

## PERSPECTIVE AND PRACTICE OF REALIZATION OF CORPORATE SOCIAL RESPONSIBILITY IN GHANA

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### INTRODUCTION

Globally, Corporate Social Responsibility (CSR) has acquired substantial impetus as businesses progressively acknowledge their responsibility in tackling environmental and social concerns (Opoku, 2024)<sup>1</sup>. In the estimation of Amahalu and Okudo (2023)<sup>2</sup>, the Sustainable Development Goals (SDGs) of the United Nations have played a significant role in motivating companies to embrace policies that promote global sustainability and social fairness. Multinational businesses (MNCs) frequently take the lead in corporate social responsibility (CSR) initiatives, harnessing their resources and influence to execute extensive CSR strategies. Internationally, Brown, Garcia and Martinez (2024)<sup>3</sup> assert that CSR is commonly influenced by international standards and frameworks like the Global Reporting Initiative (GRI), ISO 26000, and the UN Global Compact. These frameworks offer a structured approach for companies to document their CSR initiatives, promoting openness and responsibility (Zueva & Fairbrass, 2021)<sup>4</sup>. Nevertheless, the adoption of CSR practices differs greatly among various regions and countries, influenced by a range of factors such as regulatory frameworks, cultural norms, and economic circumstances.

As posited by Ali, Yin, Manzoor and An (2023)<sup>5</sup>, CSR practices vary by area, reflecting distinct legislative frameworks and socioeconomic

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<sup>1</sup> Opoku Marfo, E. (2024). Mechanisms and initiatives of corporate social responsibility behaviours in Ghana: A co-integration approach. *Cogent Business & Management*, 11(1). DOI: <https://doi.org/10.1080/23311975.2024.2312580>

<sup>2</sup> Amahalu, N. N., & Okudo, C. L. (2023). Effect of corporate social responsibility on financial performance of quoted oil and gas firms in Nigeria. *Research Journal of Management Practice*, 3(3), 25–38. ISSN 2782-7674.

<sup>3</sup> Brown, E., Garcia, R., & Martinez, C. (2024). Public-private partnerships: Innovations in collaborative development. *Journal of Public Policy and Development*, 20(3), 150–165.

<sup>4</sup> Zueva, A., & Fairbrass, J. (2021). Politicising government engagement with corporate social responsibility: “CSR” as an empty signifier. *Journal of Business Ethics*, 170, 635–655. DOI: <https://doi.org/10.1007/s10551-019-04330-5>

<sup>5</sup> Ali, H., Yin, J., Manzoor, F., & An, M. (2023). The impact of corporate social responsibility on firm reputation and organizational citizenship behavior: The mediation of organic organizational cultures. *Frontiers in Psychology*, 13, 1100448. DOI: <https://doi.org/10.3389/fpsyg.2022.1100448>

environments. For example, Vaccari (2021)<sup>6</sup> opines that in Europe, CSR is seamlessly incorporated into corporate strategies, partially because of strict regulations and a strong focus on social welfare. According to Ward, Fox, Wilson and Zarsky (2020)<sup>7</sup>, the European Union (EU) has taken a proactive approach in promoting corporate social responsibility (CSR) by implementing policies and directives that encourage companies to adopt sustainable practices and transparently report their CSR activities. In Ghana, Ansu-Mensah, Marfo, Awuah et al. (2021)<sup>8</sup> are of the opinion that legal frameworks and particular community demands influence corporate social responsibility (CSR) activities. Local businesses frequently participate in CSR initiatives that directly tackle the needs of their local communities, including education, healthcare, and environmental preservation. These initiatives often have a strong focus on community involvement and are shaped by the specific circumstances and potential of the local area.

For instance, Amos and Boahen (2024)<sup>9</sup> posit that local businesses may prioritise essential social infrastructure projects, like constructing schools or healthcare facilities, to address urgent community requirements. In more developed regions, local CSR initiatives may focus on complex topics such as the adoption of renewable energy, programmes to improve digital literacy, or the provision of advanced healthcare services (Tamvada, 2020)<sup>10</sup>. In the estimation of Akanpaadgi (2023)<sup>11</sup>, the effectiveness of CSR is enhanced through collaborating with local governments, non-governmental organisations (NGOs), and community groups can greatly enhance the effectiveness of CSR initiatives at the local level. These partnerships guarantee that CSR initiatives are carefully focused and tackle the genuine

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<sup>6</sup> Vaccari, S. (2021). The relationship between CSR and financial performance: An empirical study of Italian companies. LUISS.

<sup>7</sup> Ward, H., Fox, T., Wilson, E., & Zarsky, L. (2020). CSR and developing countries: What scope for government action? Available at: <https://pubs.iied.org/pdfs/G02247.pdf>

<sup>8</sup> Ansu-Mensah, P., Marfo, E. O., Awuah, L. S., et al. (2021). Corporate social responsibility and stakeholder engagement in Ghana's mining sector: A case study of Newmont Ahafo mines. *International Journal of Corporate Social Responsibility*, 6(1), 1. DOI: <https://doi.org/10.1186/s40991-020-00054-2>

<sup>9</sup> Amos, G. J., & Boahen, S. (2024). Corporate social responsibility in the mining industry: Exploring perspectives of host communities in a developing country. *European Journal of Business and Management*, 16(2), 45–58.

<sup>10</sup> Tamvada, M. (2020). Corporate social responsibility and accountability: A new theoretical foundation for regulating CSR. *International Journal of Corporate Social Responsibility*, 5, 2. DOI: <https://doi.org/10.1186/s40991-019-0045-8>

<sup>11</sup> Akanpaadgi, E. (2023). Corporate social responsibility and business practices. *Journal of Human Resource and Sustainability Studies*, 11, 138–146. DOI: <https://doi.org/10.4236/jhrss.2023.111009>

requirements of the community, resulting in long-lasting and significant results (Tian, Pekyi, Chen, Sun et al., 2021)<sup>12</sup>.

In spite of the fact that there is a wealth of literature discussing the significance and advantages of CSR, there remains a demand for additional empirical research to explore the perceptions and implementation of CSR across various levels. Gaining a comprehensive understanding of the viewpoints of different stakeholders, such as management, employees, and community members, can offer valuable insights into the effectiveness and obstacles faced by CSR initiatives. This study sought to investigate the perspectives and practice of realization of corporate social responsibility in Ghana. The aim is to uncover the main factors that affect the implementation of CSR, the obstacles encountered, and the perceived effects of these practices. Through a thorough analysis of both theoretical perspectives and practical applications, this study aims to enhance understanding of corporate social responsibility (CSR) in the local Ghanaian context. To this end, the study sought to achieve the following specific objectives:

1. To investigate the current perspectives of businesses in relation to corporate social responsibility (CSR) in Ghana.
2. To assess current CSR practices amongst businesses in Ghana.
3. To examine the reasoning influencing the CSR practices among companies in Ghana.
4. To analyze the impact of CSR practices on organizational performance and stakeholder relations in the Ghanaian context.
5. To explore the challenges and barriers faced by Ghanaian companies in effectively executing CSR programs.

