and seven as strongly agree. The higher the level i.e. the closer the respondent gets to seven the more the respondent is in agreement of the construct. Section one focused on management support consisting of eight items; Section two highlighted social proactiveness consisting of three items; Section three focused on internal social capital with nine items; Section four looked at external social capital with six items; Section five examined transformational leadership with nine items; and Section six focused on CSIn with five items. The self-developed self-administered questionnaire is provided in detail in Annexure A. Regarding Likert scales, the most common practice is to use five response categories, however seven response categories are also commonly used. According to Sullivan and Artino (2013), the use of five or seven response categories produces mean scores slightly higher relative to a possible maximum score and their possibly significant differences.

An issue that is typically raised is whether Likert items are ordinal or interval, which causes some disagreement among users of the scale and researchers (Liddell & Kruschke, 2018). However, depending on the assumptions being considered, the data would be considered either ordinal or

interval (Wu & Leung, 2017). Ordinal data is classified into categories within variables that have a natural rank order, however, the distances between the categories are uneven or unknown (Jia & Wu, 2019). Interval data is measured as numerical data that has equal distances between adjacent values, but no meaningful zero (Kent, 2020). In this study ordinal data was used.

#### **4.7.5 Content Validity**

Individuals who are knowledgeable about CSIn reviewed the initial item pool to determine each item's clarity and its relevance to Management support, Social proactiveness, Internal social capital, External social capital, Transformational leadership and Corporate social innovation. The core reason for seeking expert feedback is to ensure that the items are highly suitable and comprehensive in covering all possible aspects. Experts can also suggest alternative measurement approaches that were not previously considered. During this phase, researchers aim to complete the substantive content of the scale (Yaghmaie, 2003).

A content validity exercise was conducted where six subject matter experts were asked to provide feedback on the CSIn scale items. Feedback received from each of the subject matter experts was then incorporated, with the goal of refining the CSIn scale further from a content validity perspective. The subject matter experts consisted of three university professors of international standing who, between them, had strong expertise and focused their research efforts on the fields entrepreneurship, sustainable development, CSR, and business management. One of the subject matter experts is a senior lecturer at a university in Johannesburg. The other is a senior lecturer at a university in Cape Town, and the other a senior lecturer at a university in Pretoria. To ensure the feedback received was not biased toward academia three of the remaining three subject matter

experts were in management consulting with extensive experience in corporate social innovation and CSR. The most common feedback revolved around the scale's length, with the subject matter experts suggesting a reduction in items if feasible. Moreover, the subject matter experts pointed out specific items they deemed redundant and urged the researcher to consider removing them. In response to this, the scale was reduced as reflected in table 4.5 below.

**Table 4. 5: Subject matter expert scale review outcome**

Category/Sections	No. of scale prior to subject matter review	No. of scale after subject matter review
Management support	15	8
Social proactiveness	4	3
Internal social capital	14	9
External social capital	10	6
Transformational leadership	13	9
CSIn	9	5

#### **4.7.6 Pilot Study**

Expert reviews contributed towards establishing acceptable constructs and content validity. Experts reviewed the self-administered questionnaire, and in the context of the study objectives, these experts were in support that the item wordings would provide the base for measuring the study's construct.

A pilot study relates to the pre-testing of a particular self-administered questionnaire (Ismail, Kinchin & Edwards, 2018). The self-administered questionnaire was tested on 30 CSR professionals in the insurance industry and was administered online. One of the advantages of conducting a pilot study is that it might give advance warning about where the main research

project could fail, where research protocols may not be followed, or whether proposed methods or instruments are inappropriate or too complicated (Ismail et al., 2018). The rationale for piloting the self-administered questionnaire in the insurance industry was to reduce any potential biases that might arise from using the same respondent twice in the same study, given prior knowledge of the instrument and study gained during the pilot phase (Teijlingen and, Hundley, 2001). It is more over thus recommended that a sample for the pilot study is drawn from a population this is proximus to the main population (van Teijlingen and Hundley, 2001). Insurance companies are considered, together with Banks, to form part of South Africa's Financial Sector. The pilot study took place within South Africa to help test the reliability of the instrument. After the pilot study was concluded, the self-administered questionnaire was adapted by removing the constructs self-efficacy and empathy from the self-administered questionnaire as they had Cronbach alpha scores of 0.241 and 0.201 respectively. Cronbach alphascores less than 0.6 are seen as unreliable (Bujang, Omar & Baharum, 2018). The Cronbach alpha results of the pilot study can be found in Annexure H.

#### **4.7.7 Data Collection**

A self-administered questionnaire was sent via LinkedIn Mail and email to all individuals in the population – CSR related professionals who are employed in commercial commercial banks across South Africa in CSR, public relations, and marketing departments who had at least one year experience direct and indirect involvement with CSR activities.

#### **4.7.8 Data Analysis and Interpretation**

To assist in the statistical analysis of the data, IBM SPSS and AMOS (version 28) were used. A

sequential stepwise approach to statistical analysis was adopted to support addressing the research objectives. The steps are discussed below.

- The first step in the analysis involved univariate analysis where the sample profile was constructed based on the responses from the respondents. This allows for establishing representativeness of the sample in comparison of the target population.
- The second step in the analysis also included univariate analysis to establish and assess variation across the scale items in relation to their ratings. A seven-point Likert scale was adopted. Statistics that were calculated include the proportional distribution (%) across the Likert-scale categories (1= Strongly disagree; 2=Disagree; 3=Somewhat disagree; 4=Neither agree nor disagree; 5=Somewhat agree; 6=Agree; and 7=Strongly agree) as well as descriptives (mean, standard deviation, skewness and kurtosis). The analysis also contributed towards more advanced analysis that was planned in latter stages of the process, namely confirmatory factor analysis (CFA). In most SEM programs, like AMOS, maximum likelihood estimation (MLE) is a standard estimation approach. This approach makes the assumption that the variables (or items) include in the analysis exhibit multivariate normality and there are not significant outliers. A necessary condition to achieve multivariate normality is univariate normality. Assessment of univariate normality and presence of univariate outliers can be useful in identifying items or cases that me contribute to multi-variate non-normality. Assessing univariate normality were done with statistics such as skewness and kurtosis. Byrne (2010), however, suggests that kurtosis is more relevant in the context of CFA than skewness. The reason being that kurtosis impacts tests of variance and covariance, whereas

skewness has a greater impact on means. Byrne (2010) proposes a kurtosis threshold of less than 7 which is then indicative of no substantial departure from normality (Byrne, 2010). During this step of the analysis the kurtosis values were assessed to establish departure from normality.

- Next, the scales were assessed by calculation in context of internal consistency reliability. A common statistic that we refer to = Cronbach alpha. However, this analysis was conducted merely to get a sense of the initial reliability of measurement without necessarily excluding items from further analysis.
- The next phase in the analysis was Confirmatory factor analysis (CFA), and it is generally used for analysing hypothesised relations among ordinal variables (i.e., Likert-type items) (Marsh, Guo, Dicke, Parker & Craven, 2020). In order to accurately assess the model, fit, indicators such as Goodness of Fit Index (GFI), Chi- Square, Augmented Goodness of Fit Index (AGFI), Random Measure of Standard Error Approximation (RMSEA) and Incremental Fit Index (IFI) were used.
- Due to sample size limitations (the study had 219 respondents), Path Analysis was considered to be better aligned to the sample size and was therefore preferred over Structural Equation Modelling (SEM).

#### **4.7.9 Validity and Reliability of Quantitative Research Design**

To legitimise and validate the study, validity and reliability of the quantitative research must be ensured (Bloomfield & Fisher, 2019). Several measures were used to ensure the validity and reliability of the study.

#### **4.7.9.1 Validity**

Validity is the degree to which the results are truthful, so that it requires self-administered questionnaires to correctly measure the concepts under the study (Vu, 2021). To ensure validity of the study, the following points are measurable and were implemented:

- Appropriate time scale for the study was selected (the data was collected over a period of 3 months);
- Appropriate methodology was chosen, taking into account the characteristics of the study (sequential mixed method approach was chosen);
- The most suitable sample method for the study was selected (random sampling was used);
- The respondents were not pressured in any way to select specific choices among the answer sets.

#### **External Validity**

External validity captures the extent to which inferences drawn from a given study's sample apply to a broader population or other target populations (Findley, Kikuta & Denly, 2021). To ensure external validity, the self-administered questionnaire was anonymous in order to mitigate the probability of bias.

#### **Internal Validity**

Internal validity is the extent to which a study establishes a trustworthy cause-and-effect relationship between a treatment and an outcome (Andrade, 2018). Internal validity also reflects that a given study makes it possible to eliminate alternative explanations for a finding (Meltzoff & Cooper, 2018). To maximise the validity of the research, factors from existing and tested

measurement instruments were utilised. Validity was statistically assessed by using Confirmatory Factor Analysis (CFA) which aimed to determine the validity and reliability of measured items in measuring the latent variables in this study (Transformational Leadership, Social Proactiveness, Management Support, Internal Social Capital, External Social Capital, and Corporate Social Innovation). Convergent validity analysis was also conducted. Convergent validity is a measure of how well measured items can measure latent variables in research. Convergent validity evaluation is done by looking at the loading factor value (Swami et al., 2017).

#### **4.7.9.2 Reliability**

Sileyew (2019) argues that if outcomes of a study can be replicated using a similar methodology, the self-administered questionnaire will be deemed reliable. Reliability refers to “a measurement that supplies consistent results with equal values, and measures consistency, precision, repeatability, and trustworthiness of a research (Mohajan, 2017, p. 10). Reliability and internal consistency were tested with the Cronbach Alpha coefficient.

#### **4.8 Qualitative Aspect of the Study**

The purpose of the qualitative phase was to gather rich in-depth data on a smaller scale from senior level management and executives to further explain the quantitative data collected as they are typically key decision-makers and personnel who have input into strategy and implementation, whereas the quantitative phase focused more on collecting data on a larger scale from junior, mid-level, and mid-senior level employees. Senior managers' perspectives offer invaluable insights into the nuanced interplay between CSR frameworks and organisational culture within banking institutions. Research by Boulouta (2013) underscores the significance of organisational culture in

shaping the adoption and execution of CSIn initiatives. Senior managers, as custodians of corporate culture, provide researchers with firsthand accounts of how organisational values, norms, and practices influence the implementation and diffusion of innovative social and environmental solutions. By elucidating these cultural dynamics, the researcher was able to contextualise CSIn dynamics and strategies within the broader commercial banking context, thereby enriching theoretical frameworks and empirical analyses. This study adopted grounded theory. Grounded theory focuses on developing theories that are "grounded" on methodically gathered and examined facts (Noble and Mitchell, 2016). Percy et al. (2015) posited that generic qualitative research is appropriate for mixed methods research.

CSIn within the commercial banking sector is not a well-researched area; only a few studies exist which mean there is not much knowledge in this space. Thus, the study commenced with a self-administered questionnaire to become familiar with this field and identify common existing problems. Based on the responses, the self-administered questionnaire was then followed up with semi-structured interviews to obtain further clarification on certain constructs identified through the self-administered questionnaires.

#### **4.8.1 Qualitative Population**

For this study, the population of the qualitative component consisted of CSIn leaders and senior CSR managers in commercial commercial banks across South Africa who had direct and indirect involvement with CSR activities. A sampling frame was again developed using LinkedIn. LinkedIn was used to compile a list of Senior CSR Managers employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments, and have at

least 5 year of experience - this list constitutes the study’s population. The target population of was study is 97. The criteria was able to be met before contacting the participants as this information is publically available information through their LinkedIn pages.

Similar to the quantitative research, the researcher employed LinkedIn Sales Navigator to identify study participants who met the inclusion criteria. Specifically, job titles related to CSR, Marketing, and PR were targeted in the search across commercial banks to identify relevant individuals. Specifically, job titles with the words “Manager”, “Head”, “Lead”, “Leader” were included in the search criteria, and years of experience was considered.

**Table 4. 6: Qualitative research techniques**

Population	No. of employees	Source
Current CSR Senior Managers employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments, and who have, job titles with the words “Manager”, “Head”, “Lead”, “Leader”	134	LinkedIn SalesNavigator, Accessed October 2022
Current CSR Senior Managers employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments, and who have, job titles with the words “Manager”, “Head”, “Lead”, “Leader”AND have at least 5 year of experience in CSR related function such as PR, CSR or marketing	97	LinkedIn SalesNavigator, Accessed October 2022

#### **4.8.2 Sampling for Qualitative Component**

The sampling method that was used was purposive. Leaders/Managers in CSR departments in commercial commercial banks with at least 5 years’ experience in a CSR managerial or leadership position were interviewed – years of experience was not based on years spent at a

particular company, but rather entire career experience. The rationale for this was that after five years of managerial experience, these managers were likely to have a deep understanding of CSR and have developed leadership competencies (Galliers & Sutherland, 1999). Moreover, the interviewees were more suited for providing insightful responses, as opposed to managers with less experience. All interviews were conducted via *Microsoft Teams*.

### **4.8.3 Sample Size for Qualitative Component**

Sim, Saunders, Waterfield and Kingstone (2018) note that qualitative research samples are smaller than quantitative research samples. Crewsell (2014) recommends that between five and 25 interviewees be used for qualitative studies. The number of participants in the qualitative component was 14. Several studies on CSIn have used a similar sample size (Sharir & Lerner, 2006; Lerner & Robinson, 2014). In this study, the researcher interviewed CSR managers/leaders across 11 commercial commercial banks. It was important that these interviews were with CSR managers/leaders to explain results from the quantitative self-administered questionnaire. Moreover, the intent was to garner rich insights from leadership as they are the custodians and drivers of the CSR strategy within commercial banks. Through this process, 36 LinkedIn Mails and emails were sent to participants. In some instances, email addresses of the targeted population were gathered from the respondent's LinkedIn profile – which is publicly available information, however where email addresses were not available, LinkedIn InMail was used to send emails to the respondents. According to LinkedIn (2023), an InMail is 2.6x more effective than an email or a phone call.

The following table depicts the research techniques for the qualitative study.

**Table 4. 7: Qualitative research techniques**

Variable	no.	Description
Population	134	Current CSR Senior Managers employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments, and who have, job titles with the words “Manager”, “Head”, “Lead”, “Leader”
Target population	97	Current CSR Senior Managers employed within South African commercial banks, who are in CSR, Public Relations and Marketing departments, and who have, job titles with the words “Manager”, “Head”, “Lead”, “Leader”AND have at least 5 year of experience in CSR related function such as PR, CSR or marketing
Unit of analysis	NA	Senior Managers perceptions of CSIn within the context of commercial banks
Recommended sample size	5-25	Crewsell (2014) recommends that between five and 25 interviewees be used for qualitative studies
Completed interviews	14	In-depth interviews over Microsoft Teams
Sample Design		Non-probability and Purposive sampling.
Collection of Information		Semi-structured interview guide

#### 4.8.4 Interview Guide

The qualitative component of this study used semi-structured interviews. In semi-structured interviews the interviewer and interviewee engage with the topic in question, with the dialogue guided by predefined questions, whilst allowing the interviewer to ask probing questions to garner deeper insights (Ahlin, 2019). Structured interviews are interviews with predefined questions; however, these have limited probing questions (Ahamat, 2019), with a one-way flow of information (Roulston & Choi, 2018). Semi-structured interviews were more ideal than structured interviews because they allowed for the opportunity to spontaneously explore CSIn topics that were relevant to each participant, resulting in more comprehensive insights needed

for the study. The objectives and the nature of the study were conveyed to the prospective participants before the data collection phase commenced. A participation information sheet of this study was made available to the participants, and can be found in Annexure E. A contingency plan (a provision sample) was put in place should a participant not have been available for the interview. Should a participant have been unavailable for the interview, a sample of five interviewees was put in place as a contingency. The interview guide can be found in Annexure D.

#### **4.8.5 Recording of the Interviews**

During the interviews, paper-based interview guides are usually used (Andrew & Halcomb, 2009). Divergence from the interview guide usually occurs when open-ended questions are used, therefore, making it challenging to jot down responses during the interview, which could potentially reduce the quality of the interview and diminish attempts to build rapport with the interviewee (Halcomb, 2019). It has been recommended that interviews be recorded in order to keep conversations flowing, and then transcribed at a later stage for analysis (McGrath, Palmgren and Liljedahl, 2019). Transcription enables the researcher to get a verbatim record of what is being said, therefore allowing a more accurate way of representing the interview rather than taking notes (McGrath et al., 2019). In this study, interviews were voice recorded. The consent form for recording can be found in Annexure F.

#### **4.8.6 Trustworthiness of the Qualitative Component**

When the results are believed to be an accurate representation of the study's total population, the qualitative research is deemed to be reliable (Rezapour Nasrabad, 2018). Qualitative research has three types of reliability (Kirk & Miller, 1986, p. 41): "1) the degree to which a measurement, given repeatedly, remains the same; 2) the stability of a measurement overtime; and 3) the similarity of measurements within a given time period".

Joppe (2000, p. 1) suggests that "validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are". It essentially refers to the trustworthiness of the research.

The study undertook the following steps to ensure trustworthiness of the qualitative component of the study: 1) the study used respondent validation; 2) the self-administered questionnaire had relevant questions derived from stakeholder theory literature as well as other research constructs; 3) triangulation techniques were used in order to ensure that the results were credible; and 4) during the interviews, the interviewer asked the same question more than once, but worded differently, in order to ensure reliability of the self-administered questionnaire. The trustworthiness of the study is established by credibility, transferability, dependability, and confirmability (Connelly, 2016).

Credibility in qualitative research refers to the trustworthiness and believability of the findings and interpretations generated from the study. Several strategies that are supported by academic literature for enhancing credibility in qualitative research was adopted in this research.

- **Triangulation:** Utilising multiple data sources, methods, and perspectives to corroborate findings. This approach enhances the credibility of interpretations by demonstrating consistency across different sources or methods. The researcher compared and contrasted data from the quantitative and qualitative data to ensure the consistency and validity of the findings. For instance, the responses received from the self-administrated questionnaire aligned with themes identified in the interviews with participants - this strengthened the credibility of the conclusions.
- **Member checking:** Involving participants in the research process to validate findings and interpretations (Motulsky, 2021). After the interviews were conducted, the researcher's interpretations of the data was shared with all 14 of the participants. This involved presenting summaries of key themes and participants were invited to confirm, refute, or provide additional insights. Eleven out of the 14 participants shared feedback by validating that the key themes were indeed correct and aligned with their general perceptions about CSIn within commercial banks. Three out of the 14 participants did not respond to any feedback requests. By incorporating participants' perspectives, the researcher was able to validate the accuracy of interpretations and ensure that the lived experiences of participants were accurately represented.
- **Peer debriefing:** Engaging in discussions with colleagues or experts in the field to critically review research processes, findings, and interpretations (Janesick, 2007). The researcher regularly meet with academics who specialise in CSIn and to discuss emerging findings and interpretations. These peer debriefing sessions allowed the researcher to receive constructive feedback, challenge assumptions, and consider alternative interpretations.

Through this process, the researcher refined the analysis and strengthen the credibility of their conclusions. This external validation helps identify potential biases and ensures the rigor of the study.

- **Rich description:** Providing detailed and vivid descriptions of the research context, participants, and findings to facilitate reader understanding and evaluation. The researcher provided detailed narratives and descriptions of participants' social contexts to gather an enhanced perspective of their views into CSIn. By painting a vivid picture of the research setting and participants' experiences, readers can better understand the nuances and complexities of CSIn within a commercial banking context. This rich description enhanced the credibility of the study by enabling readers to assess the transferability of findings to similar contexts.

Transferability is the ability to transfer findings from the research from one group to another (Curtin and Fossey, 2007). Several strategies that are supported by academic literature for enhancing transferability in qualitative research was adopted in this research.

- **Sampling Diversity:** Purposefully selecting a diverse range of participants, settings, or cases to capture a broad spectrum of experiences and perspectives related to the phenomenon of interest. The researcher included sample participants from different demographic backgrounds, geographical locations, age and gender to ensure diversity of perspectives. By including diverse participants, the researcher enhanced the transferability of the findings across various settings or populations.
- **Contextual Sensitivity:** Sensitising the research design, data collection, and analysis processes to the specific contextual factors shaping the phenomenon under investigation

(Creswell & Creswell, 2017). The researcher acknowledged and explored the unique social, cultural, and environmental contexts influencing the findings to facilitate the transferability of the conclusions. For instance, the researcher conducted all interviews via Microsoft Teams to create a comfortable and familiar environment for participants to share their experiences openly.

- **Theory Development:** Grounding the research findings in relevant theoretical frameworks or conceptual models that offer explanatory power and predictive value across different contexts. By situating the findings within theoretical frameworks of this study, the researcher identified underlying mechanisms and contextual factors that may influence the transferability of the conclusions. For instance, in the study on theories of institutional theory and social capital theory to contextualise the findings and identify generalisable principles.
- **Transferability Statements:** Explicitly discussing the limitations and contextual factors influencing the transferability of the study findings in research reports or publications. The researcher transparently communicated the specific conditions under which the findings may be applicable and acknowledged the potential limitations of generalisation. For instance, the researcher discussed the limitations of the study, potential biases, and contextual factors influencing the transferability of the findings. By providing transferability statements, the researcher has helped readers interpret and apply the findings appropriately in different contexts.

Dependability in qualitative research refers to the consistency, stability, and reliability of the research findings over time and across different researchers or contexts. Achieving dependability

is essential for ensuring the rigor and trustworthiness of qualitative research. Several strategies that are supported by academic literature for enhancing dependability in qualitative research was adopted in this research.

- **Audit Trails:** Refers to maintaining detailed and systematic records of all research activities, including data collection, coding, analysis, and decision-making processes (Miles and Huberman, 1994). Audit trails allow for transparency and accountability in the research process, enabling other researchers to track and verify the steps taken to arrive at the final interpretations (Fereday and Muir-Cochrane, 2006). The researcher kept comprehensive records of all interview transcripts, field notes, coding decisions, and analytical memos. These audit trails served as a documentation of the research process, facilitating transparency and ensuring the dependability of the findings.
- **Peer Debriefing:** Refers to engaging in discussions with colleagues or experts in the field to critically review research processes, findings, and interpretations (Creswell, 2013). Peer debriefing provides an external check on the researcher's interpretations and enhances the credibility and dependability of the study (Creswell, 2013). After completing the data analysis for a qualitative study, the researcher convened a peer debriefing session with fellow researchers to discuss emerging themes, coding decisions, and interpretations. Through this process, the researcher received feedback and suggestions for refining the analysis, thereby enhancing the dependability of the findings.

Confirmability in qualitative research refers to the degree to which the findings of a study are shaped by the participants and the context, rather than by the biases, perspectives, or preconceptions of the researcher (Shenton, 2004). Achieving confirmability is crucial for ensuring

the objectivity and neutrality of qualitative research (Shenton, 2004). External Audit was used to enhance credibility. It is a process where an independent researcher or team reviews the research process, data, and findings to ensure their credibility and trustworthiness (Fereday and Muir-Cochrane, 2006). This involved seeking feedback and validation from external reviewers or experts in the field to critically review research processes, findings, and interpretations. The researcher engaged external auditors, such as experienced qualitative researchers and CSIn subject matter experts, to review the findings and provide feedback. By soliciting external perspectives, it enhanced the confirmability of the interpretations and ensured the robustness of the conclusions.

#### **4.8.7 Process for Qualitative Data Collection**

The process of collecting data involved having interviews using a semi-structured interview guide. It was important that there was open and transparent dialogue between the interviewer and interviewee to gain rich insights in answering the research questions, and the use of semi-structured interviews was the most ideal approach to this. Semi-structured interviews have been found to be successful in enabling reciprocity between the interviewer and participant for open flowing communication (Summerfeldt, Ovanessian & Antony, 2020), enabling the interviewer to improvise follow-up questions based on participants' responses and allowing space for participants' individual verbal expressions (Roulston & Choi, 2018). The process of data collection used *LinkedIn Sales Navigator* to contact participants and followed a similar process.

#### **4.8.8 Data Analysis for Qualitative Component**

Thematic analysis was used for the qualitative component of the study. Thematic analysis is an

empirically driven approach for investigating salient themes of content in interviews (Braun & Clarke, 2019). Thematic analysis includes familiarisation of the data, coding, searching for themes, reviewing themes, defining themes, and writing up (analytical narrative) (Neuendorf, 2018). The steps used in this study to do the thematic analysis involved: 1) transcribing the data; 2) generating initial codes, which involved organising the data in a meaningful and systematic way; 3) searching for themes in the data by identifying recurring significant information found in the transcribed data; 4) reviewing themes, by modifying and developing preliminary themes; 5) defining themes, by identifying the core of each theme; and 6) tabulating codes and themes for the final analysis.

#### **4.8.9 Data Management**

Data management in qualitative research is defined as a designed structure for systematising, categorising, and filing the data to make them easily retrievable (Lin, 2009). Codes were established by considering each word of the transcript to summarise what participants were narrating.

Printed copies of the transcripts were used for the coding process at first, with important words underlined and notes made in the margins to document first ideas. The terms used by participants to summarise important phrases were called "in-vivo codes." These in-vivo codes were used to create categories. The framework approach recommends using in-vivo coding in order to remain "true" to the data (Ritchie & Lewis 2003). First ideas started to take shape, evolving into more formal concepts from which a code matrix was created. Progress could be documented, and modifications could be monitored thanks to the coding index. At first, every in-vivo code

constituted a potential category; however, as coding advanced and the quantity of categories increased, these were combined into more comprehensive categories. Eventually, related categories were combined to create the first themes. The entire data set was organised using the coding index that these categories and themes created. However, as additional information became apparent during the data processing process, the coding index was continuously improved.

#### **4.8.10 Personal Reflection and Reflexivity**

The following section highlights the researcher's interests and how it may have impacted on the collection or analysis of the data.

##### **4.8.10.1 Personal Reflection**

The researcher's master's dissertation on social entrepreneurship inspired his further interest in social innovation. Through this research, the researcher delved into the transformative potential of businesses to address social and environmental challenges. This experience ignited a passion within the researcher to explore further how organisations, particularly banks, can drive positive societal change through innovation. Thus, the researcher was motivated to pursue a PhD study on corporate social innovation within banks, aiming to understand how these institutions can effectively integrate social and environmental considerations into their core strategies and operations to create meaningful impact.

##### **4.8.10.2 Reflexivity**

According to Lane and Roberts (2018, p. 1) "reflexivity is an attitude of attending systematically to the context of knowledge construction, especially to the effect of the researcher, at every step

of the research process”. Reflexivity was used in this study as set out below. The following is the reflexive statement.

- The researcher considered ways in which the researcher’s interactions with participants might be influenced by the researcher’s professional background, prior experiences, and assumptions.
- For instance, the researcher, having worked in corporate settings, understood the organisational dynamics and the language commonly used in CSR initiatives. However, the researcher also recognised the potential bias this background could introduce, such as assuming a certain level of knowledge or perspective among the participants. To mitigate this, the researcher adopted a reflexive approach, constantly reflecting on the research’s own positionality and how it might shape the interview process. This reflexivity led to more open-ended questions, allowing participants to express their views freely and ensuring the researcher's prior experiences did not unduly influence the data collected.
- Having previously worked in organisations where CSR was viewed more as a PR exercise than a genuine commitment to social change, the researcher could have unconsciously steered conversations towards confirming this skepticism. This bias could have lead the researcher to overlook innovative CSR practices or dismiss genuine efforts by commercial banks to drive positive social impact. Additionally, the researcher’s personal experiences with social injustice could have made the researcher overly focused on how CSR initiatives address immediate, visible problems, potentially overlooking more systemic or long-term issues. To counter these biases, the researcher continuously reflect on the researcher’s assumptions, actively sought out diverse

perspectives, and ensured that the questions asked were open-ended, encouraging participants to share their views authentically. By doing so, the researcher aimed to ensure the study captured the full spectrum of CSIn within commercial banks and its potential to drive meaningful social change.

- The researcher was aware that the topic under investigation could potentially cause anxiety and stress for the participants. Therefore, after each interview, the researcher confirmed that participants were not feeling distressed by their participation. This was achieved by periodically “checking in” with the participants during the interview (when the opportunity presented itself) to confirm that they were still comfortable and happy to proceed with the interview.

#### **4.9 Ethical Considerations**

Respondents and participants had the right to choose not to participate in this study, as participation was completely voluntary. Respondents and participant confidentiality was maintained by removing identifying information such as commercial bank name, employee name, and restricting data access to the researcher. Respondents’ and participants’ data was secured on a password-protected computer. Inducements were not made to encourage participation. A consent form was given to each respondent and participant. The consent forms can be found in Annexures C and F. Moreover, an ethics clearance was obtained from the Human Research Ethics Committee (Non-Medical) of the University of the Witwatersrand prior to the research commencing. The Ethics Clearance Certificate can be found in Annexure G.

## **4.10 Conclusion**

The chapter argued the necessity of a sequential mixed method design, and subsequently discussed key aspects relating to quantitative and qualitative aspects of the study. The next chapter discusses in depth the quantitative data analysis and interpretation of results.

## **Chapter 5: Quantitative data analysis and interpretation of results**

### **5.1 Introduction and Unit of Analysis**

This chapter presents the findings and results obtained from the research undertaken. The data was analysed and the results reported in accordance with the detailed research methodology chapter.

This chapter starts with a description of the sample and details surrounding the preliminary examination and subsequent clean-up of the data prior to analysis. An analysis of the demographics of the respondents with a discussion of some key observations follows. An analysis of the internal consistency and reliability was conducted on the data with appropriate tables displaying the resultant analyses and a discussion around the appropriate action that needed to be taken. This chapter then seeks to further interpret and discuss the results of the detailed analysis of the data.

The unit of analysis for the quantitative study was the individual employee within commercial banks and was specifically concerned about the perceptions of the identified CSIn constructs' direct relationship to CSIn, as well as the mediating relationships with CSIn. The unit of analysis of the qualitative study was the individual employees within commercial banks. Moreover, the the qualitative study was concerned with perceptions of CSR senior managers of CSIn within the commercial banks, and also further explaining the data collected from the quantitative study.

Each research hypothesis is described with a discussion around the appropriate data analysis required to prove/disprove each hypothesis. Data tables and figures are presented for descriptive analysis purposes or to evaluate graphically the potential relationships between variables of

interest.

## **5.2 Sample Profile**

The demographic analysis in this study was conducted to describe the demographic conditions of the respondents and the respondents' responsiveness to the research variables. Descriptive analysis of demographic characteristics was carried out by providing an overview of the percentage of categories in each characteristic. Moreover, the description of the respondents' responses is seen through the mean value of the individual respondent's answer to each item in one research variable.

