KATAMBA JOHN ANTHONY (2014-M102-30002)

The Contribution of Corporate Social Responsibility to Financial Performance of Stanbic Bank (Uganda): A Case Study of Nakasero (Umoja) Head Office Branch, Kampala.

The study investigated the contribution of corporate social responsibility (CSR) on financial performance of Stanbic Bank Uganda Ltd. The study considered a case study of Stanbic bank Nakasero (Umoja) Head Office Branch because being a head office it is the centre of all bank activities including CSR. Financial performance was measured by amount of deposits, growth of loan volume and financial profitability of the bank. Although CSR is a hot topic in Uganda and Stanbic bank practices it, no detailed study had been conducted to ascertain whether Stanbic bank indeed derives financial benefits there from. The study was conducted through a descriptive case study research design and both descriptive statistics and correlation tests were conducted to establish the relationship between CSR and the different elements of financial performance. The study was based on a sample size of 170 employees from Stanbic bank Nakasero (Umoja) Head Office Branch. A structured questionnaire and interview guide were used to obtain data.

The findings revealed that, first; CSR contributes positively to amount of deposits in Stanbic bank Uganda. Secondly, CSR has a positive significant though weak contribution to growth of loan volume in Stanbic bank. Thirdly, CSR contributes positively to the bank"s financial profitability. On the whole, Stanbic bank"s involvement in CSR practices has a positive contribution to its financial performance. It concluded that other commercial banks should invest more in CSR activities since it does not only benefit the community but also the organisation that does it. Other areas for further study were also highlighted.

Key Words: Corporate Social Responsibility, Financial Performance, Stanbic Bank (Uganda), Head Office Branch, Kampala