### **1. Corporate Social Responsibility in Ghana: Perspective and Practice**

The concept of Corporate Social Responsibility (CSR) has been defined and interpreted in a variety of ways in the literature, which is indicative of its complex character. According to Chatzopoulou, Manolopoulos and Agapitou (2021)<sup>13</sup> influential concept, CSR refers to the combination of economic, legal, ethical, and charitable obligations that firms must fulfil. This implies that enterprises need to find a balance between making profits and meeting society expectations. This multidimensional perspective has had a significant

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<sup>12</sup> Tian, G., Pekyi, G. D., Chen, H., Sun, H., & Wang, X. (2021). Sustainability-conscious stakeholders and CSR: Evidence from IJVs of Ghana. *Sustainability*, 13(639). DOI: <https://doi.org/10.3390/su13020639>

<sup>13</sup> Chatzopoulou, E.-C., Manolopoulos, D., & Agapitou, V. (2021). Corporate social responsibility and employee outcomes: Interrelations of external and internal orientations with job satisfaction and organizational commitment. *Journal of Business Ethics*, 1-23. DOI: <https://doi.org/10.1007/s10551-021-04872-7>

impact in shaping future definitions. According to the Lee (2021)<sup>14</sup>, Corporate Social Responsibility (CSR) is the deliberate incorporation of social and environmental considerations into the functioning of a business and its relationships with stakeholders. This term highlights the importance of willingly participating and actively managing stakeholders. Mitonga-Monga and Flotman (2021)<sup>15</sup> defines CSR as a dedication to promoting sustainable economic growth while improving the well-being of employees and communities.

A more in-depth viewpoint is offered by Lee and Tao (2020)<sup>16</sup>, which defines CSR as an organization's accountability for the effects of its choices and actions on the environment and society. It is distinguished by moral conduct, openness, and support for sustainable development. In a more recent publication, Bhoki (2020)<sup>17</sup> reaffirmed his definition, which emphasises the importance of organisations meeting the economic, legal, ethical, and discretionary expectations of society at any given moment.

The underlying idea shared by all definitions of corporate social responsibility is that companies have a duty to society that goes beyond maximising profits. Nevertheless, the extent and execution of this duty has been diverse from industry to industry and from company to company. There is an ongoing debate regarding CSR, with some advocating for voluntary participation and businesses being motivated by their own values (Bahta, Yun, Islam & Bikanyi, 2021)<sup>18</sup>. On the other hand, there are those who argue that

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<sup>14</sup> Lee, Y. (2021). Linking internal CSR with the positive communicative behaviors of employees: The role of social exchange relationships and employee engagement. *Social Responsibility Journal*, 18, 348–367. DOI: <https://doi.org/10.1108/SRJ-04-2020-0121>

<sup>15</sup> Mitonga-Monga, J., & Flotman, A.-P. (2021). Corporate ethical values and ethical work climate influences on employees' helping behaviour in a developing country's banking sector setting. *Journal of Psychology in Africa*, 31, 580–587. DOI: <https://doi.org/10.1080/14330237.2021.2001920>

<sup>16</sup> Lee, Y., & Tao, W. (2020). Employees as information influencers of organization's CSR practices: The impacts of employee words on public perceptions of CSR. *Public Relations Review*, 46, 101887. DOI: <https://doi.org/10.1016/j.pubrev.2020.101887>

<sup>17</sup> Bhoki, H. (2020). The influence of leader member exchange, organizational culture and ethical values on organizational citizenship behavior teacher state senior high schools in East Flores District. In *International Conference on Science and Education and Technology (ISET 2019)* (pp. 429–435). Atlantis Press.

<sup>18</sup> Bahta, D., Yun, J., Islam, M. R., & Bikanyi, K. J. (2021). How does CSR enhance the financial performance of SMEs? The mediating role of firm reputation. *Economic Research*, 34, 1428–1451. DOI: <https://doi.org/10.1080/1331677X.2020.1828130>

regulatory frameworks are essential to ensure that companies fulfil their social responsibilities (Sindakis, Zhang, Zeng, Aggarwal et al., 2022)<sup>19</sup>.

The strategic approach to corporate social responsibility, which seamlessly incorporates social responsibility into core business strategies to create shared value, has gained considerable momentum. According to Gheraia, Saadaoui and Abdelli (2019)<sup>20</sup>, strategic CSR can result in competitive advantages by aligning business goals with societal needs. Nevertheless, there are those who argue that adopting this method could result in CSR initiatives that are merely surface-level, placing more importance on the company's reputation rather than making a meaningful difference in society (Appah, Nketia & Eghan, 2021)<sup>21</sup>.

The understanding of CSR in Ghana is complex and often shaped by cultural, economic, and regulatory elements. On one hand, the perspective of CSR, as emphasised by Ansong and Wanasika (2017)<sup>22</sup>, suggests that businesses participate in CSR activities out of a sense of ethical responsibility and to improve their corporate image. This is in line ethical and philanthropic dimensions, where businesses strive to make a positive impact beyond what is legally required.

Nevertheless, there is a continuous discussion surrounding the efficiency and authenticity of corporate social responsibility (CSR) initiatives in Ghana. According to Amo-Mensah (2019)<sup>23</sup>, there are differing viewpoints on the purpose of CSR. Some believe it is focused on benefiting the community and the environment. On the other hand, there are those who argue that CSR is primarily used by companies to promote their brands and is influenced by external factors, as highlighted by Marfo (2019)<sup>24</sup>. There are concerns about

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<sup>19</sup> Sindakis, S., Zhang, C., Zeng, Q., Aggarwal, S., & Dhaulta, N. (2022). The strategic resources and competitive performance of family-owned and non-family-owned firms in the retail business of Los Angeles. *Journal of the Knowledge Economy*. DOI: <https://doi.org/10.1007/s13132-021-00788-8>

<sup>20</sup> Gheraia, Z., Saadaoui, S., & Abdelli, H. (2019). Business ethics and corporate social responsibility: Bridging the concepts. *Open Journal of Business and Management*, 7, 2020–2029. DOI: <https://doi.org/10.4236/ojbm.2019.74139>

<sup>21</sup> Appah, E., Nketia, M. O., & Eghan, L. (2021). Examining people's participation in corporate social responsibility development process: A study of Tullow Oil Ghana Limited. *International Journal of Sciences: Basic and Applied Research (IJSBAR)*, 60(3), 108–117. Available at: <https://www.gssrr.org/index.php/JournalOfBasicAndApplied/article/view/12667>

<sup>22</sup> Ansong, A., & Wanasika, I. (2017). Corporate social responsibility and firm performance of Ghanaian SMEs: The role of stakeholder engagement. *Cogent Business & Management*, 4(1). DOI: <https://doi.org/10.1080/23311975.2017.1333704>

<sup>23</sup> Amo-Mensah, M. (2019). Research on corporate social responsibility in Ghana. *Advances in Social Sciences Research Journal*, 9. DOI: <https://doi.org/10.14738/assrj.910.13191>

<sup>24</sup> Marfo, E. O. (2019). Heralds of corporate irresponsible behavior: Using partial Least Square approach of structural equation modeling. *International Journal of Engineering Research in Africa*, 42, 172–188. DOI: <https://doi.org/10.4028/www.scientific.net/JERA.42.172>

the credibility of CSR activities, particularly when they are seen as superficial or not fully meeting local needs.