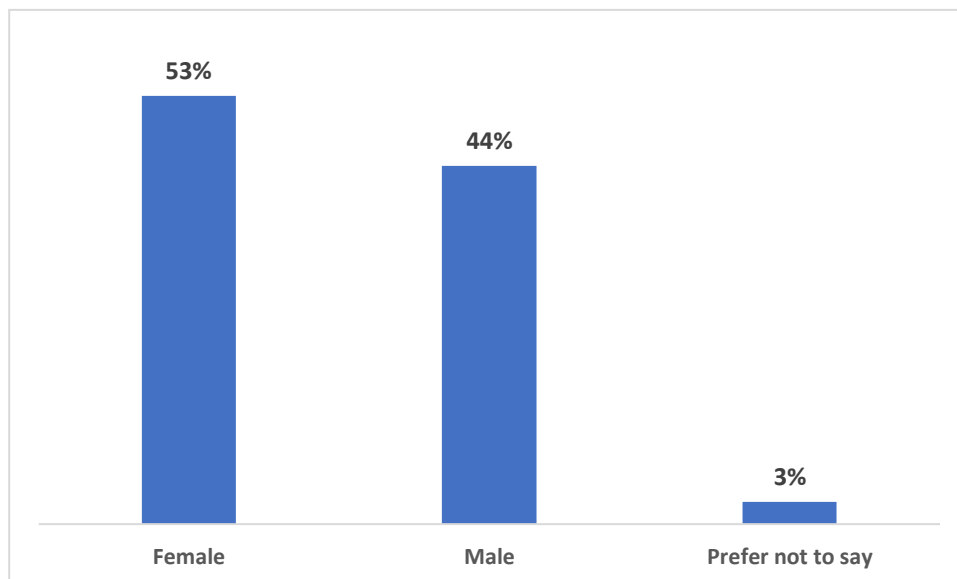
The study looked to establish a representation of several commercial banks, as opposed to only one. The aim was not to compare commercial banks with one another, but rather to get a broader sense of employee perceptions within a commercial commercial bank context. The theory was believed to have played out in each of the commercial commercial banks, thus the study looked to understand the perceptions thereof from the employees.

With a total population of 477 highlighted in Chapter 4, a total sample size of 219 fully completed self-administered questionnaires by CSR, marketing and public relations professionals was realised. For confirmatory factor analysis (CFA), some researchers recommend a minimum sample size of 100 to 200 cases, while others suggest that 200 to 300 cases are necessary for more complex models with multiple latent factors and indicators (Wolf et al., 2013; Tabachnick & Fidell, 2019). For path analysis, the guidelines are similar. A minimum sample size of 100 to 200 cases is often suggested, but larger sample sizes may be required for more complex models with multiple paths and variables (Kline, 2015; Little, 2013).

Demographic characteristics of respondents in this study include: 1) Gender of the respondent; 2) Age of Respondent; 3) Direct CSR Job Experience; 4) Indirect CSR Job Experience; 5) Respondent Current Role; 6) Department where the respondent works; 7) CSR Team Size; and 8) Firm size. The eight characteristics will be described using the percentage of each category in each characteristic.

### 5.2.1 Gender

Figure 4.1 is an illustration of the respondents' gender characteristics.



*Figure 5. 1: Bar Chart of respondents' gender characteristics*

Based on the results of the descriptive analysis, it was identified that most of the respondents in this study were female with 53 percent, whereas 44.3 percent of respondents were male. The results of the gender are as expected as CSR, marketing, and public relations are professions in which, historically, females are more involved in than men (Godwyn, 2013). The fact that the results show more females than males is a typical representation of the target population within commercial commercial banks. There is a large body of empirical evidence

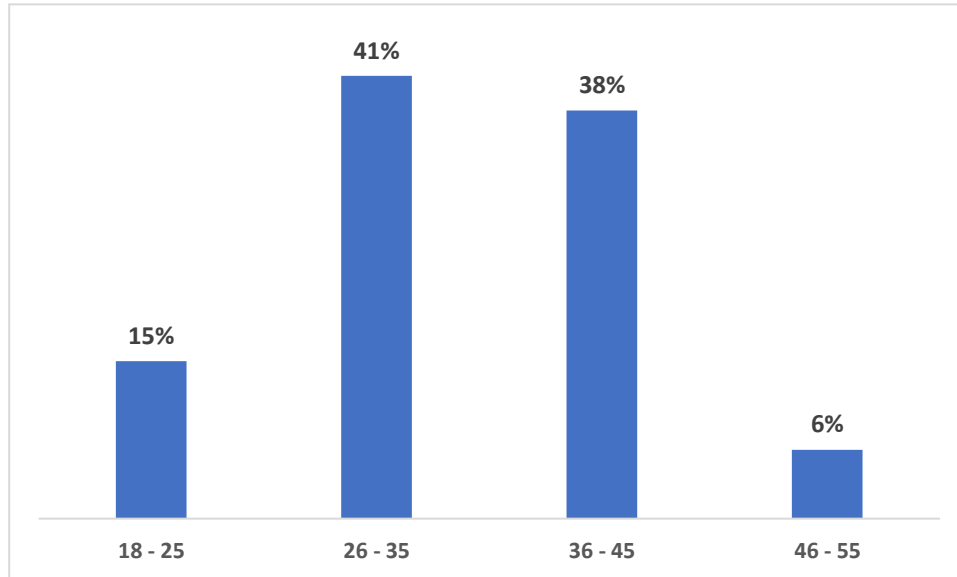
demonstrating that women are more likely than men to contribute their earnings and time to social good, including distributing more of their resources to their communities (Godwyn, 2013). The results also indicated that 2.7 percent of respondents did not disclose their gender – this is likely the result of respondents wanting to provide as little identifiable information as possible.

The preponderance of female representation within the domains of marketing, public relations, and corporate social responsibility (CSR) is a salient feature that has garnered attention within scholarly discourse. Extant literature, including studies by Eagly and Carli (2007) and Eagly and Karau (2002), elucidates the prevalence of gender-based occupational stereotyping, wherein characteristics traditionally associated with femininity, such as interpersonal skills and emotional intelligence, are perceived as advantageous in roles requiring adept communication and stakeholder engagement, thereby facilitating the ingress of women into these professions. Concurrently, organisational efforts aimed at fostering diversity and inclusivity, as elucidated by Benschop and Doorewaard (1998) and Powell and Graves (2003), further bolster this trend by creating environments conducive to the advancement of women in these fields.

Moreover, social identity theory, as delineated by Tajfel and Turner (1986), offers a cogent framework for understanding the propensity of women to gravitate towards marketing, public relations, and CSR roles. Within this theoretical paradigm, individuals seek affiliation with groups sharing similar characteristics, and women may perceive alignment between their gender identity and the perceived attributes requisite for success within these professions. Consequently, the overrepresentation of women in these domains may be construed as a manifestation of identity-based career preferences, influenced by societal norms and cultural expectations.

## 5.2.2 Age

The analysis then proceeded to look at age characteristics of the respondents, who were divided into five groups, namely, 18-25 years; 26-35 years; 36-45 years; 46-55 years; and 56-65 years.



*Figure 5. 2: Bar Chart of age characteristics*

Figure 5.2 indicates that most respondents (41 percent) were aged between 26 - 35 years, closely followed by the 36 – 45-year age group with 38 percent. The age group 18 - 25 represented 15 percent of all responses, whereas the age group 46 – 55 was the least represented, with 6 percent.

In relation to age demographics in South Africa, the most employed age group is 45-56 years old (61.9 percent), whereas the lowest age group is 15-24 years (11 percent) (Old Mutual, 2020).

Although employment in the commercial banking sector is not consistent with national statistics, it however is a possible indication of South African commercial banks' commitment to youth employment. Youth in South Africa can be defined as any persons between the ages of 14 and 35-years (National Youth Policy, 2000).

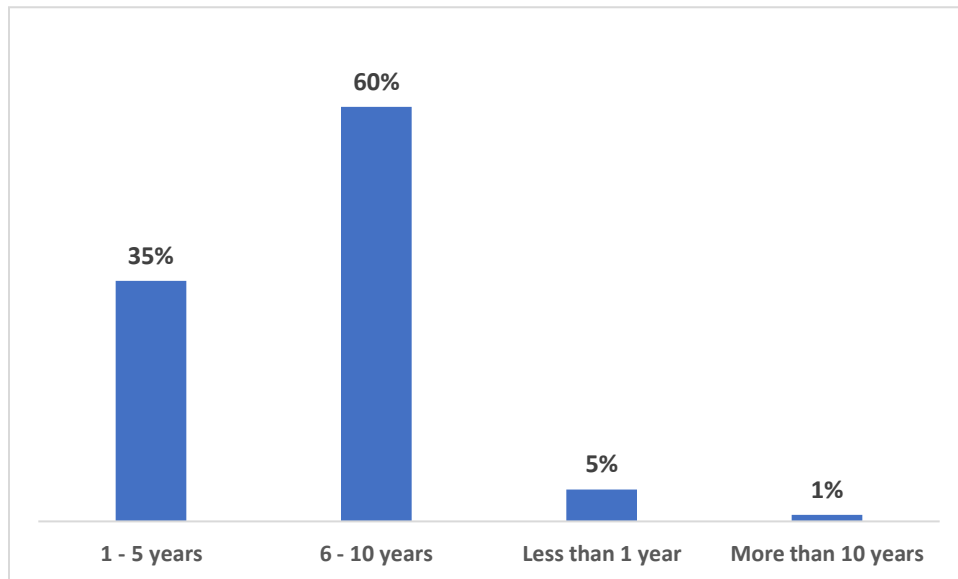
Research by Ng and Feldman (2013) and Kulik (2014) has shed light on the interplay of age

demographics and career trajectories, suggesting that individuals within this age cohort are often situated within the mid-career stage, characterised by heightened professional experience and established skill sets conducive to roles necessitating adept communication, strategic acumen, and stakeholder engagement, intrinsic to the domains under scrutiny.

Moreover, studies such as those conducted by Kooij et al. (2018) and Moen and Roehling (2005) highlight the propensity of individuals within the 26-45 age bracket to exhibit higher levels of career engagement and commitment, potentially predisposing them to pursue opportunities within fields offering dynamic and socially impactful work environments, as encapsulated by marketing, public relations, and CSR domains. This cohort's developmental stage aligns with the pursuit of roles that afford opportunities for advancement and fulfillment, consistent with the demands of these professions.

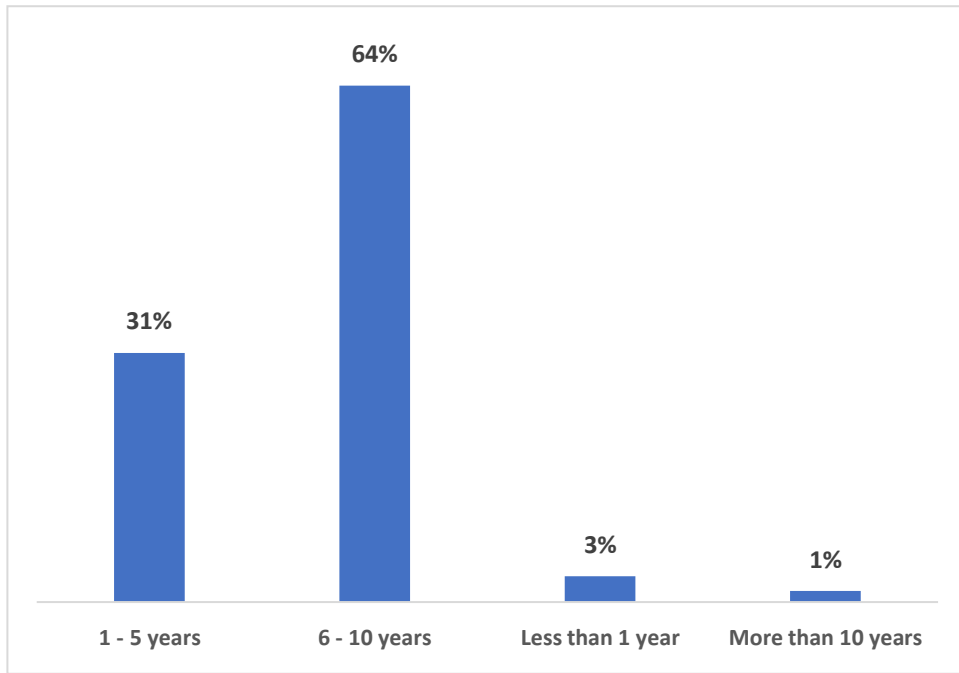
Furthermore, demographic trends, as elucidated by research by Cedefop (2015) and Eurostat (2020), indicate a prevalence of individuals aged between 26 and 45 within the contemporary workforce, underpinning the prominence of this age group across various occupational sectors, including marketing, public relations, and CSR.

### 5.2.3 CSR Experience



*Figure 5. 3: Bar Chart of CSR experience within a commercial commercial bank*

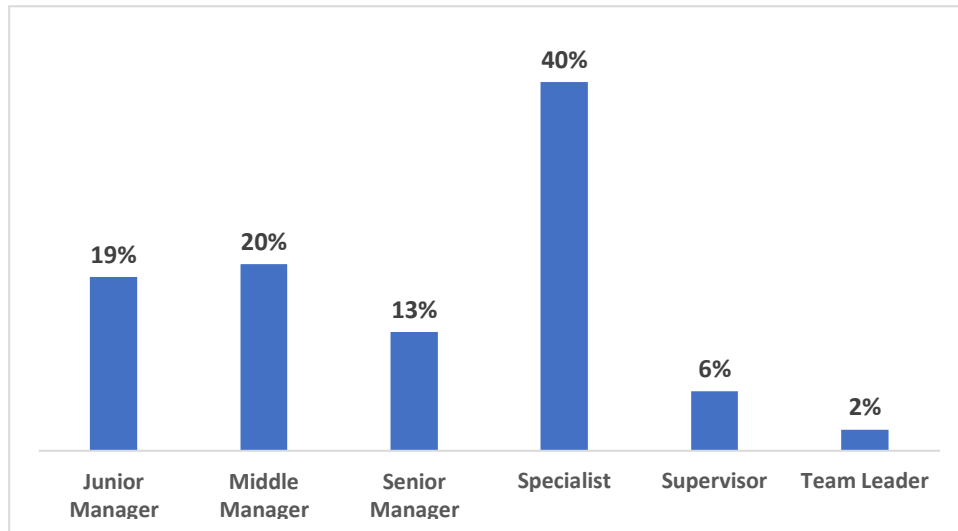
Figure 4.3 indicates that most of the respondents (60 percent) had between 6 – 10 years’ experience working in CSR within commercial commercial banks – this relatively high percentage of “seasoned” CSIn professionals added to the richness of the data collected, whereas 35 percent of respondents had between 1 – 5 years’ experience working within CSR within a commercial commercial bank.



*Figure 5. 4: Bar Chart of CSR experience regardless of industry*

Most of the respondents (64 percent) had between 6 – 10 years CSR experience regardless of the industry, which adds to the richness of the data collected. Surprisingly, only 1% of respondents had more than 10 years CSIn experience.

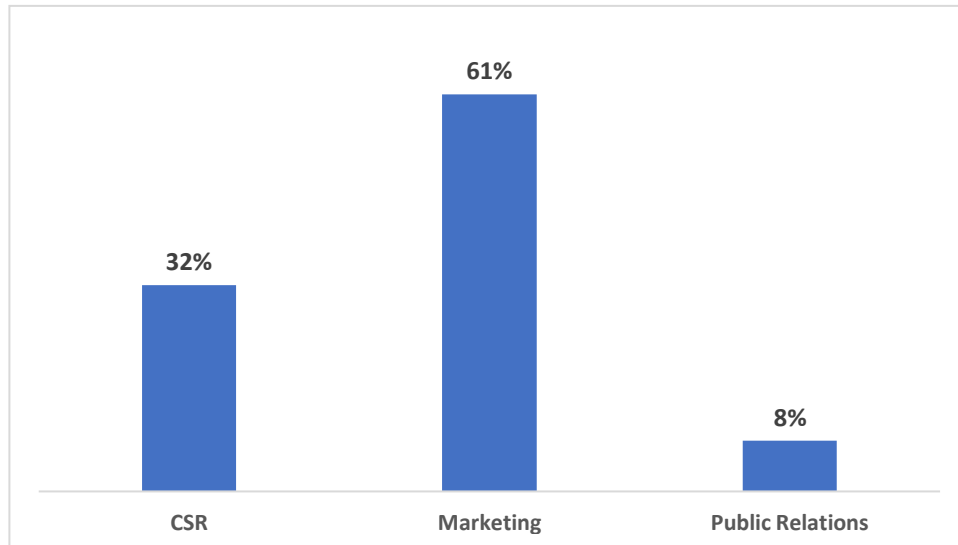
## 5.2.4 Current Job Role



*Figure 5. 5: Bar Chart of respondent current job role*

Specialists made up most of the respondents (40 percent), which can be attributed to a significant proportion of respondents being relatively young. Moreover, the title “specialist” appears to be a common title, regardless of the number of years of experience.

### 5.2.5 Respondent Working Department



*Figure 5. 6: Bar Chart of respondent working department*

The results of the analysis on working department respondents show that the majority (61 percent) of respondents in this study work in the marketing department. This is not surprising as marketing departments are usually considered an extension of CSR teams, especially considering that CSR teams are historically small. CSR team sizes are historically smaller than marketing teams, and thus can be explained by only 32 percent of respondents working in the CSR department.

The organisational placement of corporate social responsibility (CSR) functions has been a subject of scholarly scrutiny, with empirical evidence suggesting a prevailing trend wherein CSR initiatives are often integrated within existing organisational structures rather than constituting standalone departments. Research by Crane et al. (2014) elucidates this phenomenon, emphasising the strategic integration of CSR within broader business operations as a means to enhance reputational capital, foster stakeholder trust, and drive sustainable value creation.

Moreover, extant literature underscores the symbiotic relationship between CSR and marketing or public relations functions, as explicated by Maignan and Ferrell (2001) and Kotler and Lee (2005). These studies highlight the pivotal role of marketing and public relations in articulating and disseminating CSR initiatives to diverse stakeholder constituencies, thereby amplifying their impact and visibility. From a theoretical standpoint, this integration can be construed through the lens of stakeholder theory (Freeman, 1984), wherein organisations seek to address the interests of various stakeholders, including consumers, investors, and communities, through coordinated CSR communication efforts facilitated by marketing and public relations professionals.

### **5.3 Item Frequencies and Descriptive Statistics**

The study aimed to measure various constructs, including Management Support, Social Proactiveness, Transformational Leadership, Internal & External Social Capital, and Corporate Social Innovation. This section presents the summary results based on aggregated responses for the total sample.

Before embarking on assessing the internal consistency reliability and validity of the various construct scales through various statistical analysis of the data collected, the study aimed to conduct basic univariate analysis. This involved constructing basic frequency tables and calculating descriptive statistics to summarise the responses and gain an understanding of the general variation in the data. The frequency analysis and descriptive statistics includes assessing %, mean, standard deviation and identifying any patterns in the data. It also helps to assess normality within the constructs measured through skewness and kurtosis.

### 5.3.1 Management Support

The first construct of the study is management support (MS), which is theoretically defined as provision of resources, guidance, and encouragement by organisational leaders to promote the achievement of organisational goals and objectives. It fosters employee motivation, enhances productivity, and ensures effective decision-making processes (Hsu et al., 2019). In the context of corporate social innovation (CSIn), it refers to the endorsement and allocation of resources by organisational leaders to initiatives that integrate social and environmental concerns into business practices, enhancing societal well-being and sustainable development (Moon et al., 2006). It legitimises CSIn efforts, aligns them with strategic goals, and overcomes institutional barriers to innovation (Zhou et al., 2020). In the following frequency analysis and descriptive statistics tables, eight items of MS (MS1-MS8) are assessed.

**Table 5. 1: Item analysis frequencies for management support**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Total	Top-box [Disagree]	Top-box [Agree]
<b>MS1</b>	n	0	4	29	0	45	101	40	219	33	186
	%	0.0%	1.8%	13.2%	0.0%	20.5%	46.1%	18.3%	100.0%	15.1%	84.9%
<b>MS2</b>	n	0	15	26	2	28	118	30	219	41	176
	%	0.0%	6.8%	11.9%	0.9%	12.8%	53.9%	13.7%	100.0%	18.7%	80.4%
<b>MS3</b>	n	12	48	134	2	23	0	0	219	194	23
	%	5.5%	21.9%	61.2%	0.9%	10.5%	0.0%	0.0%	100.0%	88.6%	10.5%
<b>MS4</b>	n	0	9	32	4	29	135	10	219	41	174
	%	0.0%	4.1%	14.6%	1.8%	13.2%	61.6%	4.6%	100.0%	18.7%	79.5%
<b>MS5</b>	n	0	25	22	3	151	9	9	219	47	169
	%	0.0%	11.4%	10.0%	1.4%	68.9%	4.1%	4.1%	100.0%	21.5%	77.2%
<b>MS6</b>	n	0	38	99	2	57	20	3	219	137	80
	%	0.0%	17.4%	45.2%	0.9%	26.0%	9.1%	1.4%	100.0%	62.6%	36.5%
<b>MS7</b>	n	0	9	28	3	143	36	0	219	37	179
	%	0.0%	4.1%	12.8%	1.4%	65.3%	16.4%	0.0%	100.0%	16.9%	81.7%
<b>MS8</b>	n	0	31	64	3	56	57	8	219	95	121
	%	0.0%	14.2%	29.2%	1.4%	25.6%	26.0%	3.7%	100.0%	43.4%	55.3%

The frequency table shows that the participants have mostly agreed with statements where management supports ideas related to social value creation. For instance, 84.9% of the respondents agree that in their organisation, developing one’s own ideas is encouraged. On the contrary, two items of the management support construct have greater disagreements. These include ‘A promotion usually follows from the development of new and socially innovative ideas (MS3)’ where 88.6% disagree while 10.5% of the study’s sample agrees. Similarly, a higher proportion of respondents disagree (62.6%) with ‘senior managers encouraging social innovators to bend rules and rigid procedures to keep promising ideas on track (MS6)’ than agree to it (36.5%).

**Table 5. 2: Item analysis descriptive statistics for management support**

	Descriptive Statistics						
	n	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>MS1</b>	219	5.51	1.279	-1.084	0.164	0.406	0.327
<b>MS2</b>	219	5.36	1.438	-1.176	0.164	0.232	0.327
<b>MS3</b>	219	2.89	0.927	0.604	0.164	1.056	0.327
<b>MS4</b>	219	5.27	1.306	-1.244	0.164	0.248	0.327
<b>MS5</b>	219	4.57	1.211	-0.883	0.164	0.412	0.327
<b>MS6</b>	219	3.68	1.343	0.523	0.164	-0.962	0.327
<b>MS7</b>	219	4.77	1.006	-1.275	0.164	1.059	0.327
<b>MS8</b>	219	4.31	1.549	-0.097	0.164	-1.429	0.327

The descriptive statistics show a similar pattern confirming that on average each item has received a score above 4.00, except MS3 (M = 2.89, SD = 0.927) and MS6 (M = 3.68, SD = 1.343). According to Bryne (2010), if skewness is between -2 to +2 and kurtosis is between -7 to + 7 data follows normal distribution. In this case, the skewness and kurtosis values are observed to be within the acceptable ranges which determines normal univariate distribution.

### 5.3.2 Social Proactiveness

Social proactiveness can be theoretically defined as the proactive engagement of individuals or groups in social activities aimed at fostering positive change or addressing societal issues before they escalate, demonstrating a proactive orientation toward social responsibility and collective well-being (Goldsby et al., 2018). In the context of CSIn, it is strategic approach characterised by the actively seeking opportunities to address societal challenges through innovative business methods, stakeholder engagement, and the integration of social and environmental considerations into corporate strategy and operations (Rim and Ferguson, 2020). The study evaluates 3 items of SP (SP1-SP3).

According to the results, most respondents agreed with the given statements. It suggests that most respondents perceive their company is very proactive in how it deploys resources for social issues (78.5%), activities in the job description are socially impactful (83.6%) and other aspects like quality and timeliness are directly relevant to the social cause of the company (80.4%).

**Table 5. 3: Item analysis frequencies for social proactiveness**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Total	Top-box [Disagree]	Top-box [Agree]
<b>SP1</b>	N	0	11	35	1	66	105	1	219	46	172
	%	0.0%	5.0%	16.0%	0.5%	30.1%	47.9%	0.5%	100.0%	21.0%	78.5%
<b>SP2</b>	N	0	17	17	2	33	102	48	219	34	183
	%	0.0%	7.8%	7.8%	0.9%	15.1%	46.6%	21.9%	100.0%	15.5%	83.6%
<b>SP3</b>	N	0	5	35	3	6	120	50	219	40	176
	%	0.0%	2.3%	16.0%	1.4%	2.7%	54.8%	22.8%	100.0%	18.3%	80.4%

As for descriptive statistics, the results show that all three items of SP have received a mean rating of 5.01 or greater confirming that on average most respondents agree with these items. Furthermore, the results reveal normal distribution as skewness and kurtosis values for all items

are within the assumed acceptable ranges.

**Table 5. 4: Item analysis descriptive statistics for social proactiveness**

	Descriptive Statistics						
	n	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>SP1</b>	219	5.01	1.265	-1.096	0.164	-0.100	0.327
<b>SP2</b>	219	5.51	1.454	-1.266	0.164	0.652	0.327
<b>SP3</b>	219	5.60	1.402	-1.211	0.164	0.209	0.327

### 5.3.3 Internal Social Capital

Internal social capital is defined as the network of relationships, norms, and trust among individuals within an organisation, facilitating cooperation, collaboration, and knowledge sharing, thus enhancing organisational performance and resilience (Thompson, 2018). With respect to CSIn, it refers to the relational resources embedded within the organisational structure, fostering trust, cooperation, and knowledge sharing among internal stakeholders, thereby facilitating the creation and implementation of innovative social initiatives (Cots, 2011).

As for the 9 items measuring internal social capital (ISC), the frequency analysis shows that more than half of the sample (i.e., > 50%) agrees with the presence of internal social capital among leaders and managers, suggesting a positive trend. However, it should be noted that respondents also do not agree that leaders and managers are willing to share information with one another (32%), keep each other informed at all times (35.2%), and can easily rely on them (33.3%).

**Table 5. 5: Item analysis frequencies for internal social capital**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Total	Top-box [Disagree]	Top-box [Agree]
<b>ISC1</b>	n	0	13	47	2	28	113	16	219	60	157
	%	0.0%	5.9%	21.5%	0.9%	12.8%	51.6%	7.3%	100.0%	27.4%	71.7%
<b>ISC2</b>	n	0	18	42	2	26	114	17	219	60	157
	%	0.0%	8.2%	19.2%	0.9%	11.9%	52.1%	7.8%	100.0%	27.4%	71.7%
<b>ISC3</b>	n	0	11	59	0	24	111	14	219	70	149
	%	0.0%	5.0%	26.9%	0.0%	11.0%	50.7%	6.4%	100.0%	32.0%	68.0%
<b>ISC4</b>	n	0	19	58	1	17	94	30	219	77	141
	%	0.0%	8.7%	26.5%	0.5%	7.8%	42.9%	13.7%	100.0%	35.2%	64.4%
<b>ISC5</b>	n	0	11	62	2	12	111	21	219	73	144
	%	0.0%	5.0%	28.3%	0.9%	5.5%	50.7%	9.6%	100.0%	33.3%	65.8%
<b>ISC6</b>	n	0	16	45	2	32	107	17	219	61	156
	%	0.0%	7.3%	20.5%	0.9%	14.6%	48.9%	7.8%	100.0%	27.9%	71.2%
<b>ISC7</b>	n	0	26	49	1	22	99	22	219	75	143
	%	0.0%	11.9%	22.4%	0.5%	10.0%	45.2%	10.0%	100.0%	34.2%	65.3%
<b>ISC8</b>	n	0	9	55	1	6	92	56	219	64	154
	%	0.0%	4.1%	25.1%	0.5%	2.7%	42.0%	25.6%	100.0%	29.2%	70.3%
<b>ISC9</b>	n	0	14	37	0	9	146	13	219	51	168
	%	0.0%	6.4%	16.9%	0.0%	4.1%	66.7%	5.9%	100.0%	23.3%	76.7%

The descriptive statistics of items measuring ISC show that the mean score is mostly between 4.50 to 5.50 suggesting that on average respondents have positively responded to the statements confirming the presence of internal social capital among leaders and managers. The values of skewness and kurtosis also fall within the acceptable thresholds as established by Byrne (2010). Hence it can be said that the data follows normal distribution for the ISC construct.

**Table 5. 6: Item analysis descriptive statistics for social proactiveness**

	Descriptive Statistics						
	n	Mean	Std. Deviation	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>ISC1</b>	219	5.05	1.489	-0.777	0.164	-0.865	0.327
<b>ISC2</b>	219	5.04	1.535	-0.807	0.164	-0.829	0.327
<b>ISC3</b>	219	4.95	1.516	-0.615	0.164	-1.206	0.327
<b>ISC4</b>	219	4.91	1.681	-0.463	0.164	-1.367	0.327
<b>ISC5</b>	219	4.97	1.579	-0.554	0.164	-1.316	0.327
<b>ISC6</b>	219	5.00	1.516	-0.741	0.164	-0.893	0.327
<b>ISC7</b>	219	4.84	1.676	-0.524	0.164	-1.298	0.327

<b>ISC8</b>	219	5.30	1.656	-0.704	0.164	-1.098	0.327
<b>ISC9</b>	219	5.26	1.449	-1.185	0.164	-0.158	0.327

### 5.3.4 External Social Capital

External social capital (ESC) refers to the relationships, networks, and connections that an organisation maintains with external stakeholders enabling access to resources beyond the organisation's boundaries, thereby enhancing its competitiveness and legitimacy (Adler and Kwon, 2002). In the context of CSIn, it refers to the network of relationships and connections that a corporation leverages outside its organisational boundaries to foster innovation with societal impact, contributing to the firm's CSIn efforts (Lin, 2017). Here, 6 items of ESC (ESC1-ESC6) are evaluated.

In all items measuring ESC, respondents have mostly agreed (more than 70% of the sample). This is exhibited in the descriptive statistics as well, where the average (mean) score of all items is greater than 5.00.

