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How a Turkish Bank Uses Corporate Social Responsibility to Construct Its Identity: A Case Study

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#### How a Turkish Bank Uses Corporate Social Responsibility to Construct Its Identity: A Case Study

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#### **Abstract**

Based on institutional theory, this paper aims to understand corporate social responsibility (CSR) agenda, organizational identity construction, and its communication by focusing on one of Turkey's largest banks, Garanti Bank. The role of CSR in establishing a legitimate identity has been investigated in past studies, however this study focuses on a specific bank's organizational identity and CSR agenda in order to develop a deeper understanding of the role of CSR in identity construction and gaining legitimacy. The study includes an analysis of Garanti Bank's corporate website and social media accounts (Facebook and Twitter), in addition to qualitative in-depth interviews with communication and CSR managers. By engaging in a thematic content analysis, the authors try to understand how one of the largest banks in Turkey define its identity, claim legitimacy, and develop a CSR agenda and communicate all of these attributes to their various stakeholders. Based on institutional theory, this paper reveals the role of CSR in organizational identity construction and online communication by providing insights from a bank in Turkey and provide lessons from a developing country context.

**Keywords:** Organizational identity, Corporate social responsibility, Social media, Turkey, Banking sector

#### Introduction

Ethics in business is becoming an issue of greater concern globally (Guillén et al. 2002). However local context and understanding the implementation of ethics and CSR in different countries is important to guide this global pool of knowledge. As Jamali and Neville (2011) proposed, it is important to understand CSR by analyzing organizational pressures and relationships at the local institutional context to reveal the real potential for CSR in a country. In fact, understanding business-society relations in various national contexts (Siltaoja and Onkila 2013), develops our understanding of CSR globally. In line with these studies, this study aims to generate a deeper understanding of the CSR field in a specific sector, banking, in Turkey and provide some lessons about identity construction and the influence of CSR initiatives and policies on this identity construction process from a developing country perspective.

Guided by institutional theory, this paper aims to understand corporate social responsibility (CSR) agenda, organizational identity construction, and its communication by focusing on one of Turkey's largest banks, Garanti Bank. Organizational identity has been defined as "an organization's distinctive character discernible by those communicated values manifest in its externally transmitted messages" (Aust 2004: 523). Institutional theory is commonly used in organizational research as it tries to reveal the processes behind organizational decision making and the influence of the institutional environment on these decisions and processes (Wooten and Hoffman 2008).

CSR has been defined as "the commitment to improve community well-being through voluntary business practices and contributions of corporate resources" (Kotler and Lee 2005: 3). The role of CSR in establishing a legitimate identity has been investigated in past studies (Kotler and Lee 2005, McWilliams et al. 2006, Lamberti and Noci 2012) however this study focuses on a specific bank's organizational identity and CSR agenda in order to develop a deeper understanding of the role of CSR in identity construction and gaining legitimacy. The study includes an analysis of Garanti Bank's corporate website and social media accounts (Facebook and Twitter), in addition to qualitative in-depth interviews with communication and CSR managers. By engaging in a thematic content analysis, the authors try to understand how the largest banks in Turkey define its identity, claim legitimacy, and develop a CSR agenda and communicate all of these attributes to their various stakeholders. In accordance with these arguments, this study aims to understand the following research questions:

- RQ 1: What is extent and content of organizational identity and CSR communication on the corporate website of Garanti Bank?
- RQ 2: What is extent and content of organizational identity and CSR communication on the social media accounts of Garanti Bank?
- RQ 3: What are the perceptions of Garanti Bank CSR and communication managers' about organizational identity and CSR?

RQ 4: What is the role of CSR in constructing a legitimate organizational identity for Garanti Bank?

The next section outlines the research methods and techniques used during the online research and qualitative interviews. The results and discussion section provides research findings and the conclusions section discusses the implications of the research. The paper ends with suggestions on areas for future research.

#### Methodology

Garanti Bank's corporate website and social media accounts at the corporate level were analyzed, and later primary data was collected through qualitative interviews with communication and CSR managers. The website analysis included a thematic analysis of the textual data from the *about us*, *history, mission and vision, and corporate social responsibility* sections of Garanti bank's corporate website. In addition, the social media analysis included a thematic analysis of Facebook posts and Tweets on Twitter.

Additionally, the qualitative interviews provided primary data for the study and allowed the authors to reveal Garanti Bank's identity construction process, unveil the motivations behind Garanti Bank's engagement in various CSR initiatives and the decision-making processes behind them. A semi-structured interview guide was prepared in light of business, organization studies, and communication literatures to reveal CSR and communication decision-making structures.

#### Interview Questions

- 1. How do you define the concept of organizational identity?
- 2. Could you define Garanti Bank's organizational identity for us?
- 3. What makes your organization different than its competitors, what are its major characteristics?
- 4. Could you talk about Garanti Bank's corporate social responsibility activities?
- 5. According to you, what is the influence of Garanti Bank's CSR activities on its identity construction?
- 6. Who makes Garanti Bank's CSR activity decisions?
- 7. What do you think about the interaction between organizational identity and CSR in general?
- 8. Who decides on the content of your corporate website?
- 9. What do you think about the use of social media for identity construction and communication?
- 10. Who determines and manages the content of Garanti Bank's social media accounts including Facebook and Twitter? How often is it updated?