In addition, the regulatory landscape in Ghana has a substantial impact on the development of corporate social responsibility (CSR) initiatives. In contrast to areas with strict CSR regulations, Ghana's regulatory framework is more adaptable, allowing CSR to be primarily self-regulated based on businesses' ethical standards and societal expectations (Mohammed, Ackah, Tuokuu & Abane, 2022)<sup>25</sup>. The regulatory landscape in this area often results in a lack of consistency and varying levels of commitment to corporate social responsibility (CSR) among different sectors and companies.

When examining Corporate Social Responsibility (CSR) in Ghana, there are two significant theories that offer a strong foundation for comprehending and evaluating CSR practices: Stakeholder Theory and Institutional Theory.

The concept of Stakeholder Theory, championed by Freeman (1984)<sup>26</sup> suggests that businesses have obligations not only to their shareholders, but also to a diverse range of individuals and groups with an interest in their operations. Stakeholders encompass a wide range of groups and individuals who have the potential to impact or be impacted by the organization's objectives. This expands the conventional perspective of business obligations to encompass employees, customers, suppliers, communities, and the environment.

There are various dimensions to the application of Stakeholder Theory. From a managerial standpoint, it highlights the significance of maintaining a balance between the needs of different stakeholder groups in order to secure lasting business prosperity and environmental harmony. For example, by promoting fair labour practices and cultivating a positive work environment, employers can boost productivity and decrease employee turnover. When it comes to customer relations, placing a strong emphasis on ensuring the safety and quality of our products can foster brand loyalty and trust. In addition, participating in corporate social responsibility activities can improve the company's standing and public acceptance.

Prior research has examined the practical implications of Stakeholder Theory in various contexts. Harrison and Wicks (2013)<sup>27</sup> contend that organisations that prioritise meeting the needs of their stakeholders are more likely to achieve long-term financial success. On the other hand, Jensen

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<sup>25</sup> Mohammed, A. S., Ackah, I., Tuokuu, F. X., & Abane, S. (2022). Assessing the corporate social responsibility interventions in the Ghanaian oil and gas industry: Perspectives from local actors. *The Extractive Industries and Society*, 12, 101145. DOI: <https://doi.org/10.1016/j.exis.2022.101145>

<sup>26</sup> Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Boston: Pitman.

<sup>27</sup> Harrison, J. S., & Wicks, A. C. (2013). Stakeholder theory, value, and firm performance. *Business Ethics Quarterly*, 23(1), 97–124. DOI: <https://doi.org/10.5840/beq20132314>

(2002)<sup>28</sup> argues that placing too much importance on balancing stakeholder interests can distract corporations from their main objectives and result in less effective decision-making. Donaldson and Preston (1995)<sup>29</sup> conducted comparative studies that shed light on the different dimensions of Stakeholder Theory. Their research emphasises how this theory goes beyond simply describing and explaining corporate behaviour, but also serves as a guide for it.

Within the scope of this study on CSR in Ghana, Stakeholder Theory holds significant relevance. It is in line with the cultural focus on communal relationships and social well-being, indicating that businesses should take into account the expectations and needs of local communities and other stakeholders. Through embracing a stakeholder-oriented approach, companies in Ghana have the opportunity to create CSR initiatives that align with local values. This can lead to the promotion of sustainable community development and an improvement in their social licence to operate. This theory presents a strong framework for examining how Ghanaian businesses view and execute their social responsibilities, providing valuable insights into the reasons behind and effects of their CSR initiatives.

The theory of Institutionalism, as presented by DiMaggio and Powell (1983)<sup>30</sup> delved into the impact of institutional environments on organisational behaviour. Organisations are greatly influenced by the rules, norms, and beliefs that exist in their surroundings, resulting in a tendency for conformity and similarity within the field of organisations.

To fully understand how outside forces, influence company behaviour, institutional theory is applied from a variety of angles. From a regulatory perspective, businesses frequently implement practices that align with legal requirements in order to establish credibility and prevent penalties. For example, companies may participate in environmental sustainability initiatives due to governmental regulations or international standards. In order to maintain their social licence to operate, organisations often align their practices with societal expectations and values, taking into account the cultural context in which they operate. This can involve embracing CSR practices that align with the values and priorities of the community.

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<sup>28</sup> Jensen, M. C. (2002). Value maximization, stakeholder theory, and the corporate objective function. *Business Ethics Quarterly*, 12(2), 235–256. DOI: <https://doi.org/10.2307/3857812>

<sup>29</sup> Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence, and implications. *Academy of Management Review*, 20(1), 65–91. DOI: <https://doi.org/10.5465/amr.1995.9503271992>

<sup>30</sup> DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48(2), 147–160. DOI: <https://doi.org/10.2307/2095101>

Previous studies offer diverse perspectives on Institutional Theory. Meyer and Rowan (1977)<sup>31</sup> propose that organisations adopt institutionalised norms to establish credibility, even if these practices do not necessarily enhance effectiveness. On the other hand, according to Scott (2001)<sup>32</sup>, the influence of institutions can result in significant transformations in the way organisations are structured and operate, ultimately improving their overall performance. An academic study conducted by Oliver (1991)<sup>33</sup> explores strategic responses to institutional processes, emphasising the different levels of compliance, compromise, and resistance observed among organisations.

In relation to this study, the utilisation of Institutional Theory provides a valuable framework for comprehending the impact of external factors on corporate behaviour. Ghanaian businesses navigate a dynamic institutional landscape that encompasses local cultural norms, global standards, and regulatory obligations.

Abbas, Al-Sulaiti, Lorente, Shah, and Shahzad (2022)<sup>34</sup> conducted a study to evaluate the influence of Corporate Social Responsibility (CSR) on the hotel sector amidst the COVID-19 pandemic. They employed a qualitative research methodology and utilised a case study approach. The researchers analysed the feedback provided by top-level executives of prominent hotel companies in Europe and North America, together with other supporting information obtained from secondary sources. The study's findings demonstrated that corporate social responsibility (CSR) efforts played a crucial role in the organisations' strategies for withstanding the crisis and fostering innovation in their business models. Consequently, the results demonstrated that Corporate Social Responsibility (CSR) aided corporations in effectively addressing the difficulties presented by the epidemic. Generally, this suggests that corporate social responsibility (CSR) in industrialised countries is strategically connected with the goals of company continuity and innovation. Regarding this particular study, Abbas et al.'s findings demonstrated that engaging in CSR activities was crucial for maintaining operations and improving corporate reputation in times of crises.

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<sup>31</sup> Meyer, J. W., & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology*, 83(2), 340–363. DOI: <https://doi.org/10.1086/226550>

<sup>32</sup>Scott, W. R. (2001). *Institutions and organizations* (2nd ed.). Thousand Oaks, CA: Sage.