**Table 5. 7: Item analysis frequencies for external social capital**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Total	Top-box [Disagree]	Top-box [Agree]
<b>ESC1</b>	n	0	15	34	1	28	130	11	219	49	169
	%	0.0%	6.8%	15.5%	0.5%	12.8%	59.4%	5.0%	100.0%	22.4%	77.2%
<b>ESC2</b>	n	0	18	33	0	19	140	9	219	51	168
	%	0.0%	8.2%	15.1%	0.0%	8.7%	63.9%	4.1%	100.0%	23.3%	76.7%
<b>ESC3</b>	n	0	18	31	0	18	152	0	219	49	170
	%	0.0%	8.2%	14.2%	0.0%	8.2%	69.4%	0.0%	100.0%	22.4%	77.6%
<b>ESC4</b>	n	0	8	47	0	9	148	7	219	55	164
	%	0.0%	3.7%	21.5%	0.0%	4.1%	67.6%	3.2%	100.0%	25.1%	74.9%
<b>ESC5</b>	n	0	16	46	0	10	132	15	219	62	157
	%	0.0%	7.3%	21.0%	0.0%	4.6%	60.3%	6.8%	100.0%	28.3%	71.7%
<b>ESC6</b>	n	0	20	28	0	25	145	1	219	48	171
	%	0.0%	9.1%	12.8%	0.0%	11.4%	66.2%	0.5%	100.0%	21.9%	78.1%

The positive trend of responses is also observed to be normally distributed with the skewness

values within the range of -2 to +2, and kurtosis values within -7 to +7 (Byrne, 2010).

**Table 5. 8: Item analysis descriptive statistics for external social capital**

	Descriptive Statistics						
	n	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>ESC1</b>	219	5.17	1.420	-1.116	0.164	-0.181	0.327
<b>ESC2</b>	219	5.17	1.458	-1.166	0.164	-0.195	0.327
<b>ESC3</b>	219	5.16	1.408	-1.321	0.164	0.030	0.327
<b>ESC4</b>	219	5.20	1.400	-1.092	0.164	-0.492	0.327
<b>ESC5</b>	219	5.10	1.541	-0.891	0.164	-0.822	0.327
<b>ESC6</b>	219	5.14	1.415	-1.302	0.164	0.047	0.327

### 5.3.5 Transformational Leadership

Transformational leadership involves inspiring and motivating followers to achieve beyond their self-interests through vision, charisma, intellectual stimulation, and individualised consideration, fostering positive changes in individuals and organisations toward higher levels of performance and innovation (Bush, 2018). In the context of CSIn, it refers to a leadership approach characterised by visionary direction, inspirational motivation, intellectual stimulation, and individualised consideration, aimed at fostering organisational change towards socially innovative practices (Bass and Riggio 2006). Moreover, it empowers followers to embrace CSIn initiatives, fostering a culture of social responsibility, stakeholder engagement, and sustainable development within the organisation (Samad, 2012).

As seen with ESC, a similar pattern is exhibited by frequency analysis of 9 items measuring transformational leadership (TL). The results show that more than half of the proportion somewhat agree, agree, or strongly agree with the presence of characteristics of transformational leaders in their supervisors or managers. However, 20.1% disagree that their leaders talk about their most important values and beliefs equaling 44 respondents.

**Table 5. 9: Item analysis frequencies for transformational leadership**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Total	Top-box [Disagree]	Top-box [Agree]
<b>TL1</b>	n	0	3	41	1	45	109	20	219	44	174
	%	0.0%	1.4%	18.7%	0.5%	20.5%	49.8%	9.1%	100.0%	20.1%	79.5%
<b>TL2</b>	n	0	4	35	0	28	131	21	219	39	180
	%	0.0%	1.8%	16.0%	0.0%	12.8%	59.8%	9.6%	100.0%	17.8%	82.2%
<b>TL3</b>	n	0	10	31	0	54	100	24	219	41	178
	%	0.0%	4.6%	14.2%	0.0%	24.7%	45.7%	11.0%	100.0%	18.7%	81.3%
<b>TL4</b>	n	0	11	31	1	57	103	16	219	42	176
	%	0.0%	5.0%	14.2%	0.5%	26.0%	47.0%	7.3%	100.0%	19.2%	80.4%
<b>TL5</b>	n	0	14	29	0	26	132	18	219	43	176
	%	0.0%	6.4%	13.2%	0.0%	11.9%	60.3%	8.2%	100.0%	19.6%	80.4%
<b>TL6</b>	n	0	9	14	1	55	140	0	219	23	195
	%	0.0%	4.1%	6.4%	0.5%	25.1%	63.9%	0.0%	100.0%	10.5%	89.0%
<b>TL7</b>	n	0	9	14	1	32	130	33	219	23	195
	%	0.0%	4.1%	6.4%	0.5%	14.6%	59.4%	15.1%	100.0%	10.5%	89.0%
<b>TL8</b>	n	0	10	25	0	40	105	39	219	35	184
	%	0.0%	4.6%	11.4%	0.0%	18.3%	47.9%	17.8%	100.0%	16.0%	84.0%
<b>TL9</b>	n	0	15	22	0	32	111	39	219	37	182
	%	0.0%	6.8%	10.0%	0.0%	14.6%	50.7%	17.8%	100.0%	16.9%	83.1%

Likewise, the mean scores also suggest that on average respondents have either agreed or strongly agreed with the items measuring TL ( $M > 5.00$ ). As for normality, the skewness and kurtosis values are within the acceptable ranges determined earlier in the section.

**Table 5. 10: Item analysis descriptive statistics for transformational leadership**

Descriptive Statistics							
	n	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>TL1</b>	219	5.26	1.296	-0.916	0.164	-0.321	0.327
<b>TL2</b>	219	5.42	1.273	-1.223	0.164	0.343	0.327
<b>TL3</b>	219	5.26	1.347	-1.009	0.164	0.077	0.327
<b>TL4</b>	219	5.18	1.327	-1.032	0.164	0.065	0.327
<b>TL5</b>	219	5.31	1.396	-1.253	0.164	0.291	0.327
<b>TL6</b>	219	5.38	1.062	-1.977	0.164	3.103	0.327
<b>TL7</b>	219	5.64	1.193	-1.674	0.164	2.504	0.327
<b>TL8</b>	219	5.47	1.359	-1.188	0.164	0.561	0.327
<b>TL9</b>	219	5.46	1.428	-1.253	0.164	0.562	0.327

### 5.3.6 Corporate Social Innovation

Corporate social innovation (CSIn) within the banking sector refers to the deliberate integration of innovative strategies and practices by financial institutions to address societal challenges while concurrently enhancing their financial performance. This entails the development of novel financial products, services, and business models that align with sustainable development goals and promote social welfare (Maltz and Pierson, 2022). It refers to the strategic deployment of novel business practices and solutions aimed at addressing societal challenges while simultaneously generating economic value (Tabares, 2020). In this study, CSIn is measured by 5 items (CSIN1-CSIN5).

The items measuring corporate social innovation (CSIn) show that more than half of the sample somewhat disagree, disagree, or strongly disagree with ‘the rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly (CSIN2)’ in their organisation (53.9%). The remaining results show that most respondents have agreed, however, there is a significantly high proportion that also disagrees with the presence of CSIN equaling to approximately 35%-40% of the respondents.

**Table 5. 11: Item analysis frequencies for corporate social innovation**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree	Total	Top-box [Disagree]	Top-box [Agree]
CS1	n	0	25	63	2	36	84	9	219	88	129
	%	0.0%	11.4%	28.8%	0.9%	16.4%	38.4%	4.1%	100.0%	40.2%	58.9%
CS2	n	0	46	72	10	7	81	3	219	118	91
	%	0.0%	21.0%	32.9%	4.6%	3.2%	37.0%	1.4%	100.0%	53.9%	41.6%
CS3	n	0	20	60	5	24	108	2	219	80	134
	%	0.0%	9.1%	27.4%	2.3%	11.0%	49.3%	0.9%	100.0%	36.5%	61.2%
CS4	n	0	21	64	4	25	101	4	219	85	130
	%	0.0%	9.6%	29.2%	1.8%	11.4%	46.1%	1.8%	100.0%	38.8%	59.4%
CS5	n	0	26	60	8	6	92	27	219	86	125
	%	0.0%	11.9%	27.4%	3.7%	2.7%	42.0%	12.3%	100.0%	39.3%	57.1%

These responses are also reflected in the mean scores of the descriptive statistics, showing a greater than 4.50 average score for each item except CSIN2 (M = 4.06, SD = 1.67).

**Table 5.12: Item analysis descriptive statistics for corporate social innovation**

Descriptive Statistics							
	n	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
<b>CSIN1</b>	219	4.54	1.592	-0.275	0.164	-1.495	0.327
<b>CSIN2</b>	219	4.06	1.677	0.175	0.164	-1.675	0.327
<b>CSIN3</b>	219	4.67	1.539	-0.477	0.164	-1.467	0.327
<b>CSIN4</b>	219	4.61	1.563	-0.376	0.164	-1.531	0.327
<b>CSIN5</b>	219	4.73	1.747	-0.287	0.164	-1.557	0.327

As for normality, it should be noted that skewness and kurtosis values fall within the acceptable range of normal distribution.

#### **5.4 Initial Assessment of Internal Consistency Reliability**

The reliability of these constructs is established using Cronbach alpha initially. Cronbach alpha is a measure for examining the internal consistency reliability of items measuring a single construct (i.e., relevant theoretical construct). This initial phase of reliability analysis identifies whether the pre-determined items in the questionnaire correlate to form a single construct with a greater alpha value than 0.70 (Taber, 2018) which in turn shows high internal consistency reliability of the instrument.

In this regard, the study also focuses on ‘inter-item correlation’ and ‘corrected item-total correlation’ within the Cronbach Alpha statistics. The former addresses the extent to which scores on a single item are related to the overall scores on all the other items under a construct. Also known as redundancy, it helps to determine to which extent the items under a single construct

assess that same content. Ideally, it is advised that inter-item correlation should be between 0.20 to 0.40 because a score within that range reflects that items are reasonably homogenous within the construct (Piedmont, 2014). On the other hand, the latter, corrected item-total correlation, specifies the correlation between each item and the overall scale's score excluding that item (DeVon, 2007). Accordingly, the corrected item-total correlations are considered acceptable between 0.30 and 0.70. A value lower than 0.30 would indicate that the item is measuring something different from the scale.

Based on these thresholds the study analyses reliability output illustrated in the table below.

**Table 5. 13: Reliability analysis – preliminary study results**

Variable	Item	Cronbach's Alpha	Inter-item correlation	Corrected Item-Total Correlation
<b>Management Support</b>	MS.1	0,641	0,188	0,499
	MS.2			0,474
	MS.3			0,189
	MS.4			0,351
	MS.5			0,414
	MS.6			0,332
	MS.7			0,373
	MS.8			0,113
<b>Social Proactiveness</b>	SP.1	0.674	0,412	0.536
	SP.2			0.491
	SP.3			0.441
<b>Internal Capital</b>	<b>Social</b>	0.929	0,595	ISC.1
				ISC.2
				ISC.3
				ISC.4
				ISC.5
				ISC.6
				ISC.7
				ISC.8
				ISC.9
<b>External Capital</b>	<b>Social</b>	0.758	0,343	ESC.1
				ESC.2

		ESC.3			0.583
		ESC.4			0.47
		ESC.5			0.492
		ESC.6			0.426
<b>Transformational leadership</b>		TL.1	0.895	0,487	0.649
		TL.2			0.723
		TL.3			0.524
		TL.4			0.632
		TL.5			0.732
		TL.6			0.572
		TL.7			0.644
		TL.8			0.707
		TL.9			0.733
<b>Corporate Innovation</b>	<b>Social</b>	CSIN.1	0.911	0,676	0.84
		CSIN.2			0.563
		CSIN.3			0.825
		CSIN.4			0.843
		CSIN.5			0.823

According to the results alpha value for the management support construct is lower than the assumed threshold of consistently, 0.70, established by Taber (2018) ( $\alpha = 0.641$ ). The results further reveal that the inter-item correlation is also 0.188, lower than the acceptable range and few items do not meet the corrected item-total correlations criteria (MS3 - 0.189 and MS8 – 0.113). This suggests low internal consistency and reliability within the items of the construct (management support). Going forward, the two items, MS3 and MS8, could be eliminated from the measure of management support to increase the reliability of the data (see column ‘Cronbach’s Alpha if Item Deleted’).

Likewise, social proactiveness exhibits a low alpha score of 0.674 and an inter-item correlation score of 0.412, which is slightly above the acceptable range. However, the individual score of corrected item-total correlations falls within the pre-determined range of 0.30 to 0.70. The lowest score of SP3, 0.441, indicates that eliminating this measure would not make much difference to

the reliability score (see column 'Cronbach's Alpha if Item Deleted'). Hence going forward the construct is used as it is.

The remaining variables' alpha score is within the acceptable range, showing greater than 0.70 alpha scores for internal social capital, external social capital, transformational leadership, and corporate social innovation. The values of corrected item-total correlation of most items within these constructs are also between the 3.0 and 7.0 range, indicating high internal consistency and reliability without the items that do not fall in this range. Hence moving with the full-scale statistical analysis, the study eliminates items with a higher corrected item-total correlation value than 0.70.

It should also be noted that the mean inter-item correlation of three out of four constructs, internal social capital, transformational leadership, and corporate social innovation, does not fall within the acceptable range hence indicating limited variance of the construct as the values are higher than 0.40.

## **5.5 Assessment of the Measurement Model using CFA**

Confirmatory Factor Analysis is an advanced statistical technique that assesses a set of observed variables (items/indicators) measures underlying unobserved variables (factors or latent constructs). In this section, CFA is performed to specify and estimate the variables, perform model fit assessment, and modify the model. Therefore, an initial (baseline) CFA and a final CFA is run to obtain a satisfactory model.

### 5.5.1 Initial (Baseline) CFA – Measurement Model

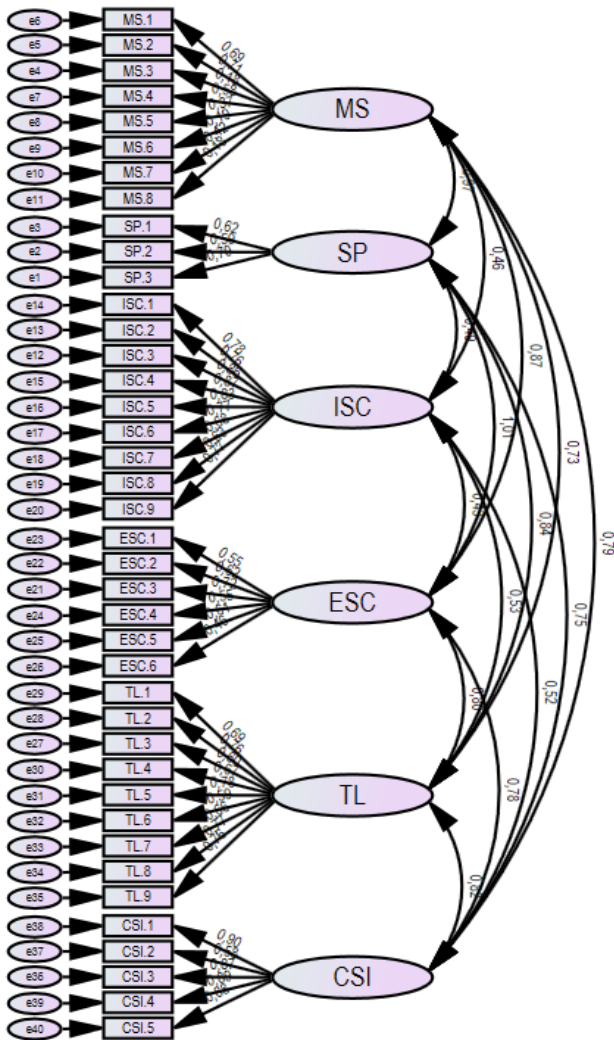


Figure 5. 7: Baseline CFA (1)

Figure 5.7 shown above illustrates the items and the proposed latent constructs that are part of the conceptual model of the study. It is the proposed measurement model in the CFA, representing the link between the items and the latent variables.

It includes management support (MS) measured by MS1-MS8, social proactiveness (SP) measured by SP1-SP3, internal social capital (ISC) measured by ISC1-ISC9, external social capital (ESC) measured by ESC1-ESC6, transformational leadership (TL) measured by TL1-TL9, and corporate social innovation (CSIN) measured by CSIN1-CSIN5.

### 5.5.2 Standardised Regression Weights

The standardised regression weights are also known as the standardised loadings or standardised coefficients are obtained from the CFA after standardising the outcome and predictor variables.

The following standardised coefficients/weights show the direction and strength of the relationship between the latent (unobserved) variables and their indicators (items).

**Table 5.14: Standardised regression weights at baseline**

			Estimate
SP.3	<---	SP	0.697
SP.2	<---	SP	0.589
SP.1	<---	SP	0.619
MS.3	<---	MS	0.182
MS.2	<---	MS	0.714
MS.1	<---	MS	0.694
MS.4	<---	MS	0.583
MS.5	<---	MS	0.366
MS.6	<---	MS	0.188
MS.7	<---	MS	0.415
MS.8	<---	MS	0.182
ISC.3	<---	ISC	0.864
ISC.2	<---	ISC	0.763
ISC.1	<---	ISC	0.779
ISC.4	<---	ISC	0.868
ISC.5	<---	ISC	0.825
ISC.6	<---	ISC	0.772
ISC.7	<---	ISC	0.685
ISC.8	<---	ISC	0.626
ISC.9	<---	ISC	0.770
ESC.3	<---	ESC	0.721
ESC.2	<---	ESC	0.617
ESC.1	<---	ESC	0.548
ESC.4	<---	ESC	0.554
ESC.5	<---	ESC	0.615
ESC.6	<---	ESC	0.456
TL.3	<---	TL	0.596
TL.2	<---	TL	0.763
TL.1	<---	TL	0.695
TL.4	<---	TL	0.672
TL.5	<---	TL	0.782

TL.6	<---	TL	0.593
TL.7	<---	TL	0.664
TL.8	<---	TL	0.766
TL.9	<---	TL	0.760
CSIN.3	<---	CSIN	0.874
CSIN.2	<---	CSIN	0.576
CSIN.1	<---	CSIN	0.901
CSIN.4	<---	CSIN	0.889
CSIN.5	<---	CSIN	0.875

According to the above table, only MS3, MS5, MS6 and MS8 have relatively smaller standardised weights (less than 0.4) than other items' weights. It suggests that these items have less importance or influence in the overall construct (MS) compared to others with higher standardised weights. Moreover, these items could also be less relevant or redundant to the latent variable, raising concerns about the validity of the measurement.

### 5.5.3 Model Fit Summary

The study uses multiple indicators to assess the model fit. The acceptable fit values are presented in the following table.

**Table 5.15: Model Fit Acceptable Values/Ranges**

	Terrible	Acceptable	Excellent	Fit type
<b>CMIN/df</b>	>5	3-5	<3	Absolute
<b>GFI</b>	<0.90	>0.90	>0.95	Absolute
<b>AGFI</b>	<0.90	>0.90	>0.95	Parsimony
<b>NFI</b>	<0.90	>0.90	>0.95	Incremental
<b>TLI</b>	<0.90	>0.90	>0.95	Incremental

<b>CFI</b>	<0.90	0.90-0.95	>0.95	Incremental
<b>RMSEA</b>	>0.08	0.06-0.08	<0.06	Absolute
<b>PCLOSE</b>	<0.01	0.01-0.05	>0.05	Absolute
<b>SRMR</b>	>0.10	0.08-0.10	<0.08	Absolute
<b>AIC</b>		Min		Information theory*
<b>BIC</b>		Min		

\* AIC and BIC leverage the information theory concepts for model selection, and balance goodness of fit with complexity of the model.

According to the results at baseline, most of the model fit indicators do not comply with the acceptable fit values. For instance, the RMSEA (0.105), CFI (0.71) and SRMR (0.092) are out of the recommended ranges (shown in table 3). Only CMIN/df = 3.391, which falls within the acceptable range of 3-5. Other model fit statistics are shown in the table below. Detailed results are provided in Appendix 1. It suggests that the model do the adequately represent the underlying data. There is a need to re-evaluate the model specification and make adjustments, such as removing items with smaller standardised weights or causing low reliability and validity scores. This is done in the final CFA.

**Table 5.16: Model Fit Summary at Baseline**

CMIN	2,458.7
Df	725
P-value	<0.001
CMIN/df	3.391
GFI	0.58
AGFI	0.52

NFI	0.64
TLI	0.69
CFI	0.71
RMSEA	0.105
PCLOSE	<0.001
SRMR	0.092
AIC	2,648.7
BIC	2,970.7

#### **5.5.4 Reliability and Validity Analysis**

Composite reliability (CR) and average variance extracted (AVE) are important measures in the context of reliability and validity analysis. Like Cronbach's alpha, CR measures internal consistency reliability and assumes same thresholds ( $CR > 0.70$ ). It is preferred with CFA to measure scale reliability. On the other hand, AVE shows the extent of variance in the items that is explained by a latent construct. Higher AVE scores suggest better convergent validity, where AVE  $> 0.50$  are considered acceptable.

**Table 5.17: Reliability and Validity Analysis**

	<b>CR</b>	<b>AVE</b>	<b>Lower 95% CR</b>	<b>Upper 95% CR</b>	<b>Lower 95% AVE</b>	<b>Upper 95% AVE</b>
<b>SP</b>	0,670	0,405	0,475	0,812	0,235	0,590
<b>MS</b>	0,638	0,217	0,324	0,791	0,105	0,351
<b>ISC</b>	0,931	0,602	0,868	0,964	0,426	0,751
<b>ESC</b>	0,759	0,349	0,551	0,880	0,177	0,553
<b>TL</b>	0,897	0,494	0,833	0,936	0,361	0,619
<b>CSI</b>	0,917	0,693	0,877	0,947	0,597	0,783

According to the results, the CR scores of ISC, ECS, TL and CSIN are the above the given threshold ( $CR > 0.70$ ). SP and MS have CR scores slightly lower than 0.70 in the baseline model. In the case of AVE, which measures convergent validity, SP, MS, and ESC have AVEs below 0.50, suggesting relatively poor convergent validity. Although an AVE below 0.50 raises concerns regarding convergent validity, it is not necessarily considered as a definitive poor measurement quality indicator (Safiih and Azreen, 2016).

#### **5.5.4. HTMT Analysis**

The heterotrait-monotrait ratio of correlations (HTMT) is an approach to assess discriminant validity in CFA or SEM. It assesses similarity between latent variables; a low HTMT indicates good discriminant validity. Here, the thresholds are 0.850 for strict and 0.900 for liberal discriminant validity (Fornell & Larcker, 1981a).

**Table 5.17: HTMT Analysis**

**HTMT Analysis**

	SP	MS	ISC	ESC	TL	CSI
SP						
MS	0,623					
ISC	0,408	0,373				
ESC	0,720	0,570	0,413			
TL	0,630	0,548	0,499	0,668		
CSI	0,569	0,541	0,494	0,669	0,747	

According to the HTMT analysis, all ratios/values are below 0.850, the constructs are adequately distinct from each other. It reveals good discriminant validity. In other words, there are no warnings for this HTMT analysis.

### 5.5.5. Final CFA – Measurement Model

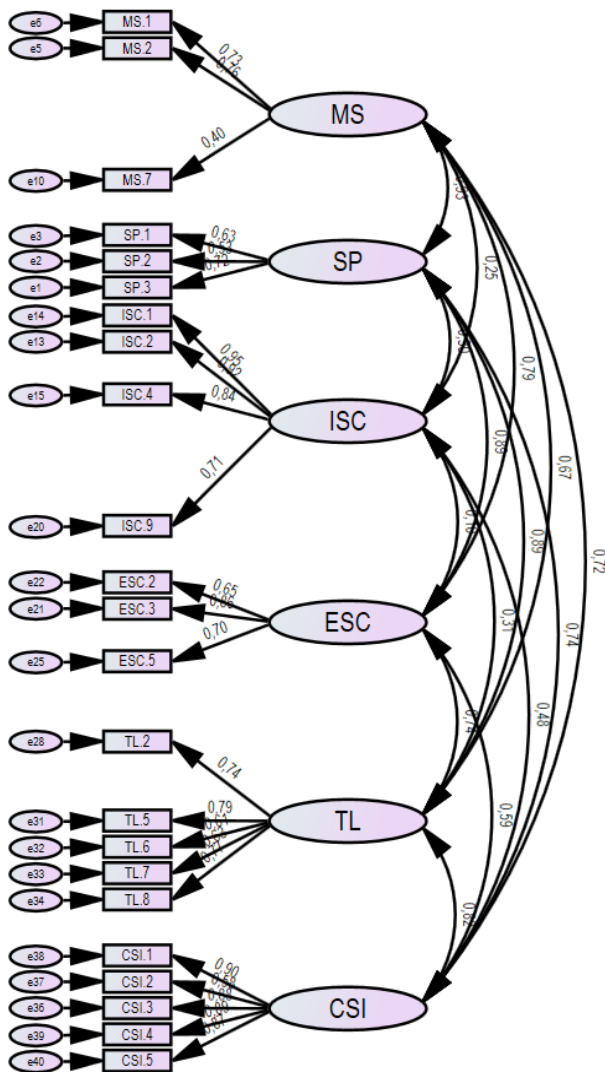


Figure 5.8: Final CFA (2)

Based on the initial CFA, the study eliminates items considering the low standardised regression weights and poor model fit. In practice, CFA can be conducted with only a single item representing some factors; however, the researcher decides to keep at least three items and more per construct, which is a common guideline in SEM and psychometrics to ensure the reliability and validity of the measurement model.

The items removed from the final model are MS3, MS4, MS5, MS6, MS8, IS3, IS5, IS6, IS7, IS8,

ES1, ES4, ES6, TL1, TL3, TL4, and TL9.

### 5.5.6. Standardised regression weights and adjusted model fit summary

**Table 5.17: Standardised regression weights**

			Estimate
SP.3	<---	SP	0.721
SP.2	<---	SP	0.534
SP.1	<---	SP	0.630
MS.2	<---	MS	0.760
MS.1	<---	MS	0.726
MS.7	<---	MS	0.401
ISC.2	<---	ISC	0.919
ISC.1	<---	ISC	0.953
ISC.4	<---	ISC	0.840
ISC.9	<---	ISC	0.706
ESC.3	<---	ESC	0.856
ESC.2	<---	ESC	0.646
ESC.5	<---	ESC	0.702
TL.2	<---	TL	0.736
TL.5	<---	TL	0.788
TL.6	<---	TL	0.605
TL.7	<---	TL	0.631
TL.8	<---	TL	0.766
CSIN.3	<---	CSIN	0.876
CSIN.2	<---	CSIN	0.576
CSIN.1	<---	CSIN	0.899
CSIN.4	<---	CSIN	0.890
CSIN.5	<---	CSIN	0.874

The above table shows improved standardised regression weights with greater magnitude of most of the items than the initial analysis.

**Table 5.18: Adjusted Model Fit Summary**

CMIN	482.3
Df	215
P-value	<0.001
CMIN/df	2.243
GFI	0.84
AGFI	0.79
NFI	0.86
TLI	0.90
CFI	0.92
RMSEA	0.076
PCLOSE	<0.001
SRMR	0.054
AIC	604.3
BIC	811.0

The adjusted model fit summary shows that most of the indicators that are used to assess the model fitness are within the suggested thresholds. CMIN/df = 2.243, suggesting an ‘excellent’ fit (see table 3). Similarly, TLI (0.90), CFI (0.92), RMSEA (0.076), and SRMR (0.054) fall within the acceptable fit values. Moreover, the AIC and BIC model fit indices values are very small compared to baseline model’s values, suggesting better model fit.

### 5.5.7 Reliability and Validity Analysis

**Table 5.19: Reliability and Validity Analysis**

	CR	AVE	Lower 95% CR	Upper 95% CR	Lower 95% AVE	Upper 95% AVE
SP	0,664	0,401	0,462	0,803	0,231	0,577
MS	0,672	0,422	0,498	0,797	0,277	0,576
ISC	0,918	0,740	0,863	0,956	0,616	0,844
ESC	0,782	0,548	0,646	0,883	0,383	0,717
TL	0,834	0,503	0,750	0,895	0,379	0,632
CSI	0,917	0,693	0,878	0,946	0,598	0,781

The analysis shows that CR scores of ISC, ECS, TL and CSIN are the above the given threshold (CR > 0.70). However, the CR values of SP and MS constructs are less than 0.70 but greater than 0.6. Although higher CR suggests greater reliability, CR between 0.60 and 0.70 is considered as acceptable (Hair et al., 2014). Similarly, in the case of AVE, which measures convergent validity, SP and MS have AVEs below 0.50. According to Safiih and Azreen (2016) citing Fornell and Larcker (1981b), an AVE value of 0.4 associated with a construct is considered acceptable when CR is greater than 0.6. Since CR of both SP and MS are greater than 0.6, it can be concluded that convergent validity is achieved.

*Table 5.20: HTMT Analysis*

	SP	MS	ISC	ESC	TL	CSI
SP						
MS	0,650					
ISC	0,280	0,209				
ESC	0,651	0,553	0,132			
TL	0,635	0,500	0,305	0,630		
CSI	0,569	0,554	0,456	0,508	0,699	

As mentioned earlier, the thresholds are 0.850 for strict and 0.900 for liberal discriminant validity. Since all ratios are below 0.850, the constructs are adequately distinct from each other, suggesting good discriminant validity.

After the analysis of internal consistency reliability and validity using Cronbach Alpha, composite reliability and validity statistics, the constructs are improved by eliminating items that were reducing reliability and keeping items that ensured robustness and stability of the measurement model. The refined constructs are once again tested for using Cronbach Alpha to ensure internal

consistency reliability.

The variable of management support (MS) system now consists of three items instead of eight (MS1, MS2 and MS7) with an alpha score of 0.645. Even though the score does not meet the threshold of 0.70, however it has improved slightly compared to earlier scores. The corrected item-total correlation of all three items falls within the acceptable range of 0.30 to 0.70, suggesting a good relationship between the items and the construct. The same is observed with external social capital (ESC) construct, where the reliability has been slightly improved by keeping only three items in the scale ( $\alpha = 0.765$ ). In the case of social proactiveness (SP) the study has not eliminated any item, because the scale only involved three items initially suggesting limited space to improve the construct further.

With respect to internal social capital (ISC) the construct's validity and reliability is improved by removing 4 items from the scale with the new Cronbach Alpha score of 0.922. Likewise, the transformational leadership scale has also been reduced to 5 items suggesting better relationship of items with the overall construct through corrected item-total correlation values. Finally, the variable of corporate social innovation (CSI) has also been considered as it is since the overall Cronbach alpha score was meeting the assumed threshold of reliability.