The interviews were audio recorded and transcribed later for detailed analysis. The interview analysis mainly focused on revealing common patterns and looked for saturation in answering questions, however different answers or viewpoints were also noted and included in the analysis to reveal major themes. The transcripts were coded independently by the two researchers to allow for an independent interpretation of findings as used by (Lindgreen et al. 2010).

#### **Results and Discussions**

Results revealed that Garanti Bank heavily emphasizes the themes sustainability and corporate social responsibility for their identity construction on their corporate websites and social media accounts. The qualitative interviews provided detailed explanations for the reasons behind emphasizing these non-economic outputs such as CSR as a strong identity element, more than economic outputs such as core banking functions. Majority of managers interviewed highlighted the philanthropic conceptualization of CSR by referring to more explicit CSR initiatives in the areas of art and culture or education. Emerging themes from website, Facebook and Twitter content analyses and the interviews are presented in Table 1. These popularly expressed themes also provide answers for the research questions 1, 2 and 3.

**Table 1.** Emerging Themes Form Website, Facebook and Twitter Content Analyses and the Interviews

Themes Emerged from Website Analysis	Themes Emerged from Facebook & Twitter Analysis	Themes Emerged from Interviews
Technology	Technology	Technology
CSR	CSR	CSR
Being the first	Being the first	Being the first
Being the leader	Being the leader	Sustainability
Sustainability	Sustainability	Innovative/Creative
Innovative/Creative		Customer focus
Product & service quality		Being a pioneer
Customer focus		
Collaboration/Partnership		
Equal opportunity/Fairness		
Strong Bank		

These findings indicate that Garanti Bank has managed to construct a strong and coherent organizational identity in its various communication tools and this is also reflected in the perceptions of managers as the themes generated from the website, social media and interview thematic content

analyses were all quite similar. The most emphasized themes in each analysis were *technology*, *CSR* and *being the first*.

Özen and Küskü (2009) proposed that some organizations undertake a missionary role by transferring "modern production technologies, product designs, organizational structures and practices" (p. 306), and called these missionary organizations. Garanti Bank's most emphasized themes technology and being the first are in line with Özen and Küskü's (2009) definition of missionary organizations. The themes *CSR*, technology, being the first and being a pioneer were strongly emphasized during the interviews. In addition, art related CSR initiatives (such as "SALT" and "Jazz Green of Garanti Bank") that Garanti Bank engages in also contribute to this missionary identity. The interviews suggested that despite being a bank, Garanti sees supporting the community and contributing to the country's development in social areas as one of its most important functions.

The research question 4 investigated the influence of CSR initiatives on constructing a legitimate organizational identity. Institutional theory proposes that organizations within the same industry are subject to same institutional pressures, therefore once some organizations within an industry initiate and engage in certain activities, others adapt and follow the pioneers as a result of isomorphism dynamics (DiMaggio and Powell 1983). As Matten and Moon (2008) suggested, this isomorphism is also reflected in CSR initiatives implemented by organizations.

Garanti Bank in this sense acts as an industry leader in terms of the content and extent of its CSR activities. The interviews also indicated that the bank sees itself as a CSR pioneer and is proud implementer of various CSR initiatives, which have influenced other banks in the Turkish banking sector. Organizations feel the pressure to engage in environmental, social, ethical and responsible practices in order to define their role in society (Lichtenstein et al. 2004, Lindgreen et al. 2009, Maon et al. 2010) and construct a legitimate identity. Jamali and Neville's (2011) study showed that Lebanese SMEs' CSR initiatives mostly addresses local community needs. Garanti Bank's education focused CSR initiatives support this argument as the *Teachers Academy Foundation* (Öğretmen Akademisi Vakfi), which is founded to train teachers, is more philanthropic in nature and addresses a local social need.

During the interviews, managers indicated that they differentiate sponsorships from other CSR initiatives as they perceive them to be more strategic and directed towards increase public awareness similar to advertising. On the other hand, they asserted that the CSR initiatives Garanti Bank engages in like the Teachers Academy Foundation reflects Garanti's organizational identity more effectively. Managers stated that in general CSR initiatives could be considered as a strategic risk aversion tool that may protect the organization from reputational damage, especially during crises.

Study results put forth that CSR initiatives have an important role in constructing a legitimate organizational identity. The website, social media and interview thematic content analyses revealed that Garanti Bank's CSR is one of

the most emphasized theme and it is communicated vigorously in order to accentuate a moral identity.

#### **Conclusions**

It can be stated that Garanti Bank has managed to construct a strong and coherent organizational identity through its various online communication channels. In addition, the most emphasized themes were *technology*, *CSR* and *being the first*. Garanti Banks most emphasized themes technology and being the first are in line with Özen and Küskü's (2009) definition of missionary organizations, which makes Garanti a missionary organization that sees supporting national development and community support as one of its important social goals.

The interviews revealed that Garanti Bank defines sponsorships differently than their CSR initiatives, as they perceive sponsorships as more strategic and aimed to increase public awareness through higher media visibility. On the other hand, Garanti CSR and organizational communication managers defined CSR as a risk aversive strategic tool that may help support the organization through tough times such as crises as they believe that CSR initiatives have an important role in constructing a legitimate organizational identity.

#### Implications for Future Studies

In order to be able to make generalizations about CSR and organizational identity in Turkey, future studies should include satisfactory number of cases from various sectors. With a larger sample that includes many corporations from different sectors, the results of this study could be re-examined and re-evaluated. In addition, comparative cross-cultural studies could be conducted by including several examples from different countries, which may also help reveal the impact of national institutional contexts on CSR initiatives.

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