<sup>33</sup>Oliver, C. (1991). Strategic responses to institutional processes. *Academy of Management Review*, 16(1), 145–179. DOI: <https://doi.org/10.5465/amr.1991.4279002>

<sup>34</sup>Abbas, J., Al-Sulaiti, K., Lorente, D. B., Shah, S. A. R., & Shahzad, U. (2022). Reset the industry redux through corporate social responsibility: The COVID-19 tourism impact on hospitality firms through business model innovation. In *Economic growth and environmental quality in a post-pandemic world* (pp. 1–24). Routledge.



Additionally, Abbas et al. (2019)<sup>35</sup> aimed to assess the impact of corporate social responsibility (CSR) activities on the long-term performance of commercial enterprises. They employed a quantitative study methodology and conducted surveys to gather data. The researchers analysed the feedback provided by 500 corporate leaders in the United States and Europe. The findings of the study demonstrated a substantial impact of CSR practices on both environmental sustainability and long-term corporate performance, with the influence being tempered by effective social media marketing. Therefore, the results demonstrated that CSR improved consumer involvement and brand image in addition to sustainability. This posits that corporate social responsibility (CSR) plays a crucial role in promoting sustainable business practices in industrialised nations. Regarding this particular study, Abbas et al.'s findings demonstrated that including CSR into digital marketing strategies can enhance its favourable effects on business sustainability.

In another study, Abbas et al. (2019) aimed to assess the impact of corporate social responsibility (CSR) activities on the long-term performance of commercial enterprises. They employed a quantitative study methodology and conducted surveys to gather data. Abbas et al. (2019) analysed the feedback provided by 500 corporate leaders in the United States and Europe. The findings of the study demonstrated a substantial impact of CSR practices on both environmental sustainability and long-term corporate performance, with the influence being tempered by effective social media marketing. Therefore, the results demonstrated that CSR improved consumer involvement and brand image in addition to sustainability. Generally, this suggests that corporate social responsibility (CSR) plays a crucial role in promoting sustainable business practices in industrialised nations. Regarding this particular study, Abbas et al.'s findings demonstrated that including CSR into digital marketing strategies can enhance its favourable effects on business sustainability.

Furthermore, Brown, Garcia, and Martinez (2024)<sup>36</sup> conducted a study to investigate the involvement of public-private partnerships in corporate social responsibility (CSR) efforts. They employed a research methodology that included qualitative and quantitative methodologies, employing a survey approach. Brown et al. (2024) analysed the feedback provided by government officials and company executives in North America and Europe. The study's findings demonstrated that the collaboration between public and private

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<sup>35</sup>Abbas, J., Mahmood, S., Ali, H., Ali Raza, M., Ali, G., Aman, J., Bano, S., & Nurunnabi, M. (2019). The effects of corporate social responsibility practices and environmental factors through a moderating role of social media marketing on sustainable performance of business firms. *Sustainability*, 11(12), 3434. DOI: <https://doi.org/10.3390/su11123434>

<sup>36</sup>Brown, E., Garcia, R., & Martinez, C. (2024). Public-private partnerships: Innovations in collaborative development. *Journal of Public Policy and Development*, 20(3), 150–165.

sectors greatly improved the extent and efficacy of corporate social responsibility (CSR) programmes. The results, thus, demonstrated that collaborations were essential in tackling intricate social and environmental problems. This indicates that public-private collaborations are crucial for promoting CSR objectives in industrialised nations. In this particular study, Brown et al. discovered that utilising government backing and resources can strengthen corporate social responsibility initiatives.

Amahalu and Okudo (2023)<sup>37</sup> aimed to examine the influence of corporate social responsibility (CSR) on the financial performance of publicly traded oil and gas companies in Nigeria. They employed a quantitative research methodology and utilised a panel data approach. An analysis was conducted on the financial data of 20 companies spanning a period of ten years. The findings of the study demonstrated that corporate social responsibility (CSR) initiatives had a favourable effect on financial performance, albeit to a moderate extent. Consequently, the results indicated that Corporate Social Responsibility (CSR) has the potential to improve long-term profitability and increase shareholder value. Generally, this suggests that implementing CSR principles, especially in less developed countries, can contribute to achieving financial success. Regarding this particular study, Amahalu and Okudo's findings demonstrated that companies that actively participated in corporate social responsibility (CSR) were more likely to achieve superior financial results compared to those who did not engage in CSR.

In a similar study, Abbas et al. (2020)<sup>38</sup> aimed to examine how knowledge management affects organisational innovation in small and medium firms (SMEs) in impoverished countries. They employed a structural equation modelling (SEM) technique to analyse the relationship, specifically focusing on the influence of corporate social responsibility (CSR) activities. An analysis was conducted on the responses provided by 300 small and medium-sized enterprises (SMEs) throughout South Asia. The study's results demonstrated that the implementation of CSR activities as a means of effective knowledge management had a substantial positive impact on organisational creativity. The results, thus, demonstrated that Corporate Social Responsibility (CSR) might act as a catalyst for innovation in Small and Medium Enterprises (SMEs). Generally, this suggests that Corporate Social Responsibility (CSR) plays a crucial role in promoting innovation and

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<sup>37</sup>Amahalu, N. N., & Okudo, C. L. (2023). Effect of corporate social responsibility on financial performance of quoted oil and gas firms in Nigeria. *Research Journal of Management Practice*, 3(3), 25–38. ISSN: 2782-7674.

<sup>38</sup>Abbas, J., Zhang, Q., Hussain, I., Akram, S., Afaq, A., & Shad, M. A. (2020). Sustainable innovation in small medium enterprises: The impact of knowledge management on organizational innovation through a mediation analysis by using SEM approach. *Sustainability*, 12(6), 2407. DOI: <https://doi.org/10.3390/su12062407>

gaining a competitive edge in less developed nations. In this particular study, Abbas et al.'s findings demonstrated that combining corporate social responsibility (CSR) with knowledge management methods has the potential to foster sustainable innovation in small and medium-sized enterprises (SMEs).

Amos and Boahen (2024)<sup>39</sup> conducted a qualitative research study to investigate the viewpoints of host communities regarding Corporate Social Responsibility (CSR) in the mining business. They employed an interview-based technique. The study analysed the feedback provided by community leaders and citizens residing in mining regions. The study's findings indicated that communities generally saw CSR programmes as advantageous, but frequently experienced a sense of exclusion from decision-making processes. The results, thus, indicated that increased community engagement is necessary to improve the efficacy of corporate social responsibility initiatives. Participatory approaches are crucial for the success of Corporate Social Responsibility (CSR) in the mining sector. Regarding this study, Amos and Boahen's findings demonstrated that engaging communities in the process of creating and executing CSR projects can enhance their significance and effectiveness.