## **5.6 Descriptive Statistics of Latent Constructs**

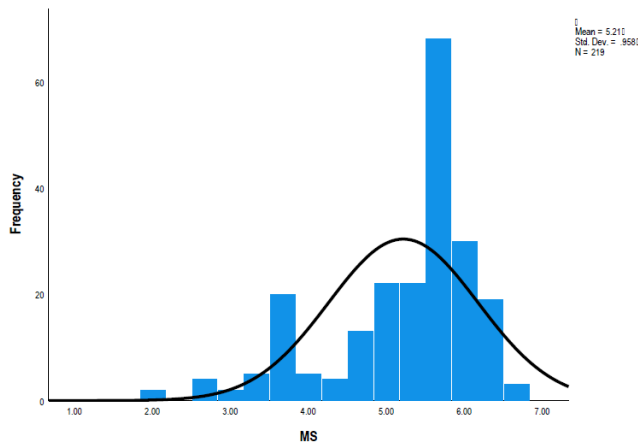
The descriptive statistics of the reformed constructs show that most of the variable's participants have overall responded positively with the mean score greater than 5.00. However, the corporate social innovation has a mean score of 4.52 with a 1.395 standard deviation. The results also reveal normal distribution for every construct with skewness and kurtosis values falling within the ranges of -2.33 to 2.49 and -1.92 to 7.00 (Blanca, 2013).

**Table 5.21: Descriptive Statistics of Latent Variables**

**Descriptive Statistics**

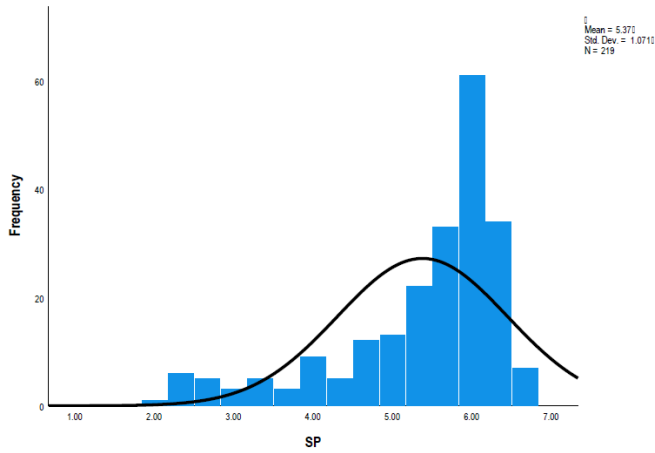
	N	Mean			95% CI		Std. Deviation	Skewness	Kurtosis	
		Statistic	Statistic	SE	Lower	Upper			Statistic	Std. Error
<b>MS</b>	219	5.21	0.065	5.09	5.34	0.958	-1.148	0.164	0.747	0.327
<b>SP</b>	219	5.37	0.072	5.23	5.52	1.071	-1.422	0.164	1.328	0.327
<b>ISC</b>	219	5.04	0.091	4.86	5.22	1.342	-0.755	0.164	-0.678	0.327
<b>ESC</b>	219	5.15	0.082	4.99	5.31	1.212	-1.175	0.164	0.076	0.327
<b>TL</b>	219	5.44	0.066	5.31	5.57	0.980	-1.288	0.164	0.408	0.327
<b>CSIN</b>	219	4.52	0.094	4.34	4.71	1.395	-0.409	0.164	-1.359	0.327

Normal distribution is also reflected through histograms of each construct. For example, the normal distribution of management support variable can also be assessed by its histogram below, illustrating a bell-shaped curve.



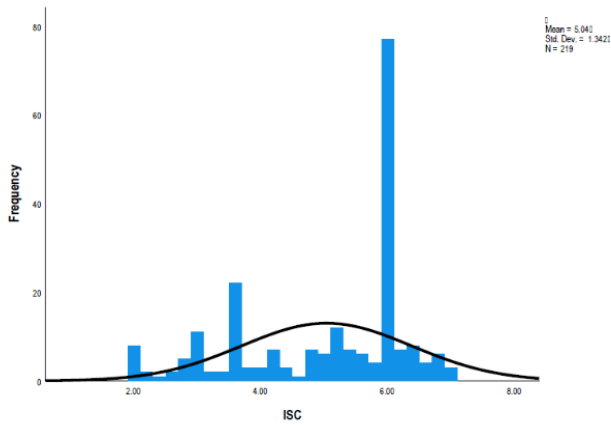
*Figure 5.9: Management support histogram distribution*

The same is exhibited graphically for social proactiveness, using a histogram which shows that data for SP is normally distributed but negatively skewed (Hatem et al., 2022).

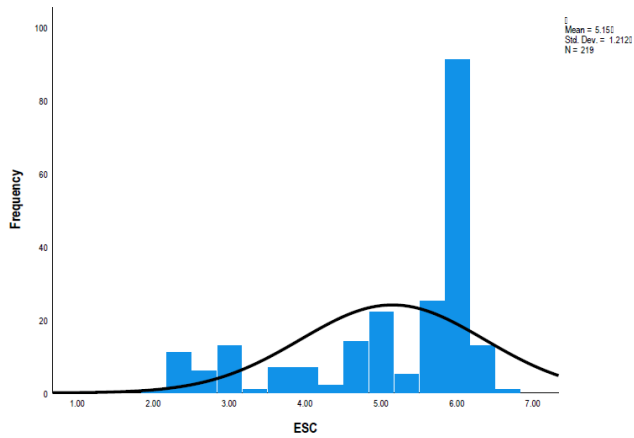


*Figure 5.10: Social proactiveness histogram distribution*

Histograms for internal and external social capital also illustrate normal distribution within the data.

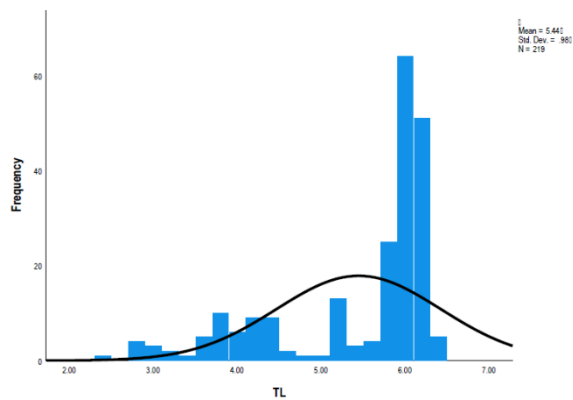


*Figure 5.11: Internal social capital histogram distribution*



*Figure 5.12: External social capital histogram distribution*

With respect to transformational leadership the histogram shows normal distribution following negative skewness.



*Figure 5.13: Transformational leadership histogram distribution*

The construct of corporate social innovation also follows normal distribution as illustrated in the histogram below.

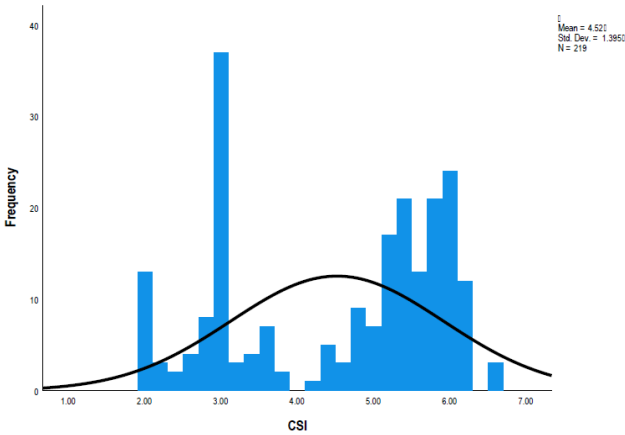


Figure 5.14: Corporate social innovation histogram distribution

## 5.7 Correlation Analysis

The study also performs Pearson correlation statistics which helps to measure significant relationships between two constructs at a time. The relationship is categorised on the basis of its direction (i.e., negative or positive), strength (i.e., weak, moderate or strong) through correlation coefficient and significance (p-value.) (Sedgwick, 2012).

According to the results management support and social proactiveness share a statistically significant correlation with transformational leadership as well as corporate social innovation at 0.01 level. The correlation coefficient is positive for all these relationships and is greater than 0.500, suggesting a significant, positive, and strong correlation between management support, social proactiveness, transformational leader and corporate social innovation. The extraneous variables of internal and external social capital also show positive and significant correlation with management support, transformational leadership, and corporate social innovation. However, the coefficient of 0.228 between internal social capital and management support exhibits that the significant relationship is positively weak at 0.01 level.

**Table 5.22: Correlation Analysis**

Correlations		MS	SP	ISC	ESC	TL	CSIN
<b>MS</b>	Pearson Correlation	--					
	Pearson Correlation	.649**	--				
<b>SP</b>	Sig. (2-tailed)	<0.001					
	Pearson Correlation	.228**	.304**	--			
<b>ISC</b>	Sig. (2-tailed)	<0.001	<0.001				
	Pearson Correlation	.566**	.650**	.158*	--		
<b>ESC</b>	Sig. (2-tailed)	<0.001	<0.001	<0.05			
	Pearson Correlation	.511**	.639**	.348**	.634**	--	
<b>TL</b>	Sig. (2-tailed)	<0.001	<0.001	<0.001	<0.001		
	Pearson Correlation	.565**	.568**	.458**	.507**	.705**	--
<b>CSIN</b>	Sig. (2-tailed)	<0.001	<0.001	<0.001	<0.001	<0.001	

**\*\*.** Correlation is significant at the 0.01 level (2-tailed).

**\*.** Correlation is significant at the 0.05 level (2-tailed).

**c.** Listwise n=219

## 5.8 Final Measurement Model

Finally, the study analyses the measurement model by presenting the estimates/regression weights and their statistical significance.

**Table 5.23: Measurement model**

			Estimate	S.E.	C.R.	P
<b>SP.3</b>	<---	SP	1.267	0.14	9.032	***
<b>SP.2</b>	<---	SP	0.974	0.138	7.059	***
<b>SP.1</b>	<---	SP	1			
<b>MS.2</b>	<---	MS	1.176	0.118	10.002	***
<b>MS.1</b>	<---	MS	1			
<b>MS.7</b>	<---	MS	0.434	0.08	5.414	***
<b>ISC.2</b>	<---	ISC	0.995	0.04	24.613	***
<b>ISC.1</b>	<---	ISC	1			
<b>ISC.4</b>	<---	ISC	0.996	0.052	19.279	***
<b>ISC.9</b>	<---	ISC	0.721	0.054	13.468	***
<b>ESC.3</b>	<---	ESC	1.28	0.131	9.768	***
<b>ESC.2</b>	<---	ESC	1			
<b>ESC.5</b>	<---	ESC	1.149	0.133	8.614	***
<b>TL.2</b>	<---	TL	1			
<b>TL.5</b>	<---	TL	1.173	0.103	11.345	***
<b>TL.6</b>	<---	TL	0.686	0.079	8.635	***
<b>TL.7</b>	<---	TL	0.804	0.089	9.018	***
<b>TL.8</b>	<---	TL	1.111	0.101	11.03	***
<b>CSIN.3</b>	<---	CSI	0.943	0.049	19.178	***
<b>CSIN.2</b>	<---	CSI	0.675	0.071	9.53	***
<b>CSIN.1</b>	<---	CSI	1			
<b>CSIN.4</b>	<---	CSI	0.972	0.049	19.883	***
<b>CSIN.5</b>	<---	CSI	1.067	0.056	19.08	***

The above table shows that all current observed items significantly predict their proposed latent variable. Thus, it validates the final factor loadings.

### 5.9 Direct, Indirect and Total Effects

This phase of the study focuses on the structural model, i.e., the model which specifies the link between the unobserved (latent) constructs. It defines and assesses the proposed causal pathways, represented by path coefficients, indicating the direction and strength of the relationships. This also enables the researcher to test and report the results of the hypotheses.

**Table 5.24: Direct Effects**

			Estimate	St. Estimate	S.E.	C.R.	P
SP	->	TL	0.485	0.53	0.062	7.844	<0,001
MS	->	TL	0.171	0.167	0.069	2.471	0.013
TL	->	ISC	0.477	0.348	0.087	5.483	<0,001
TL	->	ESC	0.784	0.634	0.065	12.099	<0,001
SP	->	CSIN	0.036	0.028	0.083	0.431	0.667
MS	->	CSIN	0.357	0.246	0.083	4.286	<0,001
TL	->	CSIN	0.677	0.477	0.097	6.951	<0,001
ISC	->	CSIN	0.235	0.227	0.048	4.934	<0,001
ESC	->	CSIN	0.015	0.013	0.064	0.236	0.813

According to the above results, both SP and MS have a statistically significant effect on TL. The significant and positive impact of SP on TL,  $\beta = 0.485$ ,  $p < 0.001$  suggests that greater social proactiveness is perceived by CSR professionals to positively influence transformational leadership. Moreover, MS also have a significant and positive impact on TL,  $\beta = 0.171$ ,  $p < 0.05$ . It means that management support is also perceived by CSR professionals to promote transformational leadership.

The study further finds that TL also has significant and positive effects on ISC ( $\beta = 0.477$ ,  $p < 0.001$ ) and ESC ( $\beta = 0.784$ ,  $p < 0.001$ ). It means transformational leadership is perceived by CSR professionals to likely enhance internal and external social capitals.

The direct effect of SP on CSIN is statistically insignificant,  $\beta = 0.036$ ,  $p = 0.667$ ; thus the study rejects **H2**. On the other hand, the direct effect of MS on CSIN is significant and positive,  $\beta = 0.357$ ,  $p < 0.001$  (the study fails to reject **H1**). It means that greater management support is perceived by CSR professionals to significantly enhance corporate social innovation (CSIn).

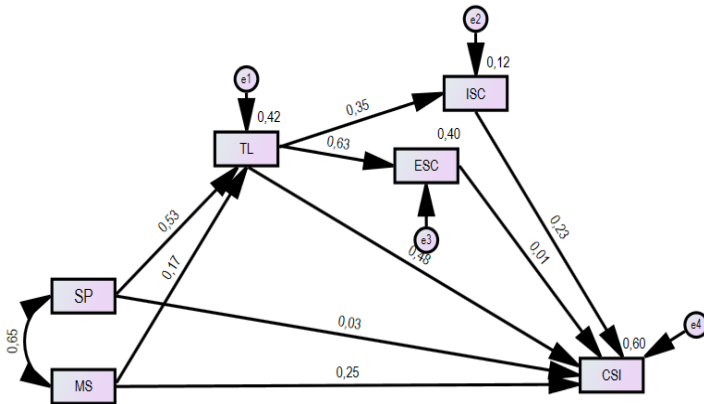


Figure 5.15: structural model

The impact of TL on CSIN is statistically significant,  $\beta = 0.677$ ,  $p < 0.001$ , thus the study fails to reject **H5**. The positive coefficient suggests that a transformational leadership is perceived by CSR professionals to promote corporate social innovation (CSIn) within South African commercial banks.

Moreover, the effect of ISC is also significant on CSI,  $\beta = 0.235$ ,  $p < 0.001$ , thus the study fails to reject **H3**. On the other hand, the direct effect of ESC on CSIN is statistically insignificant,  $\beta = 0.015$ ,  $p = 0.813$ . It shows that the study rejects **H4**.

**Table 5.25: Indirect Effects**

Indirect Effects	Std B	P-value
SP->CSIN	0.299	0.000
MS->CSIN	0.094	0.014
TL->CSIN	0.087	0.064

An indirect effect is the impact of a predictor on an outcome through an intermediate or mediating variable. In this case, the indirect effect of SP on CSIN through TL is significant,  $\beta = 0.299$ ,  $p < 0.001$ . It suggests that there is a meaningful association between SP and CSIN, which is mediated by TL. Similarly, the effect of MS on CSIN through TL is also significant,  $\beta = 0.094$ ,  $p < 0.05$ . Lastly, the indirect effect of TL on CSIN (through ISC and ESC) is marginally significant (at 0.1 level),  $\beta = 0.087$ ,  $p < 0.1$ .

**Table 5.26: Total Effects**

Total Effects	Std B	P-value
SP->CSIN	0.327	0.001
MS->CSIN	0.340	0.000
TL->CSIN	0.565	0.000
ESC->CSIN	0.013	0.838
ISC->CSIN	0.227	0.000

To find whether the mediation effects are significant, it is important to consider the total effects. The results of the total effects (direct and indirect effects combined) are statistically significant as shown in table 16 (except for ESC->CSIN). According to the results, SP has a significant impact on CSIN,  $\beta = 0.327$ ,  $p < 0.001$ . Similarly, the impact of MS on CSIN ( $\beta = 0.340$ ,  $p < 0.001$ ) and

the effect of TL on CSIn ( $\beta = 0.565, p < 0.001$ ) is significant. Moreover, the study finds a significant effect of ISC on CSIN,  $\beta = 0.227, p < 0.001$ .

The direct effect of SP on CSIN is statistically insignificant as mentioned earlier. The significant indirect and total effects confirm full mediation effect of transformational leadership between social proactiveness and corporate social innovation; thus, the study fails to reject **H9**.

In the case of MS-TL-CSIN path, the direct effect of MS on CSIN is significant, along with indirect and total effects. Based on the significant direct effect, it can be implied that partial mediation exists, thus the study fails to reject **H8**.

**Table 5.27: Indirect Effects of ISC and ESC**

Parameter	Estimate	P
TL_ISC_CSIN	0.112	0.000
TL_ESC_CSIN	0.012	0.840

The path TL-ISC-CSIN is statistically significant ( $\beta = 0.112, p < 0.001$ ), suggesting partial mediation since the direct effect of TL on CSIN is also significant. Thus the study fails to reject **H6**. Lastly, the path TL-ESC-CSIN is insignificant,  $\beta = 0.012, p = 0.840$ . It suggests that external social capital does not mediate that relationship between transformational leadership and CSIn, thus the study rejects **H7**.

Based on the results and analyses, the study presents the following summary of hypotheses:

*Table 5.28: Hypotheses Summary*

Code	Hypothesis	Analysis Outcome	Result
1	<b>H<sub>1</sub></b> : CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between management support and CSIn	The direct effect of MS on CSIn is significant and positive, $\beta = 0.357$ , $p < 0.001$	The study fails to reject <b>H<sub>1</sub></b> .
2	<b>H<sub>2</sub></b> : CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between social proactiveness and CSIn	The direct effect of SP on CSIn is statistically insignificant, $\beta = 0.036$ , $p = 0.667$ .	The study rejects <b>H<sub>2</sub></b> .
3	<b>H<sub>3</sub></b> : CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between internal social capital and CSIn	The direct effect of ISC is significant on CSIN, $\beta = 0.235$ , $p < 0.001$ . The direction of relationship is positive.	The study fails to reject <b>H<sub>3</sub></b> .
4	<b>H<sub>4</sub></b> : CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between external social capital and CSIn	The direct effect of ESC on CSIN is statistically insignificant, $\beta = 0.015$ , $p = 0.813$ .	The study rejects <b>H<sub>4</sub></b> .
5	<b>H<sub>5</sub></b> : CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between transformational leadership and CSIn	The impact of TL on CSIN is statistically significant, $\beta = 0.677$ , $p < 0.001$	The study fails to reject <b>H<sub>5</sub></b> .
6	<b>H<sub>6</sub></b> : CSR professionals in commercial banks in South Africa perceive that internal social capital positively and significantly mediates the relationship between transformational leadership	The path TL-ISC-CSIN is statistically significant, suggesting partial mediation since the direct effect of TL on CSIn is also significant, $p < 0.001$	The study fails to reject <b>H<sub>6</sub></b> .

	and CSIn		
7	<b>H7:</b> CSR professionals in commercial banks in South Africa perceive that external social capital positively and significantly mediates the relationship between transformational leadership and CSIn	The path TL-ESC-CSIN is insignificant, $p = 0.840$	The study rejects <b>H7</b> .
8	<b>H8:</b> CSR professionals in commercial banks in South Africa perceive that transformational leadership positively and significantly mediates the relationship between management support and CSIn	The direct effect of MS on CSIN is significant ( $\beta = 0.357$ , $p < 0.001$ ), along with indirect ( $\beta = 0.094$ , $p < 0.05$ ) and total effects ( $\beta = 0.340$ , $p < 0.001$ ). It means TL partially mediates.	The study fails to reject <b>H8</b> .
9	<b>H9:</b> CSR professionals in commercial banks in South Africa perceive that transformational leadership positively and significantly mediates the relationship between social proactiveness and CSIn	There are significant indirect ( $\beta = 0.299$ , $p < 0.001$ ) and total effects ( $\beta = 0.327$ , $p < 0.001$ ) and insignificant direct effects ( $\beta = 0.036$ , $p = 0.667$ ), which confirms full mediation effect of TL between SP and CSIN.	The study fails to reject <b>H9</b> .

The study's findings substantiate the acceptance of the majority of hypotheses, demonstrating statistically significant results. Thus, the survey questionnaire and conceptual model utilised in this research, as tools to investigate the impact of management support and social proactiveness on corporate social innovation, with transformational leadership, and internal and external social capital as mediating variables, exhibit statistical robustness. This suggests the overall model is suitable for advancing further academic inquiry. The application of Confirmatory Factor Analysis (CFA) and path analysis as statistical methods in this study has yielded positive and significant outcomes, indicating a solid empirical basis for the relationships under scrutiny. These statistical tools effectively capture the intricate interplay among the model's key variables, affirming the

reliability and validity of the scales used. Consequently, these findings provide valuable insights for shaping corporate social innovation practices in the business sphere. Researchers in related fields can leverage these results, utilising similar methodologies to delve deeper into exploring the managerial and leadership factors influencing corporate social innovation within organisational contexts.

### **5.10 Conclusion**

The chapter presented and analysed results the results of the quantitative study. The next chapter discusses in depth the qualitative data analysis and interpretation of results.

## **Chapter 6: Qualitative data analysis and interpretation of results**

### **6.1 Introduction and Justification for Qualitative Study**

In the exploration of CSIn determinants within the banking sector, the incorporation of qualitative perspectives from Senior Managers through in-depth interviews serves as a crucial mechanism for validating, confirming, and explaining quantitative research findings. While quantitative methodologies offer statistical rigor and generalisability, the qualitative insights provided depth, context, and nuanced understanding of the underlying mechanisms shaping employee perceptions about key determinants to CSIn. By triangulating quantitative data with qualitative narratives from CSR Senior Managers, the researcher was able to enhance the credibility and robustness of the findings, thereby enriching the overall understanding of the relationship of CSIn and the key determinants in the banking context.

Qualitative interviews with CSR Senior Managers offered an opportunity to validate and confirm quantitative findings by exploring the real-world experiences and perceptions underlying views on CSIn determinants within banking institutions. Research by Marquis and Qiao (2017) underscores the importance of senior leadership in shaping CSR strategies and fostering a culture of innovation. Through the in-depth interviews, the researcher was able to corroborate statistical relationships identified in quantitative analyses with firsthand accounts from CSR Senior Managers, thereby strengthening the validity and reliability of research conclusions.

The qualitative perspectives from CSR Senior Managers allowed the researcher to delve into the contextual nuances and organisational dynamics that mediated the effects of key determinants on CSIn within the banking sector. By engaging directly with CSR Senior Managers, the researcher

was able to explore how these contextual factors interact with the determinants identified in quantitative analyses, providing a more comprehensive understanding of their impact on CSIn.

Furthermore, qualitative insights from CSR Senior Managers served as a valuable tool for explaining and interpreting quantitative research findings. By unpacking the underlying motivations, challenges, and strategic considerations driving CSIn, qualitative interviews enrich the theoretical framework and offer plausible explanations for observed statistical relationships (Smith et al., 2020). Through in-depth exploration of CSR Senior Managers' perspectives, the researcher elucidated the relationships of key determinants to CSIn, thereby advancing theoretical understanding and informing future research directions.

The results from the data that was collected from the interviews are presented and evaluated in accordance with the literature review to build on the results found through the quantitative analysis. The preliminary analysed data is presented according to identified themes within the data and the literature review conducted in the previous chapters. Building on the results from the quantitative analysis in the previous chapter, the chapter begins with a discussion on the sample description, followed by the thematic causal map. The auxiliary themes are then highlighted in Section 6.3. The results of the perceptions on the key determinants to CSIn are then highlighted in Section 6.5, followed by the perceptions of CSIn.

## **6.2 Sample Description**

A total of 14 CSIn leaders and senior managers who work in South African based commercial commercial banks were interviewed. All the participants interviewed were based in Johannesburg. Ten out of the 14 participants were female and four were male. The age of the participants ranged

from 39 to 56, with a mean age of 43. The interviewees reported to have been collectively and actively involved with CSR in the South African commercial banking space for an approximated mean of 12.6 years. The least amount of experience as a CSR leader amongst the interviewees in the industry reported was five years and the highest was 12 years.

### **6.3 Auxiliary Themes**

The themes examined in this section are categorised as supporting themes for the main themes covered in the sections that follow. These themes come from terms that appear in the transcripts, the study questions, the dissertation title, the literature, and the transcripts of the interviews.

The auxiliary themes provide context for the primary themes and aid in understanding how the central themes affect the framing of the predictions and perceptions of the CSR leaders. Experience is one of these concepts.

#### **6.3.1 Experience**

The methodological approach this research utilised was based on the objective of gathering information from CSR leaders who have at least five years of CSR leadership or senior management experience within the South African commercial banking industry. The rationale for this was that after five years of leadership experience, the leader would have a good understanding of the industry and team/organisational dynamics (Antonakis, House, Rowold & Borgmann, 2010). Thus, the participants were in a better position to provide richer responses to questions relating to CSIn, as opposed to less experienced CSR professionals who made up most self-administered questionnaire respondents. The participants affirmed this assertion, demonstrated by

their substantial knowledge of CSR and leadership. The participants' insights extended beyond the confines of the commercial banking environment – they were knowledgeable about all things relating to leadership, innovation, and CSIn.

The following extracts express CSR leaders' and senior managers' thoughts relating to experience as a leader and a practitioner in the commercial banking industry:

*“... I certainly believe that my experience as a CSR practitioner for several years has shaped how I lead my team... at times it can be a bit of an emotionally driven job, so you have to have a level head and think strategically about how we can make the most impact”* (Interviewee no. 3)

*“... I've been working in CSR and marketing for over 10 years now, and I can certainly say that you need a strong and experienced leader who is really passionate about making a social impact –the passion is what separates a good leader from a great one.”* (Interviewee no. 5)

*“I've been working in the commercial banking industry for almost 12 years now, so I think I have a good understanding on how CSR teams collaborate with multiple functions in order to deliver successful projects”* (Interviewee no. 6)

*“... experience as a leader is important in this industry and in particular CSR – you have to have to be able to motivate and inspire your team to go beyond what is expected. But because my team is inherently driven to make social impacts, it makes my job easier as a leader”* (Interviewee no. 7)

Participants' levels of experience differed. This has to do with prior CSR leadership experience, prior CSR practitioner experience, and prior experience working in the commercial banking sector. It should come as no surprise that respondents' ages and their

level of experience as CSR leaders in the sector were directly associated; older participants had more experience than younger participants. On the other hand, compared to their peers, individuals who entered the industry later in life likewise had less experience.

## 6.4 Codebook

A codebook is a set of codes, definitions, and examples used as a guide to help analyse interview data (DeCuir-Gunby, Marshall, & McCulloch, 2011). Codebooks are critical for analysing qualitative research as they provide a formalised operationalisation of the codes (Fonteyn, Vettese, Lancaster, & Bauer-Wu, 2008). Using theory derived from literature, the following table depicts the codebook used for this study.

*Table 6.1: Codebook*

Code	Definition	Example from text
Management support	Management support can be defined as “the extent to which one perceives that top managers support, facilitate, and promote entrepreneurial behaviour, including the championing of innovative ideas and providing the resources people require to take entrepreneurial actions” (Antoncic & Hisrich, 2001, p. 40).	“It’s important that we create an environment that will enable our team to be innovative...”
Social proactiveness	Social proactiveness refers to an organisation's proactive and innovative approach to addressing social issues and contributing to societal well-being (Goldsby, Kuratko, Bishop, Kreiser and Hornsby, 2018).	“Being socially aware and making conscious effort towards positive social outcomes...”
Transformational leadership	Leadership that involves supporting, motivating, guiding and inspiring others (Bush, 2018).	“It’s essential that as leaders we instil a culture of selflessness...”
External social capital	Relates to the repeated connections (resources, relationships, and information) between a group of actors (individuals, groups, and organisations) (Adler and Kwon, 2002)	“... sharing information amongst all stakeholders will strengthen social output by commercial banks.”
Internal social capital	Defined as structural and relational content between individuals within the organisation (Adler and Kwon, 2002)	“... our department liaises with multiple departments, so it’s essential that I develop and maintain good relationships with them.”
Positive	Positive viewpoint on a scenario	“We are doing good to make a social

sentiment		impact through several programs and initiatives... an environment that is more conducive to risk taking could possibly unleash our people to be innovators as CSR practitioners... ”
Negative sentiment	Negative viewpoint on a scenario	
Neutral sentiment	Neither negative nor positive viewpoint on a scenerio	“Our approach seems to be working as intended, we are making tremendous strides towards with our community outreach programs... having an entrepreneur approach to CSR may or may not benefit us at this stage.”

**6.5 CSR Leaders’ Perceptions on the Key Determinants to CSIn**

Table 6.2 Illustrates what the respondents’ perceptions are towards the CSIn determinants identified through the self-administered questionnaire. Management support, social proactiveness, internal social capital, external social capital and transformational leadership supported the hypothesis, and these determinants were used as preliminary codes with the results tabulated below

**Table 6. 2: Thematic Coding: CSIn Determinants**

Theme	Interviewee no.	Quotes and key Points	Preliminary Codes
Perceptions on CSIn determinants	1	“... I support my team with their ambitions.”	Management support
	2	“... constant effort and initiative is required to make a difference in our society”	Social proactiveness
	3	“... employees feel motivated when they know that they are working towards a compelling future articulated by leadership.”	Transformational leadership
	4	“It’s important that we create an environment that will	Management support

		enable our team to be innovative...”	
	5	“It’s essential that as leaders we instil a culture of selflessness...”	Transformational leadership
	7	“... we are proactiveness when it comes to identifying social problems and possible solutions.”	Social proactiveness
	9	“... our department liaises with multiple departments, so it’s essential that I develop and maintain good relationships with them.”	Internal social capital
	10	“A culture of CSIn in teams requires your managers support”	Management support
	11	“... sharing information amongst all stakeholders will strengthen social output by commercial banks.”	External social capital
	14	“We simply don’t just react to social pressures.”	Social proactiveness

Key themes that were identified in the interviews were management support, social proactiveness, transformational leadership, internal and external social capital. The next section highlights the key findings. Chapter 7 then further discusses the contribution to literature in more detail.

### 6.5.1 Management Support

The results from this study suggest managers who encourage innovation and give employees some degree of freedom to approach tasks in their own way are found to have a positive relationship with CSIn. CSIn requires managerial support as well, however, it requires support from managers that have high ethical standards and have strong beliefs in the organisation's societal obligations (Kurakto et al., 2017). This is consistent with literature relating to social innovation and institutional theory. The essence of this is captured in the following responses:

*“It's important that we create an environment that will enable our team to be innovative...”*

(Interviewee no. 4)

*“Managers play an essential role in enabling CSIn within their teams...”* (Interviewee no. 12)

The results from this study suggest that no matter what CSR objectives are defined in commercial banks, managerial support (Lekhanya, 2019) is the driving force to secure the successful implementation of CSIn. Moreover, management support's correlation to other strategic business decisions can positively influence the firm's competitiveness and social credibility (Zwikael and Levin, 2019), which is aligned with the results from this study. The responses from the interviewees further contribute to the body of knowledge of managerial support in businesses, particularly focusing on CSIn. The contribution to literature is further unpacked in chapter 7.

The results derived from the study unveil critical insights. Firstly, these interviews highlight the pivotal role of CSR managers endorsement in fostering a culture of innovation and social responsibility within commercial banks. By providing explicit support, resources, and incentives

for CSIn initiatives, senior managers signal organisational commitment towards addressing social and environmental challenges, thereby encouraging employees to engage in innovative problem-solving behaviours (Spielberger, Vagg and Wasala,2003).

The theoretical contributions of these findings to the body of knowledge on management support and CSIn are manifold. Firstly, they advance our understanding of the mechanisms through which leadership behaviours influence organisational innovation processes, particularly in the context of social responsibility (Khattak, Jiang, Li and Zhang, 2019). By unpacking the role of management support in shaping employee attitudes, behaviours, and capabilities towards CSIn, this research contributes to a deeper comprehension of the relational dynamics and socio-psychological mechanisms underpinning innovation within commercial banks.

Furthermore, qualitative insights shed light on the interplay between management support and organisational culture in driving CSIn initiatives. By fostering a culture of trust, empowerment, and accountability, senior managers create an organisational climate conducive to experimentation, risk-taking, and knowledge-sharing, which are essential for fostering innovation in the realm of social responsibility (Krishnan and Mary, 2012). Through qualitative interviews, CSR Senior Managers elucidate how management support influences shared values and norms, that reinforce the integration of social and environmental considerations into the bank's strategic decision-making processes (Edwards, 2009).

Moreover, the findings highlight the importance of stakeholder engagement and cross-functional collaboration in driving CSIn within commercial banks. Qualitative data reveal how management support facilitates the alignment of diverse stakeholder interests, perspectives, and expertise

towards common sustainability goals, thereby enhancing the effectiveness and legitimacy of CSIn initiatives. By fostering partnerships with external stakeholders, such as non-governmental organisations, government agencies, and community groups, senior managers leverage their networks and resources to address complex societal challenges and create shared value for all stakeholders (Porter & Kramer, 2011).

### ***Management Support and Institutional Theory***

Drawing on Institutional Theory offers insights into the social and normative pressures shaping management attitudes towards CSIn. The interviews uncovered how management support for CSIn initiatives is influenced by institutional forces, such as regulatory mandates, industry standards, and stakeholder demands. By examining the narratives of CSR Senior Managers, this research elucidated the mechanisms through which institutional pressures interact with managerial discretion to shape the adoption and implementation of CSIn practices within commercial banks.

Moreover, Institutional Theory suggests that organisations engage in legitimacy-seeking behaviours to gain social acceptance and legitimacy from external stakeholders (Lammers et al., 2014). By publicly endorsing and championing CSIn initiatives, senior managers demonstrate the bank's alignment with prevailing societal norms, values, and expectations, thereby enhancing its reputation and legitimacy in the eyes of customers, investors, and regulators (García-Sánchez, García-Morales and Bolívar-Ramos, 2017). The essence of this is captured by the following response.

*“PR is very important... we publish articles and I personally share my views via Twitter to demonstrate our commitment to addressing social inequalities...”* (Interviewee no. 14)

Furthermore, Institutional Theory emphasises the role of isomorphism in promoting organisational conformity to institutional norms and practices (DiMaggio & Powell, 1983). The results of this research elucidated how management support fosters the internalisation and institutionalisation of CSIn within commercial banks. By providing leadership, resources, and incentives, senior managers create an organisational climate that encourages employees to adopt and embrace CSIn practices as legitimate and desirable (du Plessis, 2022). The results gave insights into how management support influences the diffusion and institutionalisation of CSIn initiatives across different organisational functions and hierarchical levels. Interviewee no.14 again mentioned the following that demonstrates alignment with the literature.

*“I need to give my team the right tools and still the right behaviours that will encourage them to achieve their social objectives for the year...”* (Interviewee no. 14)

In terms of theoretical contributions, the insights derived from the interviews enrich the body of knowledge on Institutional Theory by providing empirical evidence of how management support mediates the relationship between external institutional pressures and organisational responses to CSIn within commercial banks. By elucidating the mechanisms through which senior management shapes the bank's legitimacy, conformity, and institutionalisation of CSIn initiatives, this research contributes to a deeper understanding of the organisational dynamics driving social innovation in the banking sector.

Furthermore, the integration of Institutional Theory with qualitative research methodologies offers a nuanced understanding of the relationship between management support and CSIn, capturing the complex interplay between internal and external factors shaping organisational responses to

societal expectations and regulatory pressures. By unpacking the role of management support in fostering legitimacy, conformity, and institutionalisation of CSIn, this research offers practical implications for enhancing the effectiveness and sustainability of CSIn initiatives within commercial banks and beyond.

### ***Management Support and Transformational Leadership***

Drawing upon theories of management support, such as Transformational Leadership, the findings underscore the importance of visionary leadership and empowering managerial behaviours in driving CSIn within commercial banks (Lammers et al., 2014; van Wijk et al., 2019). Qualitative data reveal how transformational leaders inspire and motivate employees to embrace CSIn as a core organisational value, fostering a sense of purpose and collective efficacy towards achieving sustainability goals (Srivastava & Babu, 2019). Moreover, supportive leaders create an enabling environment characterised by open communication, trust, and psychological safety, which facilitates experimentation, learning, and collaboration in the pursuit of CSIn (Carmeli et al., 2010). This was captured by the following statement.

*“Executive commitment to CSR is vital for empowering me to further empower my team. It all starts at the top, and without leadership who are not strongly motivated to achieve our social goals, the whole function fails...”* (Interviewee no. 4)

Transformational leadership theory posits that leaders who exhibit charisma, intellectual stimulation, individualised consideration, and inspirational motivation can inspire followers to transcend their own self-interests and work towards collective goals (Bass & Avolio, 1994). In the

context of Corporate Social Innovation (CSIn) within commercial banks, qualitative interviews with CSR Senior Managers provide insights into how transformational leadership mediates the relationship between management support and the organisation's capacity for social innovation. The mediation effect was captured by the following statements.

*“Without leadership who have legitimate ambitions to tackle social issues, I would not have the tools and autonomy to motivate my team to deliver on objectives...”* (Interviewee no. 4)

Qualitative data can reveal how transformational leaders within commercial banks leverage management support to foster a culture of innovation and social responsibility. CSR Senior Managers may portray how top executives use their visionary leadership and charismatic communication to champion CSIn initiatives, inspiring employees to embrace social innovation as a core organisational value (Bush, 2018). Through qualitative interviews, researchers can explore how transformational leaders motivate employees to transcend self-interest and engage in collaborative problem-solving behaviours that contribute to CSIn.

Moreover, transformational leaders play a crucial role in facilitating organisational learning and adaptation, which are essential for driving CSIn within commercial banks (Arnold, 2017). Qualitative data can shed light on how transformational leaders encourage experimentation, risk-taking, and knowledge-sharing among employees, creating an environment conducive to innovation and creativity (Arnold, 2017). By providing intellectual stimulation and individualised consideration, transformational leaders empower employees to challenge the status quo, question conventional wisdom, and explore novel solutions to social and environmental challenges.

Furthermore, transformational leadership theory suggests that leaders who inspire and motivate

followers to pursue higher-order goals can enhance organisational performance and effectiveness (Pawar, 2016). Qualitative interviews with CSR Senior Managers can elucidate how transformational leaders harness management support to align CSIn initiatives with the bank's broader strategic objectives and values. By articulating a compelling vision for social change and inspiring collective action, transformational leaders create a sense of purpose and shared identity that mobilises employees towards common sustainability goals (Carless et al., 2000).

In terms of theoretical contributions, the insights derived from qualitative interviews with CSR Senior Managers enrich the body of knowledge on transformational leadership by providing empirical evidence of how this leadership style mediates the relationship between management support and CSIn within commercial banks. By elucidating the mechanisms through which transformational leaders inspire, empower, and enable employees to engage in social innovation, this research contributes to a deeper understanding of the organisational dynamics driving social change and sustainability in the banking sector.

Moreover, the integration of transformational leadership theory with qualitative research methodologies offers a nuanced understanding of the relationship between management support, leadership, and CSIn, capturing the complex interplay between individual and organisational factors shaping innovation processes. By unpacking the role of transformational leaders in fostering a culture of social responsibility, collaboration, and innovation, this research offers practical implications for enhancing the effectiveness and sustainability of CSIn initiatives within commercial banks and beyond.

### **6.5.2 Social Proactiveness**

The exploration of social proactiveness as a pivotal determinant of CSIn within the commercial banking sector necessitates a multidimensional analysis informed by empirical data and theoretical frameworks. Qualitative interviews with CSR Senior Managers provide valuable insights into the intricate interplay between organisational behaviour, strategic decision-making, and societal impact. By delving into the narratives and perspectives of these key stakeholders, the researcher gained a nuanced understanding of how social proactiveness manifests within corporate structures and influences the innovation landscape. Although the quantitative results suggested that social proactiveness does have a significant positive relationship with CSIn, Interviewee no. 12 suggested the following;

*“In my view social proactiveness of the bank is important, especially proactiveness from senior executives.. there is only so much that we as managers can do if we don’t have the support or resources to execute our social strategy.”*

Moreover, this was further supported by a comment from interviewee no. 7 who stated *“reactive social behaviours won’t be beneficial in our pursuit of social change.”*

### **6.5.3 Transformational Leadership**

In recent years, there has been a growing interest in understanding the role of transformational leadership in fostering Corporate Social Innovation (CSIn) within commercial banks. This interest stems from the recognition of the imperative for organisations, particularly those in the financial sector, to integrate social and environmental considerations into their business strategies. Qualitative interviews conducted with CSR (Corporate Social Responsibility) Senior Managers offer valuable

insights into this phenomenon.

Transformational leadership, as conceptualised by Bass and Avolio (1994), encompasses a set of behaviours characterised by inspiring and motivating followers to transcend their own self-interests for the collective good of the organisation and society. Within the context of CSIn in commercial banks, transformational leadership is posited to play a pivotal role in driving innovative initiatives that address societal and environmental challenges while aligning with the bank's strategic objectives (Antonakis et al., 2011). Through fostering a shared vision, intellectual stimulation, individualised consideration, and idealised influence, transformational leaders within banks can cultivate a culture of innovation and social responsibility among their employees.

The findings from qualitative interviews with CSR Senior Managers offer empirical support for the theoretical propositions linking transformational leadership to CSIn within commercial banks. These interviews reveal that leaders who exhibit transformational qualities tend to prioritise CSR initiatives and integrate them into the core business strategies of the bank (Peachey et al., 2014). Moreover, transformational leaders are adept at articulating a compelling vision for CSIn that resonates with stakeholders both within and outside the organisation, thereby mobilising support and resources for innovative projects (Engelbrecht and Chamberlain, 2005).

The theoretical contributions of this research extend beyond the empirical findings to enriching the broader body of knowledge on leadership and innovation in the context of corporate social responsibility. By elucidating the mechanisms through which transformational leadership influences CSIn in commercial banks, scholars contribute to a deeper understanding of how

leadership behaviours can shape organisational responses to societal challenges (Boukamcha, 2019). Additionally, this research underscores the importance of integrating ethical considerations into leadership theories, highlighting the ethical dimension of transformational leadership in promoting social and environmental sustainability (Boukamcha, 2019).

Bass and Riggio (2006, p. 12) argue that “transformational leadership is well suited for today’s complex work environments and organisations, where followers often seek a visionary leader to guide them through turbulent times, make them feel challenged as well as empowered, and inspire them to perform above expectations and develop prosocial behaviours when pursuing a common goal for the whole group”. The empirical results from this study suggest transformational leaders inspire and encourage CSIn within the workplace. The essence of this is captured in the following responses:

*“... employees feel motivated when they know that they are working towards a compelling future articulated by leadership.”* (Interviewee no. 3)

*“The drive for CSIn starts at the very top...”* (Interviewee no. 7)

*“... the commercial bank is privileged to have transformational leaders that inspire and reinforce our entrepreneurial culture”.* (Interviewee no. 13)

Transformational leadership is believed to increase employees’ social behaviours by motivating them to go beyond self-interest and instead adopt a culture of selflessness in pursuit of a common organisational goal (Bass & Steidlmeier 1999). The results from this study are aligned with this

view and the contribution to the body of knowledge is further expanded in Chapter 7.

#### **6.5.4 Internal Social Capital**

The study of internal social capital as a crucial determinant of Corporate Social Innovation (CSIn) within commercial banks is a significant area of inquiry within the realm of organisational behaviour and corporate social responsibility (CSR). Qualitative interviews with CSR Senior Managers offered a nuanced understanding of the intricate interplay between social dynamics within organisational structures and the pursuit of innovative CSR practices. Internal social capital is conceptualised as the network of relationships, norms, and trust existing among individuals within an organisation, which facilitates the flow of information, resources, and support for innovative endeavors (Landy et al., 2002).

Through in-depth qualitative interviews, this study captures the perspectives and experiences of CSR Senior Managers, providing rich insights into how internal social capital functions as a catalyst for Corporate Social Innovation within the context of commercial banks. The theoretical lens of social capital theory posits that strong social ties, shared norms, and mutual trust among employees foster a conducive environment for the generation and implementation of innovative CSR initiatives (Lins et al., 2019). By tapping into the relational resources embedded within the organisational fabric, CSR Senior Managers can mobilise support, garner buy-in, and foster collaboration across departments, thereby overcoming institutional barriers to innovation. This was supported by interviewee no.3 who stated the following.

“... navigating relationships between functions and leadership is essential for getting the internal support and buy-in for CSR spend and activities.”

The findings of this study underscore the significance of cultivating and leveraging internal social capital as a strategic imperative for driving Corporate Social Innovation within commercial banks. The insights gleaned from qualitative interviews shed light on the mechanisms through which social networks, informal communication channels, and collaborative norms influence the generation, diffusion, and adoption of innovative CSR practices (Morgan & Hunt, 1994). Moreover, by elucidating the role of leadership, organisational culture, and employee engagement in nurturing internal social capital, this study contributes to the theoretical understanding of the determinants of Corporate Social Innovation. Further, organisations require good communication and relationships between managers and employees to thrive and enhance CSIn (Zheng, 2010), which is aligned with findings from this study. The essence of this was captured by interviewees who stated the following:

*“... our department liaises with multiple departments, so it’s essential that I develop and maintain good relationships with them.”* (Interviewee no. 9)

*“... sharing information amongst all stakeholders will strengthen social output by commercial banks.”*(Interviewee no. 11)

*“Strong relationships with stakeholders such as communities can accelerate SIs by constantly sharing information”.* (Interviewee no. 2)

The theoretical contributions of this study extend beyond the realm of CSR literature to inform broader debates on organisational dynamics and innovation management. By elucidating the micro-level processes through which internal social capital shapes the innovation climate within commercial banks, this research advances our theoretical understanding of the social foundations

of organisational innovation (Adler & Kwon, 2002). Moreover, by highlighting the role of relational embeddedness, cognitive alignment, and collective efficacy in driving Corporate Social Innovation, this study offers theoretical insights into the boundary-spanning capabilities of internal social capital in fostering sustainable competitive advantage (Poertes, 2000). Overall, this study underscores the imperative for organisations to invest in fostering robust social networks, building trust-based relationships, and cultivating a culture of collaboration to unleash the transformative potential of CSIn.

### **6.5.5 External Social Capital**

Qualitative interviews with CSR Senior Managers provide valuable insights into the intricate dynamics of Corporate Social Innovation (CSIn) within commercial banks. External social capital, comprising networks, relationships, and connections outside the organisation, emerges as a critical determinant influencing CSIn initiatives (Huggins et al., 2012). Theoretical frameworks, rooted in social capital theory, organisational theory, and innovation theory, offer a lens to understand these phenomena comprehensively. Although external social capital was not proven to have a significant positive relationship with CSIn, responses from CSR senior managers suggest it is still relevant. The essence of this was captured by the following response.

*“Senior executives need to build relationships with community leaders and stake holders whom we engage in these projects [social] with... this collaborative relationship is beneficial to all parties” (interviewee no.5).*

Social capital theory posits that relationships and networks embedded within social structures facilitate access to resources and information (Paunescu, 2014). In the context of commercial banks, external social capital encompasses relationships with stakeholders such as government agencies, NGOs, and community organisations. Interviews with CSR Senior Managers elucidate how leveraging these external relationships fosters innovation by providing access to novel ideas, resources, and opportunities. The exchange of knowledge and resources facilitated through these networks enhances the capacity of banks to develop socially impactful initiatives. By engaging with external stakeholders in collaborative innovation processes, banks tap into diverse perspectives and expertise, fueling creativity and experimentation. The interviews shed light on how commercial banks co-create solutions to complex societal challenges through partnerships with social enterprises, academic institutions, and grassroots organisations. These collaborative endeavors not only generate novel ideas but also enhance the diffusion and adoption of innovative practices within the banking industry.

External social capital is the extent to which individuals have strong ties with the environment and the potential resources arising from those connections, which may be sources of competitive advantage for the firm (Dubos, 2017). The empirical results from this study suggest external social capital's primary function is that of linking the organisation to the external environment which may result in CSIns and improved CSV. The essence of this was captured by interviewees who stated the following:

*“What’s interesting is that I have a good relationship with an NPO in the Eastern Cape [province], and through that relationship I’ve been introduced to other organisations that are now a part of*

*our value chain and a part of our supplier development program.” (Interviewee no. 5)*

*“... when there’s cross-sharing of information between organisations it helps to develop more innovative products, the customers actually want and need.” (Interviewee no. 11)*

The theoretical contributions of this study extend the body of knowledge on CSIn by emphasising the pivotal role of external social capital in shaping innovation dynamics within commercial banks. By integrating insights from social capital theory, the researcher was able to gain a nuanced understanding of how relationships and networks outside the organisation influence the innovation process. Practical implications stemming from this research underscore the importance of fostering strategic partnerships and cultivating trust-based relationships with external stakeholders to drive sustainable and impactful CSIn initiatives in the banking sector. Future research avenues may explore the contingent factors and mechanisms that mediate the relationship between external social capital and CSIn outcomes, thereby enriching theoretical frameworks and informing managerial practices in the realm of corporate sustainability and innovation.

## **6.6 Perceptions of CSR Leaders towards CSIn within South African Commercial Banks**

Table 6.3 Illustrates what the respondents’ perceptions are towards CSIn within South African commercial commercial banks. Respondents had both positive and neutral sentiments towards CSIn and this is tabulated below.

Table 6. 3: Thematic coding: Perceptions of CSIn

Theme	Interviewee no.	Quotes and key Points	Preliminary Codes
Perceptions of CSIn within commercial commercial banks in SA	1	“I must admit, at times we take the easier route and just donate money to social causes - of course that makes a huge difference in society, and I don’t down play it at all, however I believe (and my team as well) that there is more to be done...CSIn could possibly the driving force to this...”	Positive sentiment
	2	“... I believe my team have the ability to socially innovate – as can be seen by our xxx project... we don’t necessarily label it CSIn in our organisation, but I think some of the elements that are typically found in entrepreneurship can be seen in how we approach things”	Positive sentiment
	3	“... before we consider a CSIn approach, there are a few things that I believe should take priority first i.e. growing our CSR team, better career prospects for CSR practitioners etc., without these, attempting to make fundamental changes to how we run our department, I believe will be futile.”	Neutral sentiment

	4	<p>“Traditional approaches to CSR such as donations are necessary, and I don’t think as a financial institution we should completely focus on social innovation – my feeling is that we should strike a balance between the two...”</p>	Positive sentiment
	5	<p>“... our appetite for innovation at xxx is huge, whether it is technological or social.. we have an entrepreneurial spirit here that compels us to think strategically and make solutions that are sustainable”</p>	Positive sentiment
	6	<p>“We are doing good to make a social impact through several programs and initiatives... an environment that is more conducive to risk taking could possibly unleash our people to be innovators as CSR practitioners...”</p>	Positive sentiment
	7	<p>“... my team are innovators and I’m really proud of their commitment to make a difference in peoples lives who are less fortunate... they are driven, take calculated risks, passionate about their jobs and are constantly thinking of new ways to create social value”</p>	Positive sentiment

	8	“I try and create an environment that supports the entrepreneur spirit in my team...”	Positive sentiment
	9	“We’re trying to use technology to make a social impact... we leverage the expertise of our IT team to build solutions for our stakeholders... in a way you could call it CSIn because of the innovation component.”	Positive sentiment
	10	“... not to say that our social offerings are not sustainable, however CSIn could certainly elevate our current offering and spread the social value we create to more stakeholders”	Positive sentiment
	11	“Our approach seems to be working as intended, we are making tremendous strides towards with our community outreach programs... having an entrepreneur approach to CSR may or may not benefit us at this stage.”	Neutral sentiment
	12	“Passion, perseverance and willingness to succeed is what drives	Positive sentiment

		innovation.”	
	13	“*Commercial bank name* has a strong culture of innovation, and it’s no different when it comes to CSR...”	Positive sentiment
	14	“We’re a high performance team... I believe everyone [in here team] has characteristics of an entrepreneur, the difference is that we get to live our passion for solving problems within a financial institution”	Positive sentiment

Mostly positive sentiments were shared about CSIn within commercial commercial banks in South Africa, however in some cases, neutral sentiments were observed. Seemingly, negative sentiments were not observed. The following highlights the key themes identified during the interview stage and the contribution to literature will be expanded on in the next chapter.

**6.7 Thematic Causal Map**

Thematic causal mapping emerges as an indispensable methodological tool for unraveling the complex interplay of senior managers' perspectives on key determinants to CSIn, particularly in the banking sector. Thematic causal maps offer a structured approach to visually represent and analyse the multifaceted relationships among variables, facilitating a nuanced understanding of the underlying causal mechanisms (Piriyakul and Piriyakul, 2021). Within the context of CSIn, where

numerous factors intersect, thematic causal mapping served as a means to disentangle these intricate dynamics, enabling the researcher to identify key drivers, barriers, and feedback loops shaping senior managers' perceptions.

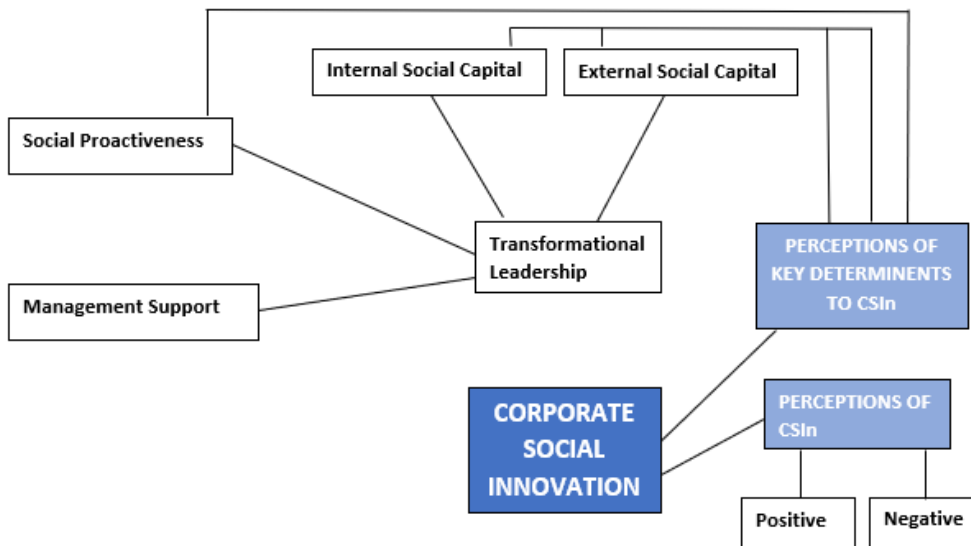
Moreover, thematic causal maps provide a systematic framework for synthesising qualitative data obtained from interviews or surveys with senior managers, as demonstrated by Jones et al. (2018) in their study on CSR implementation in multinational corporations. By categorising data into thematic nodes and delineating causal connections between them, the researcher was able to uncover patterns, themes, and divergent viewpoints inherent in senior managers' perspectives on key determinants relationship to CSIn. This process not only enhanced the rigor of data analysis but also enabled a comprehensive exploration of the CSIn within the banking context.

Furthermore, the utilisation of thematic causal map fostered transparency and replicability in research findings, facilitating knowledge dissemination and cross-study comparisons. By adhering to established principles of thematic analysis and causal mapping techniques, the researcher ensured validity and reliability of the analytical frameworks, thus contributing to the advancement of scholarly discourse on CSIn. In essence, thematic causal mapping emerged as a powerful analytical tool for unlocking the latent insights embedded within senior managers' perspectives on CSIn in the banking sector, thereby informing strategic interventions and fostering responsible business practices conducive to societal well-being.

The interviews began with questions relating to the background of the participants, such as experience and age, then questions relating to key determinants. The respondents' responses served

as the foundation for investigations that followed. Before creating informal maps of each respondent, topics from the interviews were determined.

The accounts of top managers and CSR leaders helped to clarify the relationships between the concepts. The researcher concentrated on responses that included the words "so," "because," and "if they," as these terms explained themes in the data and connections between different information sets. The causal map with a theme is shown below.



*Figure 6.1: Final Thematic Causal Map*

The thematic map depicts the themes highlighted in the empirical study, their interactions, and the way they influence CSR leaders and senior managers' dispositions about CSIn. The questions asked during the interviews which were subsequently used to derive these themes can be found in Annexure D.

## **6.8 Conclusion**

The chapter commenced with an overview of the sample description, followed by a description of the auxiliary themes. The chapter then presented the perceptions of key determinants to CSIn and perceptions of CSIn, the chapter then concluded with an illustration of the thematic causal map. The results next chapter concludes the study.

## **Chapter 7: Conclusions**

### **7.1 Introduction**

This section discusses and concludes the results presented in Chapters five and six. Moreover, the discussion triangulates results from both quantitative and qualitative findings. This chapter also presents closing arguments and contributions of this study.

To answer the quantitative research questions and objectives stipulated in Chapter 1, research hypotheses were tested. The relationships tested were both direct and mediating relationships amongst variables in the study. The results are thus discussed in relation to the different hypotheses. To further ensure credibility and validity of the study, methodological triangulation was used. Moreover, an explanatory sequential mixed method design was used in this study as discussed in Chapter 4. Since collection occurred sequentially and the qualitative data was collected in a supportive role, standards of quantitative rigour were emphasised as being of utmost importance, and then confirming qualitative data filled in any conceptual gaps. The primary benefit of using an explanatory design was that it allowed the researcher to add some meaning and richness to the results of the quantitative component.

Conclusions are provided, based on the research questions, the study objectives, and problem statement. Additionally, methodological, and theoretical contributions, together with the policy implications, are made. Practical implications are made from findings, study limitations are given, and suggestions for future research are made.

The study looked to answer the following primary research question:

*What are the perceptions of CSR professionals in commercial banks in South Africa on the relationship between key determinants to CSIn within commercial banks in the South African financial sector?*

The following sections look to answer these questions and detail the contribution that the study and results have made to the body of knowledge.

**7.2 Primary research question: What are the perceptions of CSR professionals in commercial banks in South Africa on the relationship between key determinants to CSIn within commercial banks in the South African financial sector?**

To answer this research question, the study embarked on a quantitative study with junior, mid-level, and mid-senior level employees involved in CSR. The responses from CSR senior managers and leaders further expanded on the results. The results are depicted below with the subsequent contribution to the literature.

**7.2.1 Perceptions of CSR professionals in commercial banks in South Africa on the relationship between management support and CSIn within commercial banks in the South African financial sector**

The direct relationship between management support and CSIn was discussed in relation to  $H_1$  of the study. The research hypothesis states: **CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between**

**management support and CSIn.** The quantitative analysis concludes that the direct effect of MS on CSIn is significant and positive,  $\beta = 0.357$ ,  $p < 0.001$ , therefore the study fails to reject **H1**.

It is relevant to understand that the above statistics can be supported by qualitative analysis. For instance, interviewee no. 5 stated:

*“We’ve seen that when employees are well supported with their projects and are confident that they have their managers’ backing, it leads to greater output and innovative ideas to solve societal issues”.*

The study indicates that when employees perceive that their managers support CSI initiatives, they are more likely to engage in innovative practices that contribute to social and environmental sustainability. This alignment with commercial banks values and societal expectations can lead to positive outcomes such as improved reputation, increased customer loyalty, and enhanced competitive advantage. Moreover, employees' attitudes, beliefs, and behaviours are critical in fostering a culture of innovation conducive to the implementation of socially responsible practices.

García-Sánchez et al., (2017) argues that organisational structures that are supportive supply the administrative foundation by which socially innovative ideas are reviewed, chosen, and executed. It's worth noting that perceived boundaries and obstacles to CSIn are created when organisations have a bureaucratic structure, as there is an over-focus on departmental issues in these types of organisations, and a failure to see the ‘bigger picture’. Viewing commercial banks from a holistic point of view should be encouraged. Research advises that organisations should avoid giving jobs narrow job descriptions and cast-iron performance standards (Kuratko, Montagno & Hornsby

1990; Hornsby et al., 2002).