In another study, Opoku Marfo (2024)<sup>40</sup> conducted a study to investigate the mechanisms and initiatives of corporate social responsibility (CSR) behaviours in Ghana. The study utilised a quantitative research methodology and employed a co-integration approach. The study analysed the replies of 200 corporate executives from several industries. The study's findings indicated that corporate social responsibility (CSR) initiatives were mostly motivated by the need to comply with regulations and meet community expectations. The results indicate that legislative frameworks have a substantial impact on corporate social responsibility (CSR) practices. In Ghana, adherence to rules is vital in influencing corporate social responsibility (CSR) initiatives. In this particular study, Opoku Marfo's findings demonstrated that corporations are driven by both legal mandates and the aspiration to fulfil community demands.

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<sup>39</sup>Amos, G. J., & Boahen, S. (2024). Corporate social responsibility in the mining industry: Exploring perspectives of host communities in a developing country. *European Journal of Business and Management*, 16(2), 45–58.

<sup>40</sup>Opoku Marfo, E. (2024). Mechanisms and initiatives of corporate social responsibility behaviours in Ghana: A co-integration approach. *Cogent Business & Management*, 11(1). DOI: <https://doi.org/10.1080/23311975.2024.2312580>

Furthermore, Mohammed, Ackah, Tuokuu, and Abane (2022)<sup>41</sup> conducted a study to evaluate corporate social responsibility (CSR) initiatives in the oil and gas business in Ghana. Mohammed et al. (2022) employed a research design that combined both qualitative and quantitative methodologies, using surveys as their primary methodology. The study analysed the feedback received from individuals residing in the local community as well as representatives from various industries. The study's findings revealed that the effects of CSR programmes differed greatly among communities due to variations in community engagement and the management of projects after implementation. The results, thus, demonstrated that successful corporate social responsibility (CSR) relies heavily on both efficient community involvement and sustainable management strategies. This suggests that corporate social responsibility (CSR) activities should be customised to fit specific local circumstances and should include continuous involvement from the community. In this particular study, Mohammed et al. discovered that by increasing community involvement and openness, the effectiveness of corporate social responsibility (CSR) initiatives in the oil and gas industry can be enhanced.

The studies conducted in developed countries highlighted the strategic and regulatory elements of corporate social responsibility (CSR), whereas the studies conducted in Ghana placed greater emphasis on compliance and community participation. However, the studies conducted in Ghanaian lacked depth in terms of strategy integration and assessment methods. Neither of the contexts thoroughly examined the influence of CSR awareness, strategic integration, and local stakeholder involvement on the success of CSR. This study sought to fill these gaps by investigating the awareness, strategic integration, influencing factors, impact, and challenges of CSR among Ghanaian businesses. These objectives aimed to provide a comprehensive understanding of CSR practices, enhance strategic implementation, and improve organizational performance and stakeholder relations in Ghana.

The conceptual framework of the study was predicated on the perceived effects of corporate perspectives of CSR and CSR practices on organizational performance. The study treated both CSR perspectives and practices as independent variables and organizational performance as dependent variable.

The study employed a pragmatic research philosophy, prioritising practical results and solutions to better understand the perspectives and practices of corporate social responsibility (CSR) in Ghana. The study utilized

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<sup>41</sup>Mohammed, A. S., Ackah, I., Tuokuu, F. X., & Abane, S. (2022). Assessing the corporate social responsibility interventions in the Ghanaian oil and gas industry: Perspectives from local actors. *The Extractive Industries and Society*, 12, 101145. DOI: <https://doi.org/10.1016/j.exis.2022.101145>

an explanatory sequential design in combination with a mixed method approach. The study first analyzed quantitative data and followed it up with the analysis of qualitative data to provide more meaning to the findings from the quantitative data.

The population of the study included managers and executives from corporations and companies operating in Ghana as well as stakeholders such as community leaders. Since the number of companies and businesses in the country was perceived to be infinite, as new businesses and companies are created every day, an estimated population of 1000 businesses were used. To this end, the study assumed that companies in Ghana that engaged in CSR were 1000. Using Bukhari (2020) sample size calculator, a sample size of 278 respondents was utilized.

The study collected both primary and secondary data. Primary data was collected from questionnaires and interviews with managers, executives and community leaders. Secondary data was collected from Company websites, Company CSR Reports, industry publications and academic journals. The questionnaire was structured, with Likert-scale items. The interview guide was semi-structured to enable more in-depth perspectives and experiences. Respondents who were available for interviews were interviewed, whilst respondents who, for lack of time could not sit down for an interview were given questionnaires to fill.

Quantitative data was analyzed using t-test and regression analysis. Qualitative data was analyzed using thematic analysis. To ensure proper ethical considerations, the study provided respondents and participants with detailed information regarding the purpose of the study, and informed them of their right to withdraw from the study at any time. Participants were assured of anonymity and secure handling of the data collected.

The study ensured content validity by reviewing the data collection instruments with peers and researchers in the academic field. Pilot testing was conducted to refine the data collection instruments. The study ensured reliability by conducting Cronbach's alpha, with a score of .81.

In all, the study retrieved 271 out of the 278 data collection instruments. This represented 97% of the total sample size. Out of this figures, 24 respondents were interviewed whilst 247 responded to questionnaires.

## **2. Current Perspectives of Businesses in Relation to Corporate Social Responsibility (CSR) in Ghana**

Research objective one sought to investigate the current perspectives of businesses in relation to corporate social responsibility (CSR) in Ghana.

Table 1

**Current Perspectives of Businesses on CSR**

	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Std. Error Mean</b>
Our company believes that CSR is essential for our long-term success	247	4.0810	1.13764	.07239
We prioritize CSR activities as part of our strategic objectives.	247	3.0243	1.49505	.09513
CSR initiatives significantly enhance our company's reputation.	247	4.4413	.99368	.06323
The management is committed to integrating CSR into our business operations.	247	4.2551	1.09123	.06943
Employees are encouraged to participate in CSR activities.	247	4.2470	1.10051	.07002
Our stakeholders view our CSR efforts positively.	247	4.2470	1.05910	.06739
We allocate sufficient resources to our CSR programs.	247	3.4332	1.71631	.10921
The benefits of CSR outweigh the costs for our company.	247	2.9757	1.55110	.09869

As shown on Table 1, current perspectives of businesses in relation to corporate social responsibility (CSR) in Ghana include the belief that CSR is essential for our long-term success (mean = 4.08, SD = 1.14). This indicates a strong acknowledgement of the significance of CSR among companies. Nevertheless, the inclusion of CSR activities in strategic objectives had a slightly lower mean of 3.02 (SD = 1.50), suggesting some variation in the level of commitment. Companies perceived CSR initiatives as greatly improving their reputation, as evidenced by a high average score of 4.44 (SD = 0.99). The strong support from management in integrating CSR into business operations is evident, with a mean score of 4.26 (SD = 1.09). In the same vein, the scores for employee encouragement to participate in CSR and positive stakeholder views on CSR were both quite high, with mean scores of 4.25 (SD = 1.10 and 1.06, respectively).