The study found that for CSIn behaviours to be effective, commercial bank employees from all departments and managerial levels are likely to be requested to partake in CSR. The degree to which a CSIn initiative can use commercial bank leaders largely depends on the commercial bank's attitude towards sharing knowledge, organisational culture, and project leaders' own quality of networks and their ability to continuously use these. Edwards (2009) also note that more senior managers within an organisation could potentially assist junior to mid-senior project managers with building networks as they can leverage their power, relationships, and experience within the organisation. This is aligned by the findings of this study as interviewee no.11 stated:

*“Management support is always essential in achieving any company goals, however CSIn requires management to be ‘extra’ supportive by assisting employees with developing relationships within the commercial bank to promote collaboration, and also share expertise.”*

Design of jobs is also an essential component of CSIn. Kompier (2003) suggest that “empowering people to innovate” as well as “fostering innovative workplaces” is essential for CSIn, productivity, and creativity. Although the decision to support employees for CSIn is the commercial bank’s choice, “governments may be able to shape national institutions to support higher levels of employee learning and training in the workplace” (OECD 2010, p. 74– 80).

Austin, Leonard, Reficco, & Wei-Skillern (2006) suggest that organisations should create an internal environment that signals the importance of the CSIn process. The socially innovative behaviour of organisations requires the support of top managers in two areas: innovative

behaviour, and social responsibility. This study found that when employees are given support and encouragement by top management for their innovative activities, there is a higher possibility that they will engage in CSIn, which is aligned with Edwards (2009) view on management support. It has also been reported that the style of management support can have an impact on innovation performance (Edwards, 2009).

By exploring the role of management support in driving CSIn, the study can contribute valuable insights into how organisational leaders navigate institutional pressures and foster a culture of innovation and sustainability within their institutions. Existing research suggests that management support is a crucial factor in promoting CSIn, as it influences the adoption of sustainable practices and shapes organisational responses to societal expectations and regulatory requirements (Krishnan and Mary, 2012). However, the specific mechanisms through which management support influences institutional change in the banking sector remain underexplored.

Moreover, the study can shed light on the interplay between internal organisational dynamics and external institutional pressures in shaping CSIn initiatives within commercial banks. Existing research suggests that organisations often face competing pressures from various stakeholders, including customers, investors, and regulators, which can influence their approach to sustainability and social responsibility (Zwikael and Levin, 2008). By examining how management support mediates these pressures and influences organisational responses, the study can provide a nuanced understanding of the factors that drive institutional change in the banking sector.

Institutional theory offers a comprehensive framework for understanding the impact of management support on corporate social innovation (CSIn) within organisations, particularly in

the context of commercial banks. According to institutional theory, organisations seek legitimacy by conforming to various institutional pressures, which can be coercive, normative, or mimetic (DiMaggio & Powell, 1983). In the context of CSIn, management support plays a crucial role in shaping organisational responses to these pressures. This support can take different forms, such as providing resources, setting goals, and championing initiatives, all of which are essential for fostering a culture of innovation and sustainability (Hsu et al., 2019).

The study contributed to theoretical development by providing empirical evidence of management support's perceived influence on CSIn within commercial banks. This helps to further refine our theoretical understanding of how commercial banks respond to different types of institutional pressures and the role that management support plays in this process. Moreover, these empirical insights provide a more nuanced understanding of the relationship between management support and CSIn within commercial banks and could lead to the development of new theoretical frameworks that better explain this relationship.

### **7.2.2 Perceptions of CSR professionals in commercial banks in South Africa on the relationship between social proactiveness and CSIn within commercial banks in the South African financial sector**

The direct relationship between social proactiveness and CSIn was discussed in relation to  $H_2$  of the study. The research hypothesis states: **CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between social proactiveness and CSIn.** The quantitative analysis outcome concludes that the direct effect of SP on CSIn is statistically insignificant,  $\beta = 0.036$ ,  $p = 0.667$ , therefore the study rejects **H<sub>2</sub>**.

This is an interesting result as literature suggested social proactiveness would possibly influence CSIn within commercial banks. Moreover, Eckermann and Nagalingam (2003) suggested organisations pursuing more proactive approaches to social issues often discover opportunities for innovation. This may be true, however the view from this author and several other authors (Unsworth and Parker, 2003) was for innovation within organisations, not necessarily for CSIn which is a different construct.

Hypothesis  $H_2$  being rejected has suggest several theoretical implications. First, it could indicate that social proactiveness alone may not be sufficient to drive CSIn within commercial banks. Other factors, such as management support, organisational culture, or external pressures, may also play significant roles in influencing CSIn initiatives. This could lead to a refinement of institutional theory to include a more nuanced understanding of the factors that drive organisational behaviour in response to institutional pressures. Moreover, the rejected hypothesis could suggest that the relationship between social proactiveness and CSIn is contingent on certain contextual factors. For example, the regulatory environment, competitive landscape, or organisational structure of commercial banks could moderate this relationship. This could lead to the development of new theoretical frameworks that consider the complex relationships between different factors in influencing organisational behaviour.

### **7.2.3 Perceptions of CSR professionals in commercial banks in South Africa on the relationship between internal social capital and CSIn within commercial banks in the South African financial sector**

The direct relationship between internal social capital and CSIn was discussed in relation to  $H_3$  of the study. The research hypothesis states: **CSR professionals in commercial banks in South**

**Africa perceive there to be a positive and significant perceived relationship between internal social capital and CSIn.** The quantitative analysis outcome concludes that the direct effect of ISC is significant on CSI,  $\beta = 0.235$ ,  $p < 0.001$ , and that the direction of the relationship is positive, therefore the study fails to reject **H<sub>3</sub>**.

Landry et al., (2002) suggests that internal social capital enhances knowledge sharing and collaboration among employees. When employees perceive that their social connections within the organisation are strong, they are more likely to share information and ideas related to CSIn initiatives. This can lead to the generation of new ideas and the implementation of innovative practices that contribute to social and environmental sustainability (Lins, 2019). The essence of this was captured by the following statement from interviewee no. 11.

*“We have come to realise that a culture of knowledge sharing and collaboration are the foundations to building a solid CSR function that enables our staff to perform at their peak...”*

Moreover, the empirical results have suggested that internal social capital is perceived to contribute to the development of a positive organisational culture that values social responsibility and innovation. Studies by Hansen et al. (2001) and Morselli and Viganò (2017) emphasise the role of internal social capital in fostering a culture of innovation and social responsibility within organisations. When employees perceive that their social connections support CSIn, they are more likely to be engaged and committed to the organisation's social initiatives.

The outcomes of the study have several theoretical implications. Social capital theory posits that social relationships and networks have value and can facilitate action and cooperation within

organisations. This study contributes to understanding how social capital is formed and maintained within organisations by examining employees' perceptions of internal social capital and its impact on CSIn. It sheds light on the factors that contribute to the development of social relationships and networks within commercial banks, enhancing social capital theory by providing insights into the dynamics of social capital formation in organisational contexts. Furthermore, the study highlights the importance of employees' perceptions in shaping social capital within organisations. It suggests that employees' perceptions of internal social capital, rather than objective measures of social relationships, are crucial in determining their behaviour and actions related to CSIn. This underscores the subjective nature of social capital and its reliance on individuals' interpretations and experiences, adding a nuanced layer to social capital theory.

Additionally, the study positions social capital in relation to organisational outcomes, such as CSIn. By demonstrating that employees' perceptions of internal social capital can influence their engagement in CSIn initiatives, the study illustrates the value of social capital in driving organisational goals and objectives. This expands social capital theory by highlighting its relevance to organisational performance and success, providing a practical framework for understanding how social capital can be leveraged to achieve strategic objectives.

Moreover, the study has practical implications for management practices within commercial banks. It suggests that managers can enhance CSIn efforts by fostering a positive perception of internal social capital among employees. This can be achieved through initiatives that promote collaboration, knowledge sharing, and trust among employees. By leveraging social capital, managers can create an environment that is conducive to innovation and social responsibility,

ultimately contributing to the overall success of the organisation.

#### **7.2.4 Perceptions of CSR professionals in commercial banks in South Africa on the relationship between external social capital and CSIn within commercial banks in the South African financial sector**

The direct relationship between external social capital and CSIn was discussed in relation to  $H_2$  of the study. The research hypothesis states: **CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between external social capital and CSIn.** The quantitative analysis outcome concludes that the direct effect of ESC on CSIn is statistically insignificant,  $\beta = 0.015$ ,  $p = 0.813$ , therefore the study rejects **H4**.

Even though the hypothesis is rejected, the study provides valuable insights into the dynamics of external social capital and its impact on CSIn.

While the hypothesis may be rejected, the study reveals the complexities of external relationships and the challenges that commercial banks face in leveraging external social capital for CSIn. This could lead to the development of new theoretical frameworks that consider the role of external social capital in driving organisational innovation.

Through the qualitative component of the study via in-depth interviews, the study highlighted the importance of contextual factors in shaping the relationship between external social capital and CSIn. Factors such as regulatory environment, market conditions, and organisational culture could moderate this relationship, leading to a more nuanced understanding of how external social capital influences organisational behaviour. The essence of this was captured by the following statement.

*“... our department is of course shaped by laws, CSR regulations and our external relationships...”*

*these factors explain why and how we approach social innovation within the bank.” (Interviewee no.6)*

Social capital theory emphasises the value of relationships and networks in facilitating action and cooperation within organisations. By exploring how commercial banks leverage external social capital for CSIn, the study enhanced the academic knowledge of how external relationships shape organisational behaviour, adding to the theoretical foundation of social capital theory. Moreover, the study contributed to the development of new theoretical frameworks that consider the role of external social capital in driving organisational innovation. While existing research has focused primarily on internal social capital, the study highlights the importance of external relationships in fostering innovation. This could lead to the development of new concepts and constructs within social capital theory that better explain the role of external social capital in organisational behaviour.

Lastly, the study highlighted the importance of contextual factors in shaping the relationship between external social capital and CSIn. Social capital theory recognises that the impact of social relationships depends on the broader social, cultural, and economic context. By exploring how contextual factors influence the relationship between external social capital and CSIn, the study provided valuable insights into the contingent nature of social capital and its effects on the behaviour of commercial banks.

### **7.2.5 Perceptions of CSR professionals in commercial banks in South Africa on the relationship between transformational leadership and CSIn within commercial banks in the South African financial sector**

The direct relationship between transformational leadership and CSIn was discussed in relation to H5 of the study. The research hypothesis states: CSR professionals in commercial banks in South Africa perceive there to be a positive and significant perceived relationship between transformational leadership and CSIn. The quantitative analysis outcome concludes that impact of TL on CSIn is statistically significant,  $\beta = 0.677$ ,  $p < 0.001$ , therefore the study fails to reject H5.

The empirical results have several theoretical development of transformational leadership theories in several ways. Firstly, the study provided empirical evidence supporting the perceived role of transformational leadership in driving CSIn initiatives. Bush (2018) suggests that transformational leaders can create a supportive environment that encourages employees to engage in innovative behaviours. By demonstrating a perceived positive relationship between transformational leadership and CSIn by employees within commercial banks, the study validated and extend existing theories of transformational leadership.

Moreover, the study enhanced the understanding of the mechanisms through which transformational leadership influences CSIn. Transformational leaders are known for their ability to inspire and motivate followers, articulate a compelling vision, and foster a culture of innovation (Bass and Riggio, 2006). By examining these mechanisms in the context of CSIn within commercial banks through qualitative enquiry, the study provided valuable insights into the specific leadership behaviours and strategies that are most effective in driving CSIn.

The study also highlighted the importance of contextual factors in shaping the relationship between transformational leadership and CSIn. Jaiswal and Dhar (2015) suggests that transformational leaders are effective in articulating a vision that emphasises the importance of social responsibility and innovation. However, the effectiveness of transformational leadership may vary depending on factors such as organisational culture, industry norms, and regulatory environment. By considering these contextual factors, the study could provide enhanced understanding of the relationship between transformational leadership and CSIn.

#### **7.2.6 Perceptions of CSR professionals in commercial banks in South Africa on the mediating relationship of internal social capital between transformational leadership and CSIn within commercial banks in the South African financial sector**

The mediating relationship of internal social capital between transformational leadership and CSIn was discussed in relation to H6 of the study. The research hypothesis states: **Internal social capital mediates the relationship between transformational leadership and CSI within South African commercial banks.** The quantitative analysis outcome concludes that the path TL-ISC-CSIn is statistically significant, suggesting partial mediation since the direct effect of TL on CSI is also significant,  $p < 0.001$ , therefore the study fails to reject **H6**.

It is relevant to understand that the above statistics can be supported by qualitative analysis. For instance, interviewee no. 3 stated:

*“Transformational leaders are meant to inspire teams to think bigger than what’s in front of them... as a manager, this then in terms gives me the flexibility and autonomy to structure and incentivize my team in such a way to achieve our social objectives for the year”.*

Evidence from the quantitative and qualitative findings confirm the importance of transformational leadership in the quest for enhancing CSIn. The above quote is from a participant and is significant as this comes from the point of view of a senior manager within a major commercial bank. The view is that leadership plays a pivotal role in driving CSIn. This is supported by Adler and Kwon (2002) who argue that by sharing collective linkages, transformational leaders demonstrate internal social capital. Internal social capital comprises shared vision, information-sharing, and trust (Koka and Prescott, 2000). It is important that leaders have open communication about the importance of CSIn to have shared vision about achieving the commercial bank's social goals. Transformational leaders are skilled at strengthening relations amongst people and building trust so that employees work more effectively with each other (Zhang et al., 2010); promoting a culture of collaboration needed for entrepreneurial behaviours that drive CSIn. Peachey et al., (2014) argue that transformational leaders have high moral and ethical standards which makes them role models within the organisation and allows them to influence behaviour, which is aligned with the findings of this study. The empirical findings from this study indicate that high moral and ethical standards are an important component of CSR activities within South African commercial banks, and creating a commercial bank culture of social awareness and proactiveness can ultimately lead to enhanced shared value through CSIn.

It is suggested by the empirical insights from this study, that transformational leaders inspire senior management, and senior management in turn inspire their teams, by encouraging them to share information across teams. It's widely argued that charisma is a key trait of a transformational leader (Boukamcha, 2019) and that they tend to use this charisma to influence networks. These leaders have strong relationships with all team members for managing flow of resources, soliciting advice, anticipating problems, and transmitting goals (Eyal and Kark, 2004).

Jaiswal and Dhar (2015) suggest that enthusiastically shaping and sharing future visions regarding strategic directions is a typical strategy that transformational leaders do to get the ‘buy-in’ of functional teams; energising them to fully embrace challenges, meaning, and collective objectives beyond their own interests. This is aligned with the quote stated earlier indicating that senior managers need the support from leaders to get the ‘buy-in’ from their team through shared vision. Getting the willing support of social missions is an important component of CSIn; if employees don’t see the value in being a socially responsible commercial bank, then there will be some resistance. Employees are therefore motivated to share the social vision and achieve common business objectives (Bush, 2018).

An organisation’s internal social capital allows transformational leaders to share information and access resources through frequent social interaction (Bass and Riggio, 2006); encouraging employees to seek out information about communities and ways to socially innovate to better serve these communities. Within large organisations such as commercial commercial banks, such interaction is crucial for the creation and diffusion of CSIns. For instance, an empirical study conducted in a large electronics multinational firm by Tsai and Ghoshal (1998) found that internal social capital positively contributed to innovation.

Commercial banks have started to encourage the creation of social capital within to enhance the ability of an individual to manage diverse and complex social relationships with the purpose to leverage the organisational performance at its maximum as this effort does not necessarily require a significant monetary investment, but rather introspection into the basic principles and values of the company (Sanchez-Famoso et al., 2014). The investments in social capital, which are not necessarily financial investments, explain the success and performance of top companies in term of innovation and contribution to value creation (Koka and Prescott, 2000). A greater engagement

of investors, customers, beneficiaries and other stakeholders throughout the social innovation process can help in the successful initiation, development and scaling of a social innovation (e.g., access more financial resources, reduce marketing and customer-related costs, etc.) (Bhatt & Altinay, 2013). Knowledge transfer (conceptualised as the mobilisation, assimilation, and use of knowledge resources) mediates between organisation members' intraorganisational social capital and organisational performance outcomes of growth and innovation performance (Bhatt & Altinay, 2013).

### **7.2.7 Perceptions of CSR professionals in commercial banks in South Africa on the mediating relationship of external social capital between transformational leadership and CSIn within commercial banks in the South African financial sector**

The mediating relationship of external social capital between transformational leadership and CSIn was discussed in relation to H7 of the study. The research hypothesis states: **External social capital mediates the relationship between transformational leadership and CSI within South African commercial banks.** The quantitative analysis outcome concludes that the path TL-ESC-CSIn is insignificant,  $p = 0.840$ , therefore the study rejects **H7**.

Although the hypothesis was rejected, the still contribute to theoretical development in several ways. The study provided insights into the nuanced role of external social capital as a mediator between transformational leadership and CSIn. While the direct relationship between transformational leadership and CSIn is established, the lack of a direct relationship between external social capital and CSIn suggests that the influence of external relationships on innovation outcomes may be more complex than previously suggested by literature. Moreover, the study has highlighted the possible importance of considering multiple pathways through which leadership influences organisational outcomes. Research by Bass and Riggio (2006) suggests that

transformational leaders can create a supportive environment that encourages employees to engage in innovative behaviours. However, the lack of a direct relationship between external social capital and CSIn may suggest that other factors may also play a role in driving innovation. By exploring the mediating role of external social capital by means of qualitative enquiry, the study helped to identify additional factors and enhance our understanding of leadership's influence on organisational outcomes. Interviewee no.9 suggested the following.

*“External social capital can't be viewed on it's own, there are several factors that have an impact on it such as external relationships and regulations.”*

The qualitative enquiry contributed to the development of more comprehensive theoretical frameworks that integrate multiple factors influencing organisational behaviour. While existing theories of transformational leadership and social capital provide valuable insights, they often focus on individual factors in isolation. The study attempted to bridge this gap and provide a more holistic understanding of how leadership, external relationships, and organisational culture interact to influence CSIn.

#### **7.2.8 Perceptions of CSR professionals in commercial banks in South Africa on the mediating relationship of transformational leadership between management support and CSIn within commercial banks in the South African financial sector**

The mediating relationship of transformational leadership between management support and CSIn was discussed in relation to H8 of the study. The research hypothesis states: **CSR professionals in commercial banks in South Africa perceive that transformational leadership positively and significantly mediates the relationship between management support and CSIn.** The

quantitative analysis outcome concludes that the direct effect of MS on CSIn is significant ( $\beta = 0.357, p < 0.001$ ), along with indirect ( $\beta = 0.094, p < 0.05$ ) and total effects ( $\beta = 0.340, p < 0.001$ ). It means TL partially mediates, therefore the study fails to reject **H8**.

The empirical results contribute to theoretical development in several ways. Firstly, the study highlighted the importance of considering the synergistic effects of leadership and management support in promoting innovation. Samad (2012) suggests that transformational leaders can create a supportive environment that encourages employees to engage in innovative behaviours. By examining how transformational leadership mediates the relationship between management support and CSIn, the study provided valuable insights into the mechanisms through which leadership and support work together to drive social innovation. The study also contributed to the development of more comprehensive theoretical frameworks that integrate multiple factors influencing organisational behaviour. Although current theories of managerial support and transformative leadership offer insightful information, they frequently concentrate on particular elements alone. The study's results, which take into account the mediating function of transformational leadership, may contribute to a more comprehensive understanding of the interactions between leadership, managerial support, and organisational setting that affect the outcomes of innovation in future research.

### **7.2.9 Perceptions of CSR professionals in commercial banks in South Africa on the mediating relationship of transformational leadership between social proactiveness and CSIn within commercial banks in the South African financial sector**

The mediating relationship of transformational leadership between social proactiveness and CSIn was discussed in relation to H9 of the study. The research hypothesis states: **CSR professionals in commercial banks in South Africa perceive that transformational leadership positively and significantly mediates the relationship between social proactiveness and CSIn.** The quantitative analysis outcome concludes that there are significant indirect ( $\beta = 0.299, p < 0.001$ ) and total effects ( $\beta = 0.327, p < 0.001$ ) and insignificant direct effects ( $\beta = 0.036, p = 0.667$ ), which confirms full mediation effect of TL between SP and CSIn, therefore the study fails to reject **H9**.

The examination of transformational leadership as a mediator between social proactiveness and CSIn provided important insights into the complex interactions between organisational behavior, strategic decision-making, and social.

## **7.3 Methodological Contribution**

### **7.3.1 Mixed Method Study**

Mixed method studies in CSIn are quite scarce. This study made a methodological contribution by adopting a mixed method approach. The study employed a deductive mixed-method design, where quantitative methods were primary and qualitative methods were secondary. The limitations of the quantitative approach, such as the superficiality of data collected, were mitigated by the qualitative approach, which gathered more nuanced insights from senior managers and executives. This qualitative data provided a deep understanding of the experiences, perceptions, and motivations of key stakeholders involved in Corporate Social Innovation (CSIn) initiatives, complementing the quantitative data (Creswell, 2014). This integration facilitated a more thorough analysis by contextualising the quantitative findings within the banking environment and social context (Creswell, 2014). Moreover, the qualitative data revealed complex relationships and processes that quantitative data alone might have missed, aiding in theory development (Patton, 2015). The triangulation of both types of data enhanced the study's validity, offering robust evidence to support practical implications for managers and policymakers in commercial banks seeking to improve their CSIn (Creswell, 2014).

Additionally, the sequential nature of the mixed-method approach allowed for the validation and enrichment of quantitative findings through qualitative insights. Qualitative data could reveal unexpected patterns, identify contextual constraints, and provide real-world examples that put quantitative results into context (Sahin and Öztürk, 2019). By combining quantitative and qualitative data, researchers gained a comprehensive understanding of the key determinants

driving CSIn within commercial banks, enhancing the credibility and robustness of the study's conclusions (Creswell, 2008).

### **7.3.2 Unit of Analysis**

This study examines individual employees as the primary focus, a common approach in business research and the foundational level of analysis (Kumar, 2018). The research aims to delve into employee perceptions within commercial banks, specifically exploring their responses in the context of the banking environment. The study's objective is to gauge the opinions and viewpoints of these individuals regarding Corporate Social Innovation (CSIn) within commercial banks.

Research indicates that employees are vital stakeholders and significant drivers of innovation, including initiatives related to CSIn, within organisations. For instance, Gupta and Sharma (2019) and Zhou, Liu, and Yang (2019) emphasise the crucial role of employees' attitudes, beliefs, and behaviours in nurturing an innovative culture that supports the implementation of socially responsible practices in corporate settings. By focusing on employees' perceptions, researchers can uncover insights into the internal workings and organisational factors that propel CSIn within commercial banks.

### **7.3.3 Structured Self-administered Questionnaire**

Apart from this, a major contribution from a methodological perspective is the multifaceted self-administered questionnaire that was developed to carry out the quantitative component of the

study. The self-administered questionnaire is presented in Annexure. The findings affirm the acceptance of most hypotheses with statistically significant results. Thus, the survey questionnaire and conceptual model utilised in this study to explore the impact of management support and social proactiveness on corporate social innovation, with transformational leadership and internal and external social capital as mediating factors, have demonstrated statistical robustness. This suggests that the overall model is suitable for furthering academic research. The employment of Confirmatory Factor Analysis (CFA) and path analysis as statistical tools has yielded positive and significant outcomes, indicating a strong empirical basis for the relationships examined in the study. These statistical methods have effectively captured the intricate interplay among the model's key variables, underscoring the reliability and validity of the scales used. Consequently, the findings provide valuable insights for advancing the literature on corporate social innovation in the business domain. Researchers in similar disciplines can leverage these results to explore managerial and leadership factors that influence corporate social innovation within organisational contexts, utilising the research tools (survey scale) and methodologies (CFA and path analysis) employed in this study.

#### **7.4 Management and Sector Implications**

In South Africa, there has been robust debate around the impact of economic growth on poverty and inequality in the post-apartheid era. According to Gumede (2016, p. 115-116) "...there is a consensus in South Africa that poverty and inequality, particularly income inequality and income poverty, are persistent. These two development issues are primarily linked to the legacy of the apartheid system of governance as well as the structure of the economy." Many observers have highlighted the potentially harmful consequences of persistently high levels of poverty, and

particularly, economic inequality, on the quality and sustainability of democracy (Francis Webster, 2019). The current socio-economic environment sets the scene for companies to engage in CSV. The results from this study suggest that socio-economic issues still exist significantly in South Africa, however through CSIn, commercial banks can play a role in addressing some of these challenges.

An empirical investigation into the relationships between various determinants and Corporate Social Innovation (CSIn) within commercial banks in South Africa provides valuable practical insights for these institutions. By identifying factors that drive CSIn, such as management support, social proactiveness, internal and external social capital, and transformational leadership, banks can make informed strategic decisions. This knowledge aids in effective resource allocation, ensuring that CSIn initiatives have a meaningful societal impact while aligning with the bank's business objectives. Analysing key determinants, such as leadership support, stakeholder engagement, resource allocation, and collaboration, the study identified effective strategies for commercial banks to adopt in reducing social inequalities. For instance, the study suggests that strong commitment from top management is crucial. Therefore, banks can focus on enhancing leadership support for social initiatives, potentially reducing social inequalities.

Understanding the key determinants of CSIn can also confer a competitive edge to commercial banks. Banks perceived as socially innovative are more likely to attract customers, investors, and talented employees who increasingly seek socially responsible organisations. Moreover, a robust CSIn strategy can aid banks in managing risks, such as reputational risks, by enhancing their reputation and fostering trust with stakeholders. This is particularly significant in the financial sector, where trust and reputation are pivotal for success. Furthermore, the study's findings can

assist commercial banks in South Africa in complying with regulatory requirements related to CSR. By aligning their CSIn activities with regulatory expectations, banks can avoid fines and penalties for non-compliance. Additionally, understanding the key determinants of CSIn can enhance stakeholder engagement. Through meaningful engagement with customers, employees, investors, and communities, banks can cultivate stronger relationships and garner support for their CSIn initiatives. In summary, the practical implications of this study can guide commercial banks in South Africa towards more effective CSIn strategies, leading to long-term sustainability and positive social impact.

### **7.5 Limitations of the Study**

There is a paucity of literature on Corporate Social Innovation (CSIn) in general, presenting a challenge as the majority of literature remains focused on Social Innovation (SI). Moreover, CSIn literature, particularly within a South African context, is limited. This study draws on related research papers on CSIn and engagement with multiple stakeholders to compare and further validate its findings.

The study employed a mixed methods design, which posed certain limitations related to decisions regarding the prioritisation of the quantitative or qualitative approach, implementation of data collection and analysis, integration of the quantitative and qualitative phases, and synthesis of results. However, the mixed methods approach was beneficial in addressing some of the methodological limitations identified in previous quantitative and qualitative studies highlighted in Chapter 4. The collection of two types of data and the subsequent large volume of data required greater resources for data collection, management, and analysis. Additionally, conducting a mixed

methods project, particularly for a postgraduate degree, required a considerable amount of time.

Further limitations of this study include its exclusive focus on South Africa, which may limit the generalisability of the findings to other countries. As the first empirical research on CSIn within a South African commercial banking context, this study primarily draws on institutional theory and social capital theory. Future studies could explore other theoretical frameworks to provide additional insights into the CSIn initiatives of commercial banks.

## **7.6 Recommendations for Future Research**

The research was conducted in South Africa, an emerging economy. To enhance the robustness of the self-administered questionnaire developed and presented in Annexure A, it is advisable to conduct similar studies in a more developed nation. This comparative approach would help identify any discrepancies or parallels in the findings. Replicating studies is crucial for expanding knowledge and facilitating comparative analyses. Therefore, it is imperative to replicate this study in a developed economy to ascertain whether management support, social proactiveness, internal and external social capital, and transformational leadership serve as pivotal determinants of Corporate Social Innovation (CSIn), as demonstrated in a developing economy (South Africa).

It is also essential to establish metrics for CSIn outcomes to legitimise the domain CSIn. Consequently, future studies should consider incorporating factors such as Social Return on Investment (SROI) into the self-administered questionnaire or the research constructs to develop instruments that effectively measure CSIn outcomes. Moreover, a further study utilising either a longitudinal or an experimental design should be conducted to examine the relationships between the study's constructs and CSIn.

Research on corporate social innovation (CSIn) within commercial banks in South Africa has advanced significantly by identifying key determinants. However, existing literature reveals several research gaps that necessitate further investigation to deepen our comprehension of CSIn in this context (Bataglin and Kruglianskas, 2022). Moreover, comparative research would be of benefit to understand how the determinants of CSIn may differ between various types of commercial banks (e.g., large multinational banks vs. small local banks) or between different industries within South Africa. This could aid in identifying optimal strategies for promoting CSIn across diverse contexts and sectors.

Lastly, future research could examine the role of collaboration and partnerships in fostering CSIn within commercial banks. This could involve investigating how commercial banks in South Africa collaborate with other entities (e.g., NGOs, government agencies, other banks) to tackle social and environmental challenges, and how these collaborations influence CSIn outcomes.

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## Annexure A: Self-administered questionnaire

### Respondent Demographics

The following questions will help me to find out more about you.

Where relevant place a cross (x) in the block that best corresponds to your answer or write down your response

1. Gender Female  Male  Prefer not to say
  
2. Age 18 - 35  36 – 45  46 - 55  56 – 65
  
3. Please indicate the years have you worked in a commercial commercial bank with specific involvement in CSR  
Less than 1 year  1-5 years  More than 5 years
  
4. Please provide the number of years you have worked directly or indirectly in CSR  
Less than 1 year  1-5 years  More than 5 years
  
5. Please select the closest match in terms of your current work function  
Consultant  Director   
Senior Management  Middle Management   
Junior Management  Supervisors   
Team Leader
  
6. Please the department you currently work in  
CSR  Marketing   
Public relations

7. Please indicate your company size

1 001 – 10 000     10 001 – 25 000     25 001 – 50 000   

8. Please indicate your company's CSR team size

1 – 10     11 - 20

### Section 1 - Management support

**Indicate how much you agree or disagree with each statement by placing a cross (x) in the block corresponding to your answer**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree or disagree	Somewhat agree	Agree	Strongly agree
1	In my organisation, developing one's own ideas is encouraged for the improvement of the commercial bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Upper management is aware and very receptive to ideas and suggestions relating to social value creation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	A promotion usually follows from the development of new and social innovative ideas.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Those employees who come up with social innovative ideas on their own often receive management encouragement of their activities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	The "doers on projects" are allowed to make decisions without going through elaborate justification and approval procedures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Senior managers encourage social innovators to bend rules and rigid procedures in order to keep promising ideas on track.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Many top managers have been known for their experience with the SI process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Money is often available to get new social project ideas off the ground.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Section 2 – Social Proactiveness

**Indicate how much you agree or disagree with each statement by placing a cross (x) in the block corresponding to your answer**

Strongly disagree	Disagree	Somewhat disagree	Neither agree or disagree	Somewhat agree	Agree	Strongly agree
-------------------	----------	-------------------	---------------------------	----------------	-------	----------------

9	I find that my company is very proactive in how it deploys resources for social issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	My job description clearly identifies activities that are socially impactful.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Section 3 – Internal social capital

Indicate how much you agree or disagree with each statement by placing a cross (x) in the block corresponding to your answer.