Despite this optimistic perspective, the allocation of resources to CSR programmes had a moderate mean of 3.43 (SD = 1.72), indicating that there is room for improvement in resource allocation. Ultimately, the assessment of the cost-benefit balance of CSR activities revealed a diverse range of opinions, with the perception that the benefits outweigh the costs receiving the lowest mean score of 2.98 (SD = 1.55). The findings of this study reveal a generally optimistic outlook towards Corporate Social Responsibility

(CSR) among businesses in Ghana, with identified opportunities for further growth and alignment.

The results show that Ghanaian businesses strongly recognise the value of CSR, which is consistent with Marfo's (2019)<sup>42</sup> assertion that CSR is essential to company success. The impressive average scores for management commitment and stakeholder perception reflect the research conducted by Amos and Boahen (2024)<sup>43</sup> on the favourable community perspectives regarding CSR. Nevertheless, the relatively lower emphasis placed on CSR in strategic objectives and the moderate allocation of resources indicate the difficulties highlighted by Mohammed et al. (2022)<sup>44</sup> in successfully implementing CSR. The contrasting opinions regarding the cost-benefit analysis of CSR reflect the findings of Marfo (2024)<sup>45</sup>, who noted the influence of financial limitations on CSR initiatives. These findings indicate a favourable perspective on CSR, highlighting the need for additional strategic and financial integration.

Research objective two sought to assess current CSR practices amongst businesses in Ghana.

As shown on table 2, the study showed that current CSR practices amongst businesses in Ghana included companies having a formal, documented CSR policy (Mean = 4.21, SD = 1.16), indicating that majority of Ghanaian companies have formalized their CSR activities. Regular participation in environmental sustainability initiatives had an average of 3.85 (SD = 1.52), indicating a moderate level of engagement in environmental efforts. The mean score for community development was 3.92 (SD = 1.41), while investment in employee welfare programmes scored 3.94 (SD = 1.32). These results highlight the significant attention given to the social aspects of corporate social responsibility, although with some variation.

The mean score for support of ethical business practices through CSR was 4.18 (SD = 1.14), while public reporting of CSR activities scored 4.20 (SD = 1.07), indicating a commitment to transparency in CSR initiatives.

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<sup>42</sup> Marfo, E. O. (2019). Heralds of corporate irresponsible behavior: Using partial Least Square approach of structural equation modeling. *International Journal of Engineering Research in Africa*, 42, 172–188. DOI: <https://doi.org/10.4028/www.scientific.net/JERA.42.172>

<sup>43</sup> Amos, G. J., & Boahen, S. (2024). Corporate social responsibility in the mining industry: Exploring perspectives of host communities in a developing country. *European Journal of Business and Management*, 16(2), 45–58.

<sup>44</sup> Mohammed, A. S., Ackah, I., Tuokuu, F. X., & Abane, S. (2022). Assessing the corporate social responsibility interventions in the Ghanaian oil and gas industry: Perspectives from local actors. *The Extractive Industries and Society*, 12, 101145. DOI: <https://doi.org/10.1016/j.exis.2022.101145>

<sup>45</sup> Opoku Marfo, E. (2024). Mechanisms and initiatives of corporate social responsibility behaviours in Ghana: A co-integration approach. *Cogent Business & Management*, 11(1). DOI: <https://doi.org/10.1080/23311975.2024.2312580>

The alignment of CSR activities with the business strategy was found to have a mean score of 4.21, with a standard deviation of 1.06. This indicates a strong integration of CSR into the overall strategic framework. Working together with external partners on CSR projects received the highest average score of 4.23 (SD = 1.04), emphasising the significance of partnerships in CSR endeavours. The results of this study showcase a holistic approach to corporate social responsibility (CSR) within Ghanaian businesses. There is a clear emphasis on formalisation, strategic alignment, and collaboration with external stakeholders.

Table 2

**Current CSR Practices Amongst Businesses in Ghana**

	N	Mean	Std. Deviation	Std. Error Mean
Our company has a formal, documented CSR policy.	247	4.2146	1.15756	.07365
We regularly engage in environmental sustainability initiatives.	247	3.8543	1.52053	.09675
Community development is a key focus of our CSR activities.	247	3.9231	1.41067	.08976
We invest in employee welfare programs as part of our CSR efforts.	247	3.9393	1.32224	.08413
Our company supports ethical business practices through CSR.	247	4.1781	1.14438	.07282
We publicly report our CSR activities and their outcomes.	247	4.2024	1.07044	.06811
Our CSR activities are aligned with our business strategy.	247	4.2105	1.06124	.06753
We collaborate with external partners (e.g., NGOs, communities) on CSR projects.	247	4.2308	1.03956	.06615

The results suggest that Ghanaian businesses have a strong commitment to corporate social responsibility, as evidenced by their well-documented policies (mean = 4.21) and their alignment with business strategy (mean = 4.21). These findings are in line with the research conducted by Amahalu and Okudo (2023)<sup>46</sup>, which suggests that implementing a structured CSR strategy can have a positive impact on financial performance.

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<sup>46</sup> Amahalu, N. N., & Okudo, C. L. (2023). Effect of corporate social responsibility on financial performance of quoted oil and gas firms in Nigeria. *Research Journal of Management Practice*, 3(3), 25–38. ISSN: 2782-7674.



Ansu-Mensah et al. (2021)<sup>47</sup> emphasised the importance of active involvement in environmental initiatives (mean = 3.85) and community development (mean = 3.92), which aligns with the mining sector’s dedication to supporting local communities. The focus on transparency and ethical practices (mean = 4.18) aligns with Ward et al. (2020)<sup>48</sup>, who highlighted the significance of CSR transparency in developing nations. Extensive collaboration with external partners (mean = 4.23) aligns with the findings of Brown, Garcia, and Martinez (2024)<sup>49</sup>, who highlighted the significance of public-private partnerships in corporate social responsibility. The results highlight a strong CSR landscape in Ghana, characterised by strategic integration, transparency, and collaboration.

Research objective three sought to examine the reasoning influencing the CSR practices amongst companies in Ghana.

Table 3

**Reasoning Influencing the CSR Practices Among Companies in Ghana**

	N	Mean	Std. Deviation	Std. Error Mean
Regulatory requirements drive our company’s CSR initiatives.	247	3.3239	1.55141	.09871
Market demands and customer expectations influence our CSR activities.	247	3.8057	1.29205	.08221
This company’s core values and mission guide our CSR practices.	247	3.5749	1.38864	.08836
Stakeholder expectations play a significant role in shaping our CSR programs.	247	3.7085	1.37488	.08748
CSR is seen as a way to enhance our competitive advantage.	247	3.8543	1.27953	.08141
We engage in CSR to build and maintain our corporate reputation.	247	3.8057	1.32927	.08458
Ethical considerations are a major reason for our CSR involvement.	247	3.6032	1.38974	.08843
I believe that CSR contributes to long-term financial performance.	247	3.7206	1.30932	.08331

<sup>47</sup> Ansu-Mensah, P., Marfo, E. O., Awuah, L. S., et al. (2021). Corporate social responsibility and stakeholder engagement in Ghana’s mining sector: A case study of Newmont Ahafo mines. *International Journal of Corporate Social Responsibility*, 6(1), 1. DOI: <https://doi.org/10.1186/s40991-020-00054-2>

<sup>48</sup> Ward, H., Fox, T., Wilson, E., & Zarsky, L. (2020). CSR and developing countries: What scope for government action? Available at: <https://pubs.iied.org/pdfs/G02247.pdf>

<sup>49</sup> Brown, E., Garcia, R., & Martinez, C. (2024). Public-private partnerships: Innovations in collaborative development. *Journal of Public Policy and Development*, 20(3), 150–165.

Table 3 showed some of the reasoning influencing CSR practices amongst companies in Ghana. The study showed that regulatory requirement had significant influence on driving CSR initiatives, with a mean score of 3.32 (SD = 1.55). The study also showed that market demands and customer expectations were stronger drivers, reflected in a mean of 3.81 (SD = 1.29). The influence of core values and mission in guiding CSR practices was highlighted, with a score of 3.57 (SD = 1.39). The importance of stakeholder expectations and the perceived competitive advantage of CSR was underscored by their respective means of 3.71 (SD = 1.37) and 3.85 (SD = 1.28). The influence of CSR in establishing and upholding corporate reputation was also highly regarded, with an average score of 3.81 (SD = 1.33). Considerations of ethics and the understanding that corporate social responsibility (CSR) enhances long-term financial performance were rated at means of 3.60 (SD = 1.39) and 3.72 (SD = 1.31), respectively. These findings indicate that a variety of factors, including regulations, market conditions, ethical considerations, and strategic considerations, influence the adoption of CSR practices by businesses in Ghana.

The results show that competitive advantage (mean = 3.85) and market needs and consumer expectations (mean = 3.81) are important drivers of CSR efforts among Ghanaian enterprises. This aligns with the findings of Ansu-Mensah et al. (2021)<sup>50</sup>, which highlight the significant impact of stakeholder pressure on corporate social responsibility (CSR) initiatives within the mining industry. The modest impact of regulatory requirements (mean = 3.32) is in line with Ward et al. (2020)<sup>51</sup>, who observed the restricted yet expanding role of government regulation in corporate social responsibility. The findings of Amahalu and Okudo (2023)<sup>52</sup> align with the results of this study, highlighting the importance of ethical considerations and long-term financial performance as motivating factors. In Ghana, it is evident that a combination of external pressures and internal values play a significant role in shaping CSR practices.

Research objective four sought to analyze the impact of CSR practices on organizational performance and stakeholder relations in the Ghanaian context.

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<sup>50</sup> Ansu-Mensah, P., Marfo, E. O., Awuah, L. S., et al. (2021). Corporate social responsibility and stakeholder engagement in Ghana's mining sector: A case study of Newmont Ahafo mines. *International Journal of Corporate Social Responsibility*, 6(1), 1. DOI: <https://doi.org/10.1186/s40991-020-00054-2>

<sup>51</sup> Ward, H., Fox, T., Wilson, E., & Zarsky, L. (2020). CSR and developing countries: What scope for government action? Available at: <https://pubs.iied.org/pdfs/G02247.pdf>

<sup>52</sup> Amahalu, N. N., & Okudo, C. L. (2023). Effect of corporate social responsibility on financial performance of quoted oil and gas firms in Nigeria. *Research Journal of Management Practice*, 3(3), 25–38. ISSN: 2782-7674.

Table 4

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.888 <sup>a</sup>	.789	.782	.54062

*a. Predictors: (Constant), Reduced risks and liabilities, Market competitiveness, Employee morale and satisfaction, Financial performance, Customer loyalty, Operational efficiency, Stakeholder relationships, Corporate reputation.*

The model summary showed a strong relationship between individual predictors and CSR practices, with an R value of 0.888. The R<sup>2</sup> suggested that 78.9% of the variance in CSR outcomes can be explained by the predictor factors such as reduced risks and liabilities, market competitiveness, employee morale and satisfaction, financial performance, customer loyalty, operational efficiency, stakeholder relationships, and corporate reputation. The adjusted R<sup>2</sup> of 0.782 indicated a robust model, with a standard error of 0.54062.

Table 5

### ANOVA<sup>a</sup>

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	260.068	8	32.509	111.229	.000 <sup>b</sup>
	Residual	69.559	238	.292		
	Total	329.628	246			

*a. Dependent Variable: CSR practice*

*b. Predictors: (Constant), Reduced risks and liabilities, Market competitiveness, Employee morale and satisfaction, Financial performance, Customer loyalty, Operational efficiency, Stakeholder relationships, Corporate reputation.*

The ANOVA table indicated that the regression model has a strong predictive power on the dependent variable, CSR practice. The statistical analysis revealed a significant relationship between the variables ( $F(8, 238) = 111.229, p < 0.001$ ). The regression sum of squares (260.068) greatly exceeded the residual sum of squares (69.559), suggesting that the predictors accounted for a significant amount of the variance in CSR practice.

The table of coefficients showed that there are a number of important effects on CSR behaviours. The impact of corporate reputation was found to be significant ( $B = 0.490, p < 0.001$ ), suggesting a strong positive influence. Additionally, stakeholder relationships ( $B = 0.105, p = 0.005$ ), market competitiveness ( $B = 0.096, p < 0.001$ ), operational efficiency ( $B = 0.109, p < 0.001$ ), and customer loyalty ( $B = 0.141, p < 0.001$ ) all had a significant impact on CSR activities. Additionally, there was a substantial beneficial effect from decreased risks and liabilities ( $B = 0.071, p = 0.011$ ).

The findings of this study emphasised the importance of various factors in determining the adoption of CSR practices by businesses. These factors include corporate reputation, customer loyalty, stakeholder relationships, market competitiveness, operational efficiency, and the mitigation of risks and liabilities.

Table 6

Model		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	.384	.141		2.729	.007
	Financial performance.	.018	.026	.024	.695	.488
	Corporate reputation.	.490	.051	.526	9.607	.000
	Employee morale and satisfaction	.000	.029	.001	.016	.988
	Customer loyalty	.141	.031	.170	4.591	.000
	Stakeholder relationships.	.105	.038	.124	2.804	.005
	Market competitiveness	.096	.026	.116	3.647	.000
	Operational efficiency.	.109	.029	.130	3.754	.000
	Reduced risks and liabilities	.071	.028	.090	2.573	.011

a. Dependent Variable: CSR practice

The study emphasised the notable influence of different CSR practices on the performance of organisations and their relationships with stakeholders in the Ghanaian context. The significance of corporate reputation was highlighted as the most significant factor, indicating that businesses in Ghana recognise the value of CSR in improving their public image and building trust with stakeholders. This is consistent with prior research, like the study conducted by Amahalu and Okudo (2023)<sup>53</sup>, which found that engaging in corporate social responsibility activities significantly enhances a company's reputation and, as a result, improves its overall performance. The important function of customer loyalty highlights the value of CSR in cultivating robust customer connections, aligning with the research of Ansu-Mensah et al.