		Strongly disagree	Disagree	Somewhat disagree	Neither agree or disagree	Somewhat agree	Agree	Strongly agree
12	Leaders and managers engage in open and honest communication with each other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	Leaders and managers have no hidden agendas or issues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	Leaders and managers are willing share information with one another.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	Leaders and managers keep each other always informed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16	I can rely on the leaders and managers I work with	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	Leaders and managers are usually considerate of one another's feelings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	Leaders and managers have confidence in one another.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	Leaders and managers show a great deal of integrity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	Overall, leaders and managers are trustworthy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Section 4 – External social capital

Indicate how much you agree or disagree with each statement by placing a cross (x) in the block corresponding to your answer.

Strongly disagree	Disagree	Somewhat disagree	Neither agree or disagree	Somewhat agree	Agree	Strongly agree
-------------------	----------	-------------------	---------------------------	----------------	-------	----------------

21	Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at buyer firms.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23	Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24	Leaders and managers have utilised personal ties, networks, and connections during the past three years with political leaders in various levels of the government.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25	Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial Bodies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26	Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in regulatory and supporting organisations such as tax offices, state commercial banks, commercial administration offices, and the like.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Section 5 - Transformational leadership

Indicate how much you agree or disagree with each statement by placing a cross (x) in the block corresponding to your answer

		Strongly disagree	Disagree	Somewhat disagree	Neither agree or disagree	Somewhat agree	Agree	Strongly agree
27	Our leaders talk about their most important values and beliefs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28	Our leaders consider the moral and ethical consequences of decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29	Our leaders emphasise the importance of having a collective sense of mission.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30	Our leaders spend time teaching and coaching.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31	Our leaders seek differing perspectives when solving problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

32	Our leaders help others to develop their strengths.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33	Our leaders talk optimistically about the future.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34	Our leaders talk enthusiastically about what needs to be accomplished.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
35	Our leaders articulate a compelling vision of the future.							

**Section 6 – Corporate Social Innovation**

**Indicate how much you agree or disagree with each statement by placing a cross (x) in the block corresponding to your answer.**

		Strongly disagree	Disagree	Somewhat disagree	Neither agree or disagree	Somewhat agree	Agree	Strongly agree
36	The rate of introduction of new social initiatives into the organisation has grown rapidly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37	The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
38	The rate of introduction of new innovations that have a social purpose has grown rapidly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
39	The rate at which our CSR activities is reaching a greater audience has grown rapidly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
40	The rate of introduction of new systems for strategic CSR planning and control into the organisation has grown rapidly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Thank you for giving of your time in participating in this study. Your input is most appreciated and will be treated as confidential at all times**

## **Annexure B: Participation information sheet (self-administered questionnaire)**



Dear Sir/Madam

My name is Lee Larbi and I am a PhD student in Management at the University of the Witwatersrand, Johannesburg. As part of my studies, I have to undertake a research project, and I am investigating Determinants of Corporate Social Innovation in South Africa's Commercial banking Sector under the supervision of Dr Robert Venter. The aim of this research project is to propose a theoretical and empirical framework for key determinants for CSI in South Africa.

As part of this project, I would like to invite you to take part in a self-administered questionnaire. This activity will involve answering 54 questions relating to CSI in the commercial banking environment and will take around 20 minutes, and will be a once off self-administered questionnaire.

There will be no personal costs to you if you participate in this project, you will not receive any direct benefits from participation but there are no disadvantages or penalties if you do not choose to participate or if you withdraw from the study. You may withdraw at any time or not answer any question if you do not want to. The interview will be completely confidential as I will not be asking for your name or any identifying information, and the information you give to me will be held securely and not disclosed to anyone else. I will be using a pseudonym (false name) to represent your participation in my final research report. If you experience any distress or discomfort at any point in this process, we will stop the interview or resume another time.

If you have any questions during or afterwards about this research, feel free to contact me on the details listed below. This study will be written up as a research report which will be available online through the university library website. If you wish to receive a summary of this report, I will be happy to send it to you. The data collected from this research project will be stored in a secure password protected laptop and will be kept for 5 years. If you have any concerns or complaints regarding the ethical procedures of this study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za

Yours sincerely,  
Lee Larbi

Researcher: Lee Larbi, lee.larbi@students.wits.ac.za +27 82 826 7207  
Supervisor: Dr Robert Venter, Robert.venter@wits.ac.za +27 11 717 8090

**Annexure C: Participation consent form (self-administered questionnaire)**



**Title of research:** Determinants of Corporate Social Innovation in South Africa’s Commercial banking Sector

**Name of researcher:** Lee Larbi

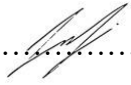
I, ....., agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:

(Please circle the relevant options below).

I agree that the researcher may use anonymous quotes in his / her research report      YES      NO

I agree that the information I provide may be used anonymously after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.      YES      NO

..... (signature)  
..... (name of participant)  
..... (date)

..... (signature)  
  
Lee Larbi  
..... (name of person seeking consent)  
..... (date)

## Annexure D: Interview guide

UNIVERSITY OF THE  
WITWATERSRAND,  
JOHANNESBURG



Place of interview \_\_\_\_\_ Date of interview \_\_\_\_\_

Interviewee No \_\_\_\_\_ Gender: \_\_\_\_\_

### INTRODUCTION

- Thank you for the opportunity to interview
- Read and discuss consent form
- Establish timeframe for interview
- Go over biographic questions

### BACKGROUND

What is your age and how many years of CSR experience do you have?

What prompted the decision to work in CSR?

What is your educational background?

### SECTION A – Key determinants to CSIn

- 1 In your view, what are the main determinants for CSIn within commercial banks?
- 2 What is your view on management support as a determinant to CSIn in a commercial bank and why?
- 3 What is your view on social proactiveness as a determinant to CSIn and why?
- 4 What is your view on internal social capital as a determinant to CSIn and why?
- 5 What is your view on external social capital as a determinant to CSIn and why?
- 6 What is your view on transformational leadership as a determinant to CSIn and why?

### SECTION B – Perception on CSIn

- 7 What is your view towards CSIn within South African commercial commercial banks
- 8 What us your view on the benefits of CSIn to CSR?

## **Annexure E: Participation information sheet (interview)**



Dear Sir/Madam

My name is Lee Larbi and I am a PhD student in Management at the University of the Witwatersrand, Johannesburg. As part of my studies, I have to undertake a research project, and I am investigating Determinants of Corporate Social Innovation in South Africa's Commercial banking Sector under the supervision of Dr Robert Venter. The aim of this research project is to propose a theoretical and empirical framework for Corporate Social Innovation (CSIn) determinants within commercial commercial banks in South Africa.

As part of this project, I would like to invite you to take part in an interview. This activity will involve answering 16 questions relating to CSIn in the commercial banking environment and will take around 60 minutes.

There will be no personal costs to you if you participate in this project, you will not receive any direct benefits from participation but there are no disadvantages or penalties if you do not choose to participate or if you withdraw from the study. You may withdraw at any time or not answer any question if you do not want to. The interview will be completely confidential as I will not be asking for your name or any identifying information, and the information you give to me will be held securely and not disclosed to anyone else. I will be using a pseudonym (false name) to represent your participation in my final research report. If you experience any distress or discomfort at any point in this process, we will stop the interview or resume another time.

If you have any questions during or afterwards about this research, feel free to contact me on the details listed below. This study will be written up as a research report which will be available online through the university library website. If you wish to receive a summary of this report, I will be happy to send it to you. The data collected from this research project will be stored in a secure password protected laptop and will be kept for 5 years. If you have any concerns or complaints regarding the ethical procedures of this study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email [hrecnon-medical@wits.ac.za](mailto:hrecnon-medical@wits.ac.za)

Yours sincerely,  
Lee Larbi

Researcher: Lee Larbi, [lee.larbi@students.wits.ac.za](mailto:lee.larbi@students.wits.ac.za) +27 82 826 7207  
Supervisor: Dr Robert Venter, [Robert.venter@wits.ac.za](mailto:Robert.venter@wits.ac.za) +27 11 717 8090

**Annexure F: Participation consent form (interview)**

UNIVERSITY OF THE  
WITWATERSRAND,  
JOHANNESBURG



**Title of research:** Determinants of Corporate Social Innovation in South Africa’s Commercial banking Sector

**Name of researcher:** Lee Larbi

I, ....., agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:


(Please circle the relevant options below).

I agree that the researcher may use anonymous quotes in his / her research report      YES      NO

I agree that the interview may be audio recorded      YES      NO

I agree that the information I provide may be used anonymously after this project has ended, for academic purposes by other researchers, subject to their own ethics clearance being obtained.      YES      NO

..... (signature)  
..... (name of participant)  
..... (date)

 ..... (signature)  
Lee Larbi ..... (name of person seeking consent)  
..... (date)

## Annexure G: Ethics certificate

UNIVERSITY OF THE  
WITWATERSRAND  
JOHANNESBURG



Research Office

**HUMAN RESEARCH ETHICS COMMITTEE (NON-MEDICAL)**

R14/49 Larbi

**CLEARANCE CERTIFICATE**

**PROTOCOL NUMBER: H20/07/16**

**PROJECT TITLE**

Investigating Corporate Social Entrepreneurship as an alternative Approach to Social Innovation: a study of the South African Banking Sector

**INVESTIGATOR(S)**

Mr L Larbi

**SCHOOL/DEPARTMENT**

School of Business Sciences/

**DATE CONSIDERED**

24 July 2020

**DECISION OF THE COMMITTEE**

Approved  
Risk level: Minimal

**EXPIRY DATE**

20 August 2023

**DATE**

21 August 2020

**CHAIRPERSON**

(Professor J Knight)

cc: Supervisor : Dr R Venter

**DECLARATION OF INVESTIGATOR(S)**

To be completed in duplicate and **ONE COPY** returned to the Secretary at Room 10004, 10th Floor, Senate House, University. Unreported changes to the application may invalidate the clearance given by the HREC (Non-Medical)

I/We fully understand the conditions under which I am/we are authorized to carry out the abovementioned research and I/we guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I/we undertake to resubmit the protocol to the Committee. **I agree to completion of a yearly progress report.**

Signature \_\_\_\_\_

Date \_\_\_\_\_

PLEASE QUOTE THE PROTOCOL NUMBER ON ALL ENQUIRIES

# Annexure H: Computational results

## 1. Reliability (1)

Scale: ALL VARIABLES

Case Processing Summary

		n	%
Cases	Valid	219	100.0
	Excluded <sup>a</sup>	0	0.0
	Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.641	0.649	8

>0,7

Item Statistics

	Mean	Std. Deviation	n
[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	5.51	1.279	219
[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	5.36	1.438	219
[MS.3] A promotion usually follows from the development of new and social innovative ideas.	2.89	0.927	219

[MS.4] Those employees who come up with social innovative ideas on their own often receive management encouragement of their activities.	5.27	1.306	219
[MS.5] The "doers on projects" are allowed to make decisions without going through elaborate justification and approval procedures.	4.57	1.211	219
[MS.6] Senior managers encourage social innovators to bend rules and rigid procedures in order to keep promising ideas on track.	3.68	1.343	219
[MS.7] Many top managers have been known for their experience with the social innovation process.	4.77	1.006	219
[MS.8] Money is often available to get new social project ideas off the ground.	4.31	1.549	219

**Inter-Item Correlation Matrix**

	[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	[MS.3] A promotion usually follows from the development of new and social innovative ideas.	[MS.4] Those employees who come up with social innovative ideas on their own often receive management encouragement of their activities.	[MS.5] The "doers on projects" are allowed to make decisions without going through elaborate justification and approval procedures.	[MS.6] Senior managers encourage social innovators to bend rules and rigid procedures in order to keep promising ideas on track.	[MS.7] Many top managers have been known for their experience with the social innovation process.	[MS.8] Money is often available to get new social project ideas off the ground.
[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	1.000	0.569	0.159	0.312	0.305	0.232	0.226	0.034
[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	0.569	1.000	0.161	0.385	0.264	0.164	0.305	-0.028
[MS.3] A promotion usually follows from the development of new and social innovative ideas.	0.159	0.161	1.000	0.067	0.100	0.145	0.096	0.027

[MS.4] Those employees who come up with social innovative ideas on their own often receive management encouragement of their activities.	0.312	0.385	0.067	1.000	0.087	-0.008	0.202	0.248
[MS.5] The "doers on projects" are allowed to make decisions without going through elaborate justification and approval procedures.	0.305	0.264	0.100	0.087	1.000	0.392	0.378	0.072
[MS.6] Senior managers encourage social innovators to bend rules and rigid procedures in order to keep promising ideas on track.	0.232	0.164	0.145	-0.008	0.392	1.000	0.279	0.124
[MS.7] Many top managers have been known for their experience with the social innovation process.	0.226	0.305	0.096	0.202	0.378	0.279	1.000	-0.037
[MS.8] Money is often available to get new social project ideas off the ground.	0.034	-0.028	0.027	0.248	0.072	0.124	-0.037	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.188	-0.037	0.569	0.605	-15.481	0.021	8

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	30.86	21.902	0.499	0.372	0.564
[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	31.00	21.170	0.474	0.409	0.567
[MS.3] A promotion usually follows from the development of new and social innovative ideas.	33.47	26.838	0.189	0.045	0.641
[MS.4] Those employees who come up with social innovative ideas on their own often receive management encouragement of their activities.	31.09	23.377	0.351	0.258	0.606

>0.3

[MS.5] The "doers on projects" are allowed to make decisions without going through elaborate justification and approval procedures.	31.80	23.207	0.414	0.269	0.589
[MS.6] Senior managers encourage social innovators to bend rules and rigid procedures in order to keep promising ideas on track.	32.68	23.393	0.332	0.220	0.611
[MS.7] Many top managers have been known for their experience with the social innovation process.	31.59	24.765	0.373	0.227	0.604
[MS.8] Money is often available to get new social project ideas off the ground.	32.05	25.346	0.113	0.117	0.681

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
36.37	29.508	5.432	8

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

	n	%
Cases		
Valid	219	100.0
Excluded <sup>a</sup>	0	0.0
Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.674	0.678	3

**Item Statistics**

	Mean	Std. Deviation	n
[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	5.01	1.265	219
[SP.2] My job description clearly identifies activities that are socially impactful.	5.51	1.454	219
[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.	5.60	1.402	219

#### Inter-Item Correlation Matrix

	[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	[SP.2] My job description clearly identifies activities that are socially impactful.	[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.
[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	1.000	0.475	0.407
[SP.2] My job description clearly identifies activities that are socially impactful.	0.475	1.000	0.356
[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.	0.407	0.356	1.000

#### Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.412	0.356	0.475	0.119	1.335	0.003	3

#### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	11.11	5.529	0.536	0.290	0.525
[SP.2] My job description clearly identifies activities that are socially impactful.	10.62	5.008	0.491	0.257	0.576

[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.

10.52

5.462

0.441

0.199

0.640

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
16.12	10.320	3.212	3

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

Cases		n	%
		Valid	219
	Excluded <sup>a</sup>	0	0.0
	Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.929	0.930	9

**Item Statistics**

	Mean	Std. Deviation	n
[ISC.1] Leaders and managers engage in open and honest communication with each other.	5.05	1.489	219
[ISC.2] Leaders and managers have no hidden agendas or issues.	5.04	1.535	219
[ISC.3] Leaders and managers are willing share information with one another.	4.95	1.516	219

[ISC.4] Leaders and managers keep each other informed at all times.	4.91	1.681	219
[ISC.5] I can rely on the leaders and managers I work with.	4.97	1.579	219
[ISC.6] Leaders and managers are usually considerate of one another's feelings.	5.00	1.516	219
[ISC.7] Leaders and managers have confidence in one another.	4.84	1.676	219
[ISC.8] Leaders and managers show a great deal of integrity.	5.30	1.656	219
[ISC.9] Overall, leaders and managers are trustworthy.	5.26	1.449	219

**Inter-Item Correlation Matrix**

	[ISC.1] Leaders and managers engage in open and honest communication with each other.	[ISC.2] Leaders and managers have no hidden agendas or issues.	[ISC.3] Leaders and managers are willing share information with one another.	[ISC.4] Leaders and managers keep each other informed at all times.	[ISC.5] I can rely on the leaders and managers I work with.	[ISC.6] Leaders and managers are usually considerate of one another's feelings.	[ISC.7] Leaders and managers have confidence in one another.	[ISC.8] Leaders and managers show a great deal of integrity.	[ISC.9] Overall, leaders and managers are trustworthy.
[ISC.1] Leaders and managers engage in open and honest communication with each other.	1.000	0.886	0.627	0.793	0.506	0.455	0.490	0.346	0.647
[ISC.2] Leaders and managers have no hidden agendas or issues.	0.886	1.000	0.610	0.751	0.475	0.489	0.453	0.402	0.623
[ISC.3] Leaders and managers are willing share information with one another.	0.627	0.610	1.000	0.741	0.777	0.696	0.670	0.527	0.626
[ISC.4] Leaders and managers keep each other informed at all times.	0.793	0.751	0.741	1.000	0.664	0.601	0.542	0.438	0.731
[ISC.5] I can rely on the leaders and managers I work with.	0.506	0.475	0.777	0.664	1.000	0.845	0.608	0.622	0.582
[ISC.6] Leaders and managers are usually considerate of one another's feelings.	0.455	0.489	0.696	0.601	0.845	1.000	0.522	0.679	0.517
[ISC.7] Leaders and managers have confidence in one another.	0.490	0.453	0.670	0.542	0.608	0.522	1.000	0.418	0.575
[ISC.8] Leaders and managers show a great deal of integrity.	0.346	0.402	0.527	0.438	0.622	0.679	0.418	1.000	0.488

[ISC.9] Overall, leaders and managers are trustworthy.	0.647	0.623	0.626	0.731	0.582	0.517	0.575	0.488	1.000
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**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.595	0.346	0.886	0.540	2.562	0.017	9

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[ISC.1] Leaders and managers engage in open and honest communication with each other.	40.27	102.510	0.737	0.833	0.921
[ISC.2] Leaders and managers have no hidden agendas or issues.	40.28	102.110	0.725	0.810	0.921
[ISC.3] Leaders and managers are willing share information with one another.	40.37	99.482	0.832	0.735	0.915
[ISC.4] Leaders and managers keep each other informed at all times.	40.41	96.857	0.824	0.776	0.915
[ISC.5] I can rely on the leaders and managers I work with.	40.34	99.345	0.798	0.805	0.917
[ISC.6] Leaders and managers are usually considerate of one another's feelings.	40.31	101.683	0.752	0.765	0.920
[ISC.7] Leaders and managers have confidence in one another.	40.47	101.920	0.657	0.505	0.926
[ISC.8] Leaders and managers show a great deal of integrity.	40.01	104.050	0.597	0.505	0.930
[ISC.9] Overall, leaders and managers are trustworthy.	40.06	102.909	0.747	0.611	0.920

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
45.32	126.960	11.268	9

**Reliability**

Scale: ALL VARIABLES

Case Processing Summary

Cases	n		%	
	Valid	219		100.0
Excluded <sup>a</sup>	0		0.0	
Total	219		100.0	

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.758	0.758	6

Item Statistics

	Mean	Std. Deviation	n
[ESC.1] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at buyer firms.	5.17	1.420	219
[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	5.17	1.458	219
[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	5.16	1.408	219
[ESC.4] Leaders and managers have utilised personal ties, networks, and connections during the past three years with political leaders in various levels of the government.	5.20	1.400	219

[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaus.	5.10	1.541	219
[ESC.6] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in regulatory and supporting organisations such as tax bureaus, state banks, commercial administration bureaus, and the like.	5.14	1.415	219

**Inter-Item Correlation Matrix**

	[ESC.1] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at buyer firms.	[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	[ESC.4] Leaders and managers have utilised personal ties, networks, and connections during the past three years with political leaders in various levels of the government.	[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaus.	[ESC.6] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in regulatory and supporting organisations such as tax bureaus, state banks, commercial administration bureaus, and the like.
[ESC.1] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at buyer firms.	1.000	0.402	0.307	0.439	0.231	0.444
[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	0.402	1.000	0.547	0.241	0.398	0.101
[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	0.307	0.547	1.000	0.260	0.624	0.202

[ESC.4] Leaders and managers have utilised personal ties, networks, and connections during the past three years with political leaders in various levels of the government.	0.439	0.241	0.260	1.000	0.195	0.509
[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaus.	0.231	0.398	0.624	0.195	1.000	0.248
[ESC.6] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in regulatory and supporting organisations such as tax bureaus, state banks, commercial administration bureaus, and the like.	0.444	0.101	0.202	0.509	0.248	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.343	0.101	0.624	0.523	6.157	0.022	6

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[ESC.1] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at buyer firms.	25.78	24.365	0.530	0.357	0.714
[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	25.78	24.585	0.491	0.384	0.725
[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	25.79	23.818	0.583	0.503	0.700

[ESC.4] Leaders and managers have utilised personal ties, networks, and connections during the past three years with political leaders in various levels of the government.	25.75	25.242	0.470	0.332	0.730
[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaus.	25.85	24.006	0.492	0.413	0.725
[ESC.6] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in regulatory and supporting organisations such as tax bureaus, state banks, commercial administration bureaus, and the like.	25.81	25.703	0.426	0.358	0.741

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
30.95	33.814	5.815	6

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

	n	%
Cases		
Valid	219	100.0
Excluded <sup>a</sup>	0	0.0
Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items

0.895

0.895

9

**Item Statistics**

	Mean	Std. Deviation	n
[TL.1] Our leaders talk about their most important values and beliefs.	5.26	1.296	219
[TL.2] Our leaders consider the moral and ethical consequences of decisions.	5.42	1.273	219
[TL.3] Our leaders emphasize the importance of having a collective sense of mission.	5.26	1.347	219
[TL.4] Our leaders spend time teaching and coaching.	5.18	1.327	219
[TL.5] Our leaders seek differing perspectives when solving problems.	5.31	1.396	219
[TL.6] Our leaders help others to develop their strengths.	5.38	1.062	219
[TL.7] Our leaders talk optimistically about the future.	5.64	1.193	219
[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	5.47	1.359	219
[TL.9] Our leaders articulate a compelling vision of the future.	5.46	1.428	219

**Inter-Item Correlation Matrix**

	[TL.1] Our leaders talk about their most important values and beliefs.	[TL.2] Our leaders consider the moral and ethical consequences of decisions.	[TL.3] Our leaders emphasize the importance of having a collective sense of mission.	[TL.4] Our leaders spend time teaching and coaching.	[TL.5] Our leaders seek differing perspectives when solving problems.	[TL.6] Our leaders help others to develop their strengths.	[TL.7] Our leaders talk optimistically about the future.	[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	[TL.9] Our leaders articulate a compelling vision of the future.
[TL.1] Our leaders talk about their most important values and beliefs.	1.000	0.602	0.356	0.434	0.680	0.440	0.464	0.456	0.431
[TL.2] Our leaders consider the moral and ethical consequences of decisions.	0.602	1.000	0.393	0.559	0.606	0.425	0.468	0.571	0.612
[TL.3] Our leaders emphasize the importance of having a collective sense of mission.	0.356	0.393	1.000	0.357	0.480	0.316	0.383	0.438	0.442

[TL.4] Our leaders spend time teaching and coaching.	0.434	0.559	0.357	1.000	0.478	0.313	0.527	0.510	0.574
[TL.5] Our leaders seek differing perspectives when solving problems.	0.680	0.606	0.480	0.478	1.000	0.489	0.503	0.556	0.513
[TL.6] Our leaders help others to develop their strengths.	0.440	0.425	0.316	0.313	0.489	1.000	0.508	0.494	0.462
[TL.7] Our leaders talk optimistically about the future.	0.464	0.468	0.383	0.527	0.503	0.508	1.000	0.428	0.566
[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	0.456	0.571	0.438	0.510	0.556	0.494	0.428	1.000	0.700
[TL.9] Our leaders articulate a compelling vision of the future.	0.431	0.612	0.442	0.574	0.513	0.462	0.566	0.700	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.487	0.313	0.700	0.387	2.239	0.008	9

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[TL.1] Our leaders talk about their most important values and beliefs.	43.11	60.015	0.649	0.534	0.884
[TL.2] Our leaders consider the moral and ethical consequences of decisions.	42.95	58.970	0.723	0.562	0.878
[TL.3] Our leaders emphasize the importance of having a collective sense of mission.	43.11	61.808	0.524	0.297	0.894
[TL.4] Our leaders spend time teaching and coaching.	43.19	59.972	0.632	0.458	0.886
[TL.5] Our leaders seek differing perspectives when solving problems.	43.06	57.313	0.732	0.599	0.877
[TL.6] Our leaders help others to develop their strengths.	42.99	63.894	0.572	0.391	0.890
[TL.7] Our leaders talk optimistically about the future.	42.73	61.271	0.644	0.481	0.885

[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	42.90	58.219	0.707	0.581	0.880
[TL.9] Our leaders articulate a compelling vision of the future.	42.91	56.905	0.733	0.625	0.877

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
48.37	74.730	8.645	9

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

Cases	N		%	
	Valid	Excluded <sup>a</sup>	Total	Total
	219	0	219	100.0
			0	0.0
	219		219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.911	0.912	5

**Item Statistics**

	Mean	Std. Deviation	N
[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	4.54	1.592	219

[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	4.06	1.677	219
[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	4.67	1.539	219
[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	4.61	1.563	219
[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.	4.73	1.747	219

**Inter-Item Correlation Matrix**

	[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.
[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	1.000	0.528	0.772	0.799	0.784
[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	0.528	1.000	0.495	0.530	0.507
[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	0.772	0.495	1.000	0.796	0.779
[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	0.799	0.530	0.796	1.000	0.769
[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.	0.784	0.507	0.779	0.769	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.676	0.495	0.799	0.304	1.614	0.018	5

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	18.06	31.198	0.840	0.728	0.877
[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	18.54	34.736	0.563	0.320	0.934
[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	17.94	31.941	0.825	0.718	0.881
[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	18.00	31.454	0.843	0.736	0.877
[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.	17.88	29.898	0.823	0.707	0.880

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
22.60	48.672	6.977	5

## 2. Baseline CFA

### Model Fit Summary

#### CMIN

Model	NP	DF	P	CMIN/DF

Default model	95	2458.712	725	0.000	3.391
Saturated model	820	0.000	0		
Independence model	40	6739.752	780	0.000	8.641

**RMR, GFI**

Model	RMR	GFI	AGFI	PGFI
Default model	0.190	0.579	0.524	0.512
Saturated model	0.000	1.000		
Independence model	0.734	0.170	0.127	0.161

**Baseline Comparisons**

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	0.635	0.608	0.712	0.687	0.709
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

**Parsimony-Adjusted Measures**

Model	PRATIO	PNFI	PCFI
Default model	0.929	0.590	0.659
Saturated model	0.000	0.000	0.000
Independence model	1.000	0.000	0.000

**NCP**

Model	NCP	LO 90	HI 90
Default model	1733.712	1586.816	1888.145
Saturated model	0.000	0.000	0.000
Independence model	5959.752	5700.890	6225.151

**FMIN**

Model	FMIN	F0	LO 90	HI 90
Default model	11.278	7.953	7.279	8.661
Saturated model	0.000	0.000	0.000	0.000
Independence model	30.916	27.338	26.151	28.556

**RMSEA**

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.105	0.100	0.109	0.000
Independence model	0.187	0.183	0.191	0.000

**AIC**

Model	AIC	BCC	BIC	CAIC
Default model	2648.71	2692.72	2970.67	3065.67
Saturated model	1640.00	2019.89	4419.04	5239.04
Independence model	6819.75	6838.28	6955.32	6995.32

**ECVI**

Model	ECVI	LO 90	HI 90	MECVI
Default model	12.15	11.476	12.858	12.352
Saturated model	7.523	7.523	7.523	9.266
Independence model	31.283	30.096	32.501	31.368

**HOELTER**

Model	HOELTER	HOELTER
	.05	.01

Default model	70	73
Independence model	28	29

Standardized RMR	0.092
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Assessment of normality (Group number 1)

Variable	min	max	skew	c.r.	kurtosis	c.r.
CSL5	2	7	-0.285	-1.721	-1.549	-4.679
CSL4	2	7	-0.373	-2.255	-1.523	-4.602
CSL1	2	7	-0.273	-1.647	-1.488	-4.495
CSL2	2	7	0.174	1.05	-1.664	-5.026
CSL3	2	7	-0.474	-2.864	-1.461	-4.413
TL.9	2	7	-1.244	-7.517	0.522	1.576
TL.8	2	7	-1.18	-7.126	0.521	1.573
TL.7	2	7	-1.663	-10.045	2.42	7.309
TL.6	2	6	-1.963	-11.861	3.006	9.079
TL.5	2	7	-1.244	-7.517	0.257	0.776
TL.4	2	7	-1.025	-6.194	0.037	0.11
TL.1	2	7	-0.91	-5.497	-0.341	-1.031
TL.2	2	7	-1.215	-7.341	0.308	0.931
TL.3	2	7	-1.003	-6.057	0.048	0.146
ESC.6	2	7	-1.293	-7.811	0.019	0.057
ESC.5	2	7	-0.885	-5.344	-0.831	-2.51
ESC.4	2	7	-1.085	-6.555	-0.508	-1.534
ESC.1	2	7	-1.108	-6.696	-0.204	-0.616
ESC.2	2	7	-1.158	-6.994	-0.218	-0.659
ESC.3	2	6	-1.312	-7.924	0.002	0.006
ISC.9	2	7	-1.177	-7.111	-0.181	-0.548

ISC.8	2	7	-0.699	-4.222	-1.1	-3.324
ISC.7	2	7	-0.521	-3.147	-1.296	-3.914
ISC.6	2	7	-0.736	-4.448	-0.9	-2.718
ISC.5	2	7	-0.55	-3.322	-1.313	-3.967
ISC.4	2	7	-0.46	-2.777	-1.363	-4.118
ISC.1	2	7	-0.771	-4.66	-0.873	-2.636
ISC.2	2	7	-0.801	-4.84	-0.837	-2.529
ISC.3	2	7	-0.611	-3.692	-1.206	-3.642
MS.8	2	7	-0.096	-0.58	-1.424	-4.301
MS.7	2	6	-1.266	-7.65	1.008	3.044
MS.6	2	7	0.519	3.136	-0.967	-2.922
MS.5	2	7	-0.877	-5.299	0.375	1.133
MS.4	2	7	-1.235	-7.464	0.215	0.649
MS.1	2	7	-1.076	-6.501	0.369	1.116
MS.2	2	7	-1.168	-7.058	0.199	0.601
MS.3	1	5	0.599	3.622	1.005	3.035
SP.1	2	7	-1.088	-6.574	-0.125	-0.376
SP.2	2	7	-1.257	-7.595	0.61	1.844
SP.3	2	7	-1.203	-7.266	0.177	0.534
Multivariate					428.555	54.705

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P
SP.3	<---	SP	1.248	0.143	8.752	***
SP.2	<---	SP	1.093	0.143	7.652	***
SP.1	<---	SP	1			
MS.3	<---	MS	0.19	0.076	2.497	0.013
MS.2	<---	MS	1.156	0.123	9.371	***
MS.1	<---	MS	1			
MS.4	<---	MS	0.857	0.11	7.783	***
MS.5	<---	MS	0.499	0.1	4.976	***
MS.6	<---	MS	0.285	0.11	2.582	0.01
MS.7	<---	MS	0.47	0.084	5.623	***
MS.8	<---	MS	0.318	0.127	2.5	0.012
ISC.3	<---	ISC	1.128	0.079	14.271	***
ISC.2	<---	ISC	1.01	0.083	12.193	***
ISC.1	<---	ISC	1			
ISC.4	<---	ISC	1.257	0.088	14.356	***
ISC.5	<---	ISC	1.123	0.083	13.456	***
ISC.6	<---	ISC	1.008	0.082	12.362	***
ISC.7	<---	ISC	0.989	0.093	10.689	***
ISC.8	<---	ISC	0.894	0.093	9.627	***
ISC.9	<---	ISC	0.962	0.078	12.33	***
ESC.3	<---	ESC	1.306	0.171	7.634	***
ESC.2	<---	ESC	1.158	0.167	6.944	***
ESC.1	<---	ESC	1			
ESC.4	<---	ESC	0.999	0.155	6.458	***
ESC.5	<---	ESC	1.219	0.176	6.925	***
ESC.6	<---	ESC	0.831	0.149	5.593	***
TL.3	<---	TL	0.893	0.107	8.315	***
TL.2	<---	TL	1.078	0.103	10.507	***
TL.1	<---	TL	1			
TL.4	<---	TL	0.991	0.106	9.323	***
TL.5	<---	TL	1.213	0.113	10.762	***
TL.6	<---	TL	0.7	0.085	8.269	***

TL.7	<---	TL	0.881	0.096	9.222	***
TL.8	<---	TL	1.157	0.11	10.557	***
TL.9	<---	TL	1.205	0.115	10.474	***
CSI.3	<---	CSI	0.938	0.049	19.168	***
CSI.2	<---	CSI	0.673	0.071	9.536	***
CSI.1	<---	CSI	1			
CSI.4	<---	CSI	0.969	0.049	19.951	***
CSI.5	<---	CSI	1.066	0.055	19.211	***

**Standardized Regression Weights: (Group number 1 - Default model)**

			Estimate
SP.3	<---	SP	0.697
SP.2	<---	SP	0.589
SP.1	<---	SP	0.619
MS.3	<---	MS	0.182
MS.2	<---	MS	0.714
MS.1	<---	MS	0.694
MS.4	<---	MS	0.583
MS.5	<---	MS	0.366
MS.6	<---	MS	0.188
MS.7	<---	MS	0.415
MS.8	<---	MS	0.182
ISC.3	<---	ISC	0.864
ISC.2	<---	ISC	0.763
ISC.1	<---	ISC	0.779
ISC.4	<---	ISC	0.868
ISC.5	<---	ISC	0.825
ISC.6	<---	ISC	0.772
ISC.7	<---	ISC	0.685
ISC.8	<---	ISC	0.626
ISC.9	<---	ISC	0.770

ESC.3	<---	ESC	0.721
ESC.2	<---	ESC	0.617
ESC.1	<---	ESC	0.548
ESC.4	<---	ESC	0.554
ESC.5	<---	ESC	0.615
ESC.6	<---	ESC	0.456
TL.3	<---	TL	0.596
TL.2	<---	TL	0.763
TL.1	<---	TL	0.695
TL.4	<---	TL	0.672
TL.5	<---	TL	0.782
TL.6	<---	TL	0.593
TL.7	<---	TL	0.664
TL.8	<---	TL	0.766
TL.9	<---	TL	0.760
CSI.3	<---	CSI	0.874
CSI.2	<---	CSI	0.576
CSI.1	<---	CSI	0.901
CSI.4	<---	CSI	0.889
CSI.5	<---	CSI	0.875

**Covariances: (Group number 1 - Default model)**

			<b>Estimate</b>	<b>S.E.</b>	<b>C.R.</b>	<b>P</b>
SP	<-->	MS	0.67	0.104	6.469	***
SP	<-->	ISC	0.446	0.092	4.843	***
SP	<-->	ESC	0.609	0.105	5.824	***
SP	<-->	TL	0.589	0.094	6.246	***
SP	<-->	CSI	0.835	0.129	6.466	***
MS	<-->	ISC	0.468	0.097	4.822	***
MS	<-->	ESC	0.599	0.103	5.794	***
MS	<-->	TL	0.582	0.094	6.175	***

MS	<-->	CSI	0.999	0.142	7.062	***
ISC	<-->	ESC	0.389	0.088	4.393	***
ISC	<-->	TL	0.55	0.098	5.622	***
ISC	<-->	CSI	0.866	0.143	6.042	***
ESC	<-->	TL	0.559	0.097	5.741	***
ESC	<-->	CSI	0.867	0.141	6.146	***
TL	<-->	CSI	1.058	0.143	7.397	***

**Correlations: (Group number 1 - Default model)**

				Estimate
SP	<-->	MS		0.968
SP	<-->	ISC		0.493
SP	<-->	ESC		1.006
SP	<-->	TL		0.84
SP	<-->	CSI		0.747
MS	<-->	ISC		0.456
MS	<-->	ESC		0.872
MS	<-->	TL		0.732
MS	<-->	CSI		0.788
ISC	<-->	ESC		0.433
ISC	<-->	TL		0.529
ISC	<-->	CSI		0.522
ESC	<-->	TL		0.802
ESC	<-->	CSI		0.781
TL	<-->	CSI		0.823

**Variances: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P
SP	0.61	0.127	4.808	***

MS	0.785	0.143	5.477	***
ISC	1.341	0.199	6.756	***
ESC	0.601	0.145	4.148	***
TL	0.807	0.141	5.706	***
CSI	2.048	0.241	8.51	***
e1	1.006	0.114	8.818	***
e2	1.375	0.141	9.757	***
e3	0.984	0.103	9.577	***
e4	0.827	0.08	10.385	***
e5	1.009	0.118	8.549	***
e6	0.844	0.096	8.774	***
e7	1.12	0.117	9.567	***
e8	1.265	0.124	10.189	***
e9	1.732	0.167	10.381	***
e10	0.834	0.083	10.101	***
e11	2.308	0.222	10.385	***
e12	0.581	0.068	8.492	***
e13	0.978	0.103	9.519	***
e14	0.867	0.092	9.42	***
e15	0.695	0.083	8.42	***
e16	0.791	0.088	9.026	***
e17	0.924	0.098	9.467	***
e18	1.485	0.151	9.859	***
e19	1.66	0.166	10.017	***
e20	0.85	0.09	9.478	***
e21	0.947	0.107	8.838	***
e22	1.309	0.137	9.582	***
e23	1.405	0.143	9.857	***
e24	1.351	0.137	9.835	***
e25	1.471	0.153	9.595	***
e26	1.579	0.156	10.089	***
e27	1.164	0.117	9.962	***
e28	0.675	0.073	9.23	***

e29	0.865	0.09	9.631	***
e30	0.962	0.099	9.725	***
e31	0.752	0.083	9.064	***
e32	0.728	0.073	9.97	***
e33	0.792	0.081	9.755	***
e34	0.758	0.082	9.2	***
e35	0.857	0.093	9.249	***
e36	0.556	0.066	8.464	***
e37	1.872	0.185	10.145	***
e38	0.474	0.061	7.795	***
e39	0.508	0.062	8.125	***
e40	0.712	0.084	8.447	***

### 3. Adjusted

#### Model Fit Summary

##### CMIN

Model	NPART	CMIN	DF	P	CMIN/DF
Default model	61	482.298	215	0.000	2.243
Saturated model	276	0.000	0		
Independence model	23	3441.589	253	0.000	13.603

##### RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	0.107	0.839	0.794	0.654
Saturated model	0.000	1.000		
Independence model	0.814	0.223	0.153	0.205

#### Baseline Comparisons

Model	NFI	RFI	IFI	TLI	CFI
	Delta1	rho1	Delta2	rho2	
Default model	0.860	0.835	0.917	0.901	0.916
Saturated model	1.000		1.000		1.000
Independence model	0.000	0.000	0.000	0.000	0.000

**Parsimony-Adjusted Measures**

Model	PRATIO	PNFI	PCFI
Default model	0.850	0.731	0.779
Saturated model	0.000	0.000	0.000
Independence model	1.000	0.000	0.000

**NCP**

Model	NCP	LO 90	HI 90
Default model	267.298	207.435	334.888
Saturated model	0.000	0.000	0.000
Independence model	3188.589	3002.775	3381.733

**FMIN**

Model	FMIN	F0	LO 90	HI 90
Default model	2.212	1.226	0.952	1.536
Saturated model	0.000	0.000	0.000	0.000
Independence model	15.787	14.627	13.774	15.513

**RMSEA**

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	0.076	0.067	0.085	0.000
Independence model	0.240	0.233	0.248	0.000

**AIC**

Model	AIC	BCC	BIC	CAIC
Default model	604.30	619.39	811.03	872.03
Saturated model	552.00	620.29	1487.38	1763.38
Independence model	3487.59	3493.28	3565.54	3588.54

**ECVI**

Model	ECVI	LO 90	HI 90	MECVI
Default model	2.772	2.497	3.082	2.841
Saturated model	2.532	2.532	2.532	2.845
Independence model	15.998	15.146	16.884	16.024

**HOELTER**

Model	HOELTER	HOELTER
	.05	.01
Default model	114	121
Independence model	19	20

Standardized RMR	0.054
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**Estimates (Group number 1 - Default model)**

**Scalar Estimates (Group number 1 - Default model)**

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

				Estimate	S.E.	C.R.	P
SP.3	<--	SP		1.267	0.14	9.032	***
SP.2	<--	SP		0.974	0.138	7.059	***
SP.1	<--	SP		1			
MS.2	<--	MS		1.176	0.118	10.002	***
MS.1	<--	MS		1			
MS.7	<--	MS		0.434	0.08	5.414	***
ISC.2	<--	ISC		0.995	0.04	24.613	***
ISC.1	<--	ISC		1			
ISC.4	<--	ISC		0.996	0.052	19.279	***
ISC.9	<--	ISC		0.721	0.054	13.468	***
ESC.3	<--	ESC		1.28	0.131	9.768	***
ESC.2	<--	ESC		1			
ESC.5	<--	ESC		1.149	0.133	8.614	***
TL.2	<--	TL		1			
TL.5	<--	TL		1.173	0.103	11.345	***
TL.6	<--	TL		0.686	0.079	8.635	***
TL.7	<--	TL		0.804	0.089	9.018	***
TL.8	<--	TL		1.111	0.101	11.03	***
CSI.3	<--	CSI		0.943	0.049	19.178	***
CSI.2	<--	CSI		0.675	0.071	9.53	***
CSI.1	<--	CSI		1			
CSI.4	<--	CSI		0.972	0.049	19.883	***
CSI.5	<--	CSI		1.067	0.056	19.08	***

Standardized Regression Weights: (Group number 1 - Default model)

			Estimate
SP.3	<--	SP	0.721
SP.2	<--	SP	0.534
SP.1	<--	SP	0.630
MS.2	<--	MS	0.760
MS.1	<--	MS	0.726
MS.7	<--	MS	0.401
ISC.2	<--	ISC	0.919
ISC.1	<--	ISC	0.953
ISC.4	<--	ISC	0.840
ISC.9	<--	ISC	0.706
ESC.3	<--	ESC	0.856
ESC.2	<--	ESC	0.646
ESC.5	<--	ESC	0.702
TL.2	<--	TL	0.736
TL.5	<--	TL	0.788
TL.6	<--	TL	0.605
TL.7	<--	TL	0.631
TL.8	<--	TL	0.766
CSI.3	<--	CSI	0.876
CSI.2	<--	CSI	0.576
CSI.1	<--	CSI	0.899
CSI.4	<--	CSI	0.890
CSI.5	<--	CSI	0.874

**Covariances: (Group number 1 - Default model)**

			Estimate	S.E.	C.R.	P
SP	<-->	MS	0.689	0.106	6.507	***
SP	<-->	ISC	0.338	0.101	3.352	***
SP	<-->	ESC	0.663	0.109	6.076	***
SP	<-->	TL	0.665	0.102	6.55	***

SP	<-->	CSI	0.846	0.13	6.5	***
MS	<-->	ISC	0.331	0.111	2.98	0.003
MS	<-->	ESC	0.684	0.113	6.084	***
MS	<-->	TL	0.579	0.097	5.98	***
MS	<-->	CSI	0.947	0.14	6.78	***
ISC	<-->	ESC	0.136	0.103	1.316	0.188
ISC	<-->	TL	0.412	0.107	3.854	***
ISC	<-->	CSI	0.971	0.163	5.97	***
ESC	<-->	TL	0.653	0.107	6.1	***
ESC	<-->	CSI	0.794	0.136	5.838	***
TL	<-->	CSI	1.099	0.145	7.559	***

**Correlations: (Group number 1 - Default model)**

			Estimate
SP	<-->	MS	0.935
SP	<-->	ISC	0.3
SP	<-->	ESC	0.887
SP	<-->	TL	0.894
SP	<-->	CSI	0.744
MS	<-->	ISC	0.252
MS	<-->	ESC	0.787
MS	<-->	TL	0.668
MS	<-->	CSI	0.716
ISC	<-->	ESC	0.102
ISC	<-->	TL	0.311
ISC	<-->	CSI	0.48
ESC	<-->	TL	0.744
ESC	<-->	CSI	0.592
TL	<-->	CSI	0.822

Variiances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P
SP	0.633	0.13	4.887	***
MS	0.858	0.151	5.695	***
ISC	2.004	0.215	9.34	***
ESC	0.882	0.176	5.01	***
TL	0.875	0.143	6.097	***
CSI	2.04	0.241	8.478	***
e1	0.94	0.112	8.354	***
e2	1.503	0.151	9.925	***
e3	0.96	0.102	9.413	***
e5	0.87	0.119	7.338	***
e6	0.77	0.096	8.002	***
e10	0.846	0.084	10.067	***
e13	0.363	0.054	6.712	***
e14	0.204	0.045	4.511	***
e15	0.826	0.092	9.01	***
e20	1.047	0.106	9.876	***
e21	0.527	0.094	5.581	***
e22	1.234	0.134	9.234	***
e25	1.199	0.137	8.777	***
e28	0.738	0.082	9.005	***
e31	0.737	0.087	8.435	***
e32	0.711	0.073	9.751	***
e33	0.853	0.088	9.649	***
e34	0.759	0.087	8.705	***
e36	0.547	0.065	8.403	***
e37	1.871	0.185	10.142	***
e38	0.483	0.062	7.831	***
e39	0.504	0.062	8.084	***
e40	0.715	0.085	8.443	***

## 4. Reliability (2)

Scale: ALL VARIABLES

### Case Processing Summary

Cases		n	%
		Valid	219
	Excluded <sup>a</sup>	0	0.0
	Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.645	0.634	3

### Item Statistics

	Mean	Std. Deviation	n
[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	5.51	1.279	219
[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	5.36	1.438	219
[MS.7] Many top managers have been known for their experience with the social innovation process.	4.77	1.006	219

### Inter-Item Correlation Matrix

	[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	[MS.7] Many top managers have been known for their experience with the social innovation process.
[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	1.000	0.569	0.226
[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	0.569	1.000	0.305

[MS.7] Many top managers have been known for their experience with the social innovation process.	0.226	0.305	1.000
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**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.366	0.226	0.569	0.343	2.518	0.026	3

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[MS.1] In my organisation, developing one's own ideas is encouraged for the improvement of the corporation.	10.13	3.959	0.525	0.326	0.445
[MS.2] Upper management is aware and very receptive to ideas and suggestions relating to social value creation.	10.28	3.229	0.575	0.356	0.360
[MS.7] Many top managers have been known for their experience with the social innovation process.	10.87	5.794	0.302	0.097	0.722

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
15.64	8.268	2.875	3

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

	n	%
Cases		
Valid	219	100.0
Excluded <sup>a</sup>	0	0.0
Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.674	0.678	3

**Item Statistics**

	Mean	Std. Deviation	n
[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	5.01	1.265	219
[SP.2] My job description clearly identifies activities that are socially impactful.	5.51	1.454	219
[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.	5.60	1.402	219

#### Inter-Item Correlation Matrix

	[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	[SP.2] My job description clearly identifies activities that are socially impactful.	[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.
[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	1.000	0.475	0.407
[SP.2] My job description clearly identifies activities that are socially impactful.	0.475	1.000	0.356
[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.	0.407	0.356	1.000

#### Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.412	0.356	0.475	0.119	1.335	0.003	3

#### Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[SP.1] I find that my company is very proactive in how it deploys resources for social issues.	11.11	5.529	0.536	0.290	0.525
[SP.2] My job description clearly identifies activities that are socially impactful.	10.62	5.008	0.491	0.257	0.576
[SP.3] I clearly know that the quality and timeliness of my performance is directly related to a social cause that my company is pursuing.	10.52	5.462	0.441	0.199	0.640

#### Scale Statistics

	Mean	Variance	Std. Deviation	N of Items
	16.12	10.320	3.212	3

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

Cases		n	%
		Valid	219
	Excluded <sup>a</sup>	0	0.0
	Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.922	0.922	5

**Item Statistics**

	Mean	Std. Deviation	n
[ISC.1] Leaders and managers engage in open and honest communication with each other.	5.05	1.489	219
[ISC.2] Leaders and managers have no hidden agendas or issues.	5.04	1.535	219
[ISC.3] Leaders and managers are willing share information with one another.	4.95	1.516	219
[ISC.4] Leaders and managers keep each other informed at all times.	4.91	1.681	219
[ISC.9] Overall, leaders and managers are trustworthy.	5.26	1.449	219

**Inter-Item Correlation Matrix**

	[ISC.1] Leaders and managers engage in open and honest communication with each other.	[ISC.2] Leaders and managers have no hidden agendas or issues.	[ISC.3] Leaders and managers are willing share information with one another.	[ISC.4] Leaders and managers keep each other informed at all times.	[ISC.9] Overall, leaders and managers are trustworthy.
[ISC.1] Leaders and managers engage in open and honest communication with each other.	1.000	0.886	0.627	0.793	0.647
[ISC.2] Leaders and managers have no hidden agendas or issues.	0.886	1.000	0.610	0.751	0.623
[ISC.3] Leaders and managers are willing share information with one another.	0.627	0.610	1.000	0.741	0.626

[ISC.4] Leaders and managers keep each other informed at all times.	0.793	0.751	0.741	1.000	0.731
[ISC.9] Overall, leaders and managers are trustworthy.	0.647	0.623	0.626	0.731	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.704	0.610	0.886	0.276	1.453	0.008	5

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[ISC.1] Leaders and managers engage in open and honest communication with each other.	20.15	29.162	0.848	0.823	0.895
[ISC.2] Leaders and managers have no hidden agendas or issues.	20.16	29.132	0.817	0.793	0.901
[ISC.3] Leaders and managers are willing share information with one another.	20.25	30.526	0.728	0.568	0.918
[ISC.4] Leaders and managers keep each other informed at all times.	20.28	27.011	0.869	0.762	0.890
[ISC.9] Overall, leaders and managers are trustworthy.	19.94	31.051	0.735	0.561	0.917

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
25.19	45.027	6.710	5

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

Cases		n	%
		Valid	219
	Excluded <sup>a</sup>	0	0.0
	Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.765	0.767	3

**Item Statistics**

	Mean	Std. Deviation	n
[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	5.17	1.458	219
[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	5.16	1.408	219
[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaux.	5.10	1.541	219

**Inter-Item Correlation Matrix**

	[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaux.
[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	1.000	0.547	0.398
[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	0.547	1.000	0.624
[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaux.	0.398	0.624	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.523	0.398	0.624	0.226	1.567	0.011	3

**Item-Total Statistics**

Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted

[ESC.2] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at supplier firms.	10.26	7.067	0.521	0.304	0.767
[ESC.3] Leaders and managers have utilised personal ties, networks, and connections during the past three years with top managers at competitor firms.	10.27	6.292	0.702	0.496	0.569
[ESC.5] Leaders and managers have utilised personal ties, networks, and connections during the past three years with officials in industrial bureaux.	10.34	6.353	0.579	0.395	0.707

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
15.44	13.229	3.637	3

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

	n	%
Cases		
Valid	219	100.0
Excluded <sup>a</sup>	0	0.0
Total	219	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.835	0.836	5

**Item Statistics**

	Mean	Std. Deviation	n
[TL.2] Our leaders consider the moral and ethical consequences of decisions.	5.42	1.273	219
[TL.5] Our leaders seek differing perspectives when solving problems.	5.31	1.396	219
[TL.6] Our leaders help others to develop their strengths.	5.38	1.062	219

[TL.7] Our leaders talk optimistically about the future.	5.64	1.193	219
[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	5.47	1.359	219

**Inter-Item Correlation Matrix**

	[TL.2] Our leaders consider the moral and ethical consequences of decisions.	[TL.5] Our leaders seek differing perspectives when solving problems.	[TL.6] Our leaders help others to develop their strengths.	[TL.7] Our leaders talk optimistically about the future.	[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.
[TL.2] Our leaders consider the moral and ethical consequences of decisions.	1.000	0.606	0.425	0.468	0.571
[TL.5] Our leaders seek differing perspectives when solving problems.	0.606	1.000	0.489	0.503	0.556
[TL.6] Our leaders help others to develop their strengths.	0.425	0.489	1.000	0.508	0.494
[TL.7] Our leaders talk optimistically about the future.	0.468	0.503	0.508	1.000	0.428
[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	0.571	0.556	0.494	0.428	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.505	0.425	0.606	0.181	1.427	0.003	5

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[TL.2] Our leaders consider the moral and ethical consequences of decisions.	21.80	15.681	0.664	0.465	0.794
[TL.5] Our leaders seek differing perspectives when solving problems.	21.91	14.661	0.691	0.486	0.786
[TL.6] Our leaders help others to develop their strengths.	21.84	17.560	0.597	0.376	0.814
[TL.7] Our leaders talk optimistically about the future.	21.58	16.804	0.590	0.368	0.814
[TL.8] Our leaders talk enthusiastically about what needs to be accomplished.	21.75	15.253	0.650	0.439	0.798

**Scale Statistics**

	Mean	Variance	Std. Deviation	N of Items
	27.22	23.998	4.899	5

**Reliability**

Scale: ALL VARIABLES

**Case Processing Summary**

Cases	n		%	
	Valid	Excluded <sup>a</sup>		
	219	0	100.0	0.0
	Total	219	100.0	

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.911	0.912	5

**Item Statistics**

	Mean	Std. Deviation	n
[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	4.54	1.592	219
[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	4.06	1.677	219
[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	4.67	1.539	219
[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	4.61	1.563	219
[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.	4.73	1.747	219

**Inter-Item Correlation Matrix**

	[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.
[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	1.000	0.528	0.772	0.799	0.784

[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	0.528	1.000	0.495	0.530	0.507
[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	0.772	0.495	1.000	0.796	0.779
[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	0.799	0.530	0.796	1.000	0.769
[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.	0.784	0.507	0.779	0.769	1.000

**Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	0.676	0.495	0.799	0.304	1.614	0.018	5

**Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
[CSI.1] The rate of introduction of new social initiatives into the Organisation has grown rapidly.	18.06	31.198	0.840	0.728	0.877
[CSI.2] The rate of introduction of new social practices that aim to meet social needs in a better way than the existing solutions has grown rapidly.	18.54	34.736	0.563	0.320	0.934
[CSI.3] The rate of introduction of new innovations that have a social purpose has grown rapidly.	17.94	31.941	0.825	0.718	0.881
[CSI.4] The rate at which our CSR activities is reaching a greater audience has grown rapidly.	18.00	31.454	0.843	0.736	0.877
[CSI.5] The rate of introduction of new systems for strategic CSR planning and control into the Organisation has grown rapidly.	17.88	29.898	0.823	0.707	0.880

**Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
22.60	48.672	6.977	5

## 5. Path Analysis

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)

Maximum Likelihood Estimates

Regression Weights: (Group number 1 - Default model)

			Estimate	St. Estimate	S.E.	C.R.	P	Label
TL	<---	SP	0.485	0.530	0.062	7.844	<0,001	par_4
TL	<---	MS	0.171	0.167	0.069	2.471	0.013	par_5
ISC	<---	TL	0.477	0.348	0.087	5.483	<0,001	par_7
ESC	<---	TL	0.784	0.634	0.065	12.099	<0,001	par_8
CSI	<---	SP	0.036	0.028	0.083	0.431	0.667	par_1
CSI	<---	MS	0.357	0.246	0.083	4.286	<0,001	par_2
CSI	<---	TL	0.677	0.477	0.097	6.951	<0,001	par_6
CSI	<---	ISC	0.235	0.227	0.048	4.934	<0,001	par_9
CSI	<---	ESC	0.015	0.013	0.064	0.236	0.813	par_10

Standardized Regression Weights: (Group number 1 - Default model)

Parameter			Estimate	Lower	Upper	P
TL	<---	SP	0.530	0.373	0.667	0.001
TL	<---	MS	0.167	0.027	0.321	0.017
ISC	<---	TL	0.348	0.213	0.476	0.000
ESC	<---	TL	0.634	0.516	0.727	0.001
CSI	<---	SP	0.028	-0.09	0.154	0.651
CSI	<---	MS	0.246	0.104	0.379	0.001
CSI	<---	TL	0.477	0.346	0.59	0.000
CSI	<---	ISC	0.227	0.127	0.329	0.000
CSI	<---	ESC	0.013	-0.112	0.144	0.838

Means: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
MS	5.213	0.065	80.488	***	par_11
SP	5.374	0.072	74.275	***	par_12

Intercepts: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
TL	1.946	0.295	6.59	***	par_15
ISC	2.442	0.481	5.077	***	par_13
ESC	0.876	0.359	2.444	0.015	par_14
CSI	-2.477	0.405	-6.112	***	par_16

Covariances: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
SP	<->	MS	0.663	0.083	8,042	***	par_3

Correlations: (Group number 1 - Default model)

			Estimate
SP	<->	MS	0.649

Variances: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
SP			1.141	0.109	10.44	***	par_17
MS			0.915	0.088	10.44	***	par_18
e1			0.55	0.053	10.44	***	par_19
e2			1.576	0.151	10.44	***	par_20
e3			0.875	0.084	10.44	***	par_21
e4			0.777	0.074	10.44	***	par_22

Squared Multiple Correlations: (Group number 1 - Default model)

	Estimate
TL	0.424
ESC	0.402
ISC	0.121
CSI	0.596

Matrices (Group number 1 - Default model)

Total Effects (Group number 1 - Default model)

	MS	SP	TL	ESC	ISC
TL	0.171	0.485	0	0	0
ESC	0.134	0.38	0.784	0	0
ISC	0.081	0.231	0.477	0	0
CSI	0.493	0.424	0.801	0.015	0.235

Standardized Total Effects (Group number 1 - Default model)

	MS	SP	TL	ESC	ISC
TL	0.167	0.530	0	0	0

ESC	0.106	0.336	0.634	0	0
ISC	0.058	0.185	0.348	0	0
CSI	0.34	0.327	0.565	0.013	0.227

**Direct Effects (Group number 1 - Default model)**

	MS	SP	TL	ESC	ISC
TL	0.171	0.485	0	0	0
ESC	0	0	0.784	0	0
ISC	0	0	0.477	0	0
CSI	0.357	0.036	0.677	0.015	0.235

**Standardized Direct Effects (Group number 1 - Default model)**

	MS	SP	TL	ESC	ISC
TL	0.167	0.53	0	0	0
ESC	0	0	0.634	0	0
ISC	0	0	0.348	0	0
CSI	0.246	0.028	0.477	0.013	0.227

**Indirect Effects (Group number 1 - Default model)**

	MS	SP	TL	ESC	ISC
TL	0	0	0	0	0
ESC	0.134	0.38	0	0	0
ISC	0.081	0.231	0	0	0
CSI	0.137	0.389	0.124	0	0

**Standardized Indirect Effects (Group number 1 - Default model)**

	MS	SP	TL	ESC	ISC
TL	0	0	0	0	0
ESC	0.106	0.336	0	0	0
ISC	0.058	0.185	0	0	0
CSI	0.094	0.299	0.087	0	0

**User-defined estimands: (Group number 1 - Default model)**

path_TL_ISC_CSI	0.112	
path_TL_ESC_CSI	0.012	

**Standardized Total Effects - Two Tailed Significance (BC) (Group number 1 - Default model)**

	MS	SP	TL	ESC	ISC
TL	0.017	0.001	...	...	...
ESC	0.016	0.000	0.001	...	...
ISC	0.012	0.000	0.000	...	...
CSI	0.000	0.001	0.000	0.838	0.000

Standardized Direct Effects - Two Tailed Significance (BC) (Group number 1 - Default model)

	MS	SP	TL	ESC	ISC
TL	0.017	0.001	...	...	...
ESC	...	...	0.001	...	...
ISC	...	...	0.000	...	...
CSI	0.001	0.651	0.000	0.838	0.000

Standardized Indirect Effects - Two Tailed Significance (BC) (Group number 1 - Default model)

	MS	SP	TL	ESC	ISC
TL	...	...	...	...	...
ESC	0.016	0.000	...	...	...
ISC	0.012	0.000	...	...	...
CSI	0.014	0.000	0.064	...	...

User-defined estimands: (Group number 1 - Default model)

Parameter	Estimate	Lower	Upper	P
path_TL_ISC_CSI	0.112	0.054	0.199	0.000
path_TL_ESC_CSI	0.012	-0.102	0.136	0.840