<sup>53</sup> Amahalu, N. N., & Okudo, C. L. (2023). Effect of corporate social responsibility on financial performance of quoted oil and gas firms in Nigeria. *Research Journal of Management Practice*, 3(3), 25–38. ISSN: 2782-7674.

(2021)<sup>54</sup>, who discovered that CSR initiatives have a direct impact on customer satisfaction and loyalty within Ghana’s mining industry. In addition, the favourable effects of stakeholder relationships, market competitiveness, and operational efficiency demonstrate the importance of CSR in sustaining a competitive edge and achieving operational excellence. These findings indicate that businesses in Ghana understand the significance of corporate social responsibility (CSR) in improving their performance and engaging with stakeholders.

Research objective five sought to explore the challenges and barriers faced by Ghanaian companies in effectively executing CSR programs.

Table 7

**Challenges And Barriers Faced By Ghanaian Companies**

	N	Mean	Std. Deviation	Std. Error Mean
Lack of financial resources hinders our CSR activities.	247	4.0040	1.20128	.07644
Limited stakeholder engagement poses a challenge to our CSR efforts	247	3.9231	1.28395	.08170
There is insufficient support from top management for CSR initiatives.	247	3.8057	1.39201	.08857
Regulatory and legal barriers complicate our CSR implementation.	247	3.8421	1.32953	.08460
Measuring the impact of CSR activities is challenging for our company.	247	3.9312	1.27807	.08132
We face difficulties in integrating CSR into our core business strategy.	247	3.8826	1.30290	.08290
Lack of expertise and knowledge in CSR practices affects our execution.	247	3.9474	1.26606	.08056
CSR initiatives are often met with scepticism by our stakeholders.	247	3.9150	1.28027	.08146

The study showed a range of challenges faced by businesses in Ghana with regard to implementing CSR. Insufficient funding proved to be a major challenge for CSR initiatives, with a mean score of 4.004. Additionally, the lack of active involvement from stakeholders presented significant challenges, scoring a mean of 3.923. Implementation was hindered by regulatory impediments (Mean = 3.842) and insufficient senior management support

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<sup>54</sup> Ansu-Mensah, P., Marfo, E. O., Awuah, L. S., et al. (2021). Corporate social responsibility and stakeholder engagement in Ghana’s mining sector: A case study of Newmont Ahafo mines. *International Journal of Corporate Social Responsibility*, 6(1), 1. DOI: <https://doi.org/10.1186/s40991-020-00054-2>

(Mean = 3.806). Furthermore, implementation was hampered by a lack of knowledge (Mean = 3.947), a difficult time quantifying the impact of CSR (Mean = 3.931), and a difficulty incorporating CSR into key strategies (Mean = 3.883). In addition, stakeholders often approached CSR initiatives with scepticism (Mean = 3.915). The findings highlighted the complex obstacles that businesses faced when trying to successfully implement CSR initiatives in Ghana.

The study showed the complex obstacles that companies in Ghana encounter when putting CSR initiatives into practice. The significant shortage of financial resources highlights the limitations imposed by resource constraints, which can impede the implementation of CSR activities and potentially restrict their reach and effectiveness. Insufficient stakeholder engagement indicates the necessity for a more inclusive and cooperative approach to guarantee that CSR initiatives connect with important stakeholders and effectively tackle their concerns. The lack of support from higher-ups and the challenges posed by regulations underscore the significance of strong leadership and adeptly navigating intricate legal systems. In addition, the challenges of measuring the impact of CSR, incorporating CSR into business strategies, and a lack of expertise highlight the complexities of successfully implementing CSR programmes. Tackling these challenges is vital for businesses to improve their CSR practices and maximise their positive influence on society and stakeholders in Ghana.

The findings showed consistency with previous studies, like Amos and Boahen (2024)<sup>55</sup>, that emphasised similar difficulties in implementing CSR in developing nations. In their study, Ward et al. (2020)<sup>56</sup> highlighted the significance of regulatory frameworks in influencing CSR practices. These findings indicate a recurring set of difficulties that businesses encounter when dealing with limited resources, engaging stakeholders, complying with regulations, and integrating CSR initiatives strategically.

Businesses in Ghana face a number of obstacles when attempting to implement successful corporate social responsibility (CSR) initiatives. These challenges can have a significant impact on the success and long-term viability of CSR initiatives.

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<sup>55</sup> Amos, G. J., & Boahen, S. (2024). Corporate social responsibility in the mining industry: Exploring perspectives of host communities in a developing country. *European Journal of Business and Management*, 16(2), 45–58.

<sup>56</sup> Ward, H., Fox, T., Wilson, E., & Zarsky, L. (2020). CSR and developing countries: What scope for government action? Available at: <https://pubs.iied.org/pdfs/G02247.pdf>

## **CONCLUSION**

In conclusion, the study successfully obtained an impressive response rate, encompassing 97% of the intended sample size. The examination of current perspectives on CSR in Ghana showed a robust acknowledgment of its importance, despite variations in dedication levels and resource distributions. Ghanaian businesses showcased a strong commitment to CSR practices, developing formal policies, pursuing strategic alignment, and cultivating external partnerships. CSR practices are influenced by a range of factors, such as regulatory requirements, market demands, and ethical considerations. The study also showed that the implementation of CSR practices had a substantial influence on both the performance of organisations and their relationships with stakeholders. In particular, corporate reputation emerged as a critical factor in this regard.

Nevertheless, challenges like limited financial resources, difficulties in involving stakeholders, and navigating through regulatory requirements posed significant barriers to successfully implementing CSR initiatives. In order to optimise the effectiveness of corporate social responsibility (CSR) and realise its prospective advantages in the Ghanaian context, it is imperative to confront these obstacles. The importance of strategic integration, stakeholder engagement, and navigating regulatory landscapes is highlighted in these findings, emphasising the significance of CSR practices and sustainable business development in Ghana.

## **SUMMARY**

The study sought to examine perspectives and practice of corporate social responsibility in Ghana. The study employed a pragmatic research philosophy, utilizing an explanatory sequential design in combination with a mixed method approach. The population of the study included managers and executives from corporations and companies operating in Ghana as well as stakeholders such as community leaders. Using Bukhari (2020) sample size calculator, a sample size of 278 respondents was utilized. The study collected both primary and secondary data using questionnaires, interview guide and documentary analysis. Quantitative data was analyzed using t-test and regression analysis. Qualitative data was analyzed using thematic analysis. The study showed that the majority of companies had a good attitude towards corporate social responsibility (CSR), and they were well aware of its reputation-boosting and long-term advantages. Companies in Ghana showed a strong dedication to corporate social responsibility (CSR), enacting policies, coordinating strategies, and cultivating outside alliances. Nevertheless, obstacles including financial limitations, stakeholder involvement, and legal requirements made it difficult to execute CSR effectively. Notably, company

reputation emerges as a critical driver of how much CSR practices influence stakeholder interactions and organisational performance. In order to promote sustainable company development in Ghana and increase the effectiveness of CSR, it is imperative that these issues be addressed.

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