The Impact of Corporate Social Responsibility on Brand Value and Financial Performance: Evidence from Bancassurance Service Providers in Vietnam

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Abstract

The objective of this article is to assess the impact of corporate social responsibility (CSR) implementation on Corporate Brand Value (CBV) and Corporate Financial Performance (CFP). At the same time, the article examines the mediated role of CBV on the relationship between CSR implementation and CFP. In-depth interviews and observation techniques were used in this article on 4 experts to collect qualitative information. Quantitative analysis was based on primary data obtained from 454 employees working at enterprises providing Bancassurance services. The article uses various models of Cronbach’s Alpha coefficient, Exploratory Factor Analysis (EFA), Confirmatory Factor Analysis (CFA), and Structural Equation Analysis (SEM) using SPSS 22.0 and AMOS 20.0 software. In addition, a 5-point Likert scale is used to measure observed variables. Research results show that CBV plays an intermediate role in the relationship between CSR implementation and CFP. At the same time, the implementation of CSR toward communities, customers, and workers directly impacts CBV and CFP. The article draws a new conclusion; there is no relationship found between the implementation of CSR and CFP. The result proposes implications for the state and Bancassurance service providers to develop and implement CSR-related policies and activities to enhance their brand value and financial performance.

Keywords: Corporate Social Responsibility, Financial Performance, Structural Equation Analysis, Bancassurance Service

JEL Classification Code: G21, G22, M14

1. Introduction

Nowadays, humanity is suffering from serious problems such as pollution, epidemics, demographic issues, unemployment, evils, or unfair competition in the business economy; These problems explain the reason why the term “CSR” is hotter than ever around the world. Successful implementation of corporate social responsibility (CSR) is an important prerequisite for the success of an enterprise as it brings such great benefits in sales growth and labor productivity, reduction of employee turnover rate, a highly skilled labor force, and the opportunity to expand the market (Nguyen, 2010).

In Vietnam, the late arrival of CSR does not prevent enterprises from seizing opportunities and rising strongly with the trust of customers for activities that benefit themselves, businesses, the environment, and the community. Since Vietnam joined the Association of Southeast Asian Nations (ASEAN), all enterprises need to urgently equip themselves with knowledge about CSR to improve the brand image and the quality of products and services to meet international requirements.

Bancassurance – a new term emerging in Vietnam – is defined as a business association model between banks and
insurance companies that has been receiving a lot of attention recently. In many countries, Bancassurance accounts for a large proportion of total insurance market revenue. In Vietnam, this form of business has been developing and gradually becoming an important insurance distribution channel to help raise revenue for banks. Especially when the COVID-19 pandemic exploded, consumers had a higher awareness of the protection of health, which led to the expansion of Bancassurance services. Moreover, the products provided by the bank-linked insurance enterprises bring a lot of human value, which is due to the specificity of these products and services to protect human life. Therefore, more than others, the insurance sector needs to take responsibility and moral obligations with harsher requirements.

Up to now, the number of CSR research works in the field of Bancassurance, especially the relationship between CSR, corporate brand value (CBV), and corporate financial performance (CFP) both in the nation and abroad are limited in quantity. This is an extremely important theoretical gap that drives new research to develop in the future. Therefore, it is essential to clarify the impact of CSR implementation on CBV and CFP of Bancassurance service providers in Vietnam in terms of both theoretical and practical aspects. The structure of the article includes an introduction, literature review, research methodology, research results and discussions, and conclusion.

2. Literature Review

2.1. Corporate Social Responsibility (CSR)

The term Corporate Social Responsibility (CSR) has appeared for a long time, and there are various definitions of CSR that were suggested. Friedman (1970) supposed that the implementation of CSR is how to maximize profits and increase business equity in a fair competitive market. This research suggests that because CSR belongs to the State, business owners should only implement CSR that was approved by shareholders. CSR includes economic, ethical, legal, philanthropic, and other responsibilities that society expects from a business each time (Carroll, 1999). Another definition of CSR given by the World Business Council for Sustainable Development is the commitment of businesses toward sustainable economic development through the way they treat laborers, families’ laborers, and local communities. Besides, CSR also has a fundamental meaning that corporations need to fulfill their responsibilities to satisfy the needs of stakeholders. The stakeholders of enterprises are diverse, including the Government, employees, communities, partners. Each stakeholder has different roles and impacts on the operation of a business. Therefore, for each object, businesses need to use a different approach to ensure appropriateness and bring the highest value.

2.2. The Theory of Stakeholders

The theory of stakeholders was first proposed by Freeman (1974) in his research, who assumed that the existence of a firm is determined by all firm stakeholders (including owners or shareholders, communities, customers, suppliers, workers, and the state). This theory recognizes that almost all enterprises have great concerns about stakeholders (Carroll, 1991) and that they have obligations and responsibilities to balance. Stakeholder theory explains competitive interests and stakeholder influence on management decisions. This theory is also used to explain the company’s motivations regarding CSR implementation. According to Muttakin et al. (2018), CSR strategies help companies create a balance between their economic and social goals, as well as make efficient use of resource constraints. Implementing CSR in Bancassurance service providers is important for promoting social solidarity and sustainable development due to issues of public opinion, brand, and ethics. Therefore, this article assumes that key CSR factors, including the liability to employees, communities, shareholders, and customers have influenced CSR implementation in Bancassurance service providers, based on research by Tellaeche (2006).

2.3. Corporate Brand Value (CBV)

The brand shows the way how an organization is made and perceived tangibly, or intangibly, by those who have experienced it. CBV is the core of brand management (Keller & Lehmann, 2006), and it has been researched in the field of marketing since the 1960s (Chang & Liu, 2009). From the financial point of view, CBV is the added value that a brand brings to a product, which can be viewed from a business or customer perspective (Farquhar, 1989). From this perspective, CBV is the set of assets and liabilities associated with its brand name and symbol. It can add to or subtract from the value created in a product or service for a corporation or its customers (Aaker, 1996). From the evaluation of customers’ views, Aaker (1991) mentioned the components of CBV including (1) loyalty, (2) brand awareness, (3) perceived quality, and (4) brand associations and other brand assets such as patents, trademarks, and distribution channels. In brief, brand value is the differential effect of brand knowledge based on consumer response to that brand marketing activity (Keller, 2003). From the consumer’s perspective, businesses want to show long-term consumption behavior. In contrast, from the employee’s perspective, work-related behavior focuses on making the brand promise. Employee-based brand equity (EBBE) is defined as the differential effect that brand equity brings on employees’ responses to the working environment (King & Grace, 2009). In the context of the banking industry, employees’ brand behavior is adjusted through employees’
consideration of the company’s benefits from internal brand management. Employee satisfaction is also considered a vital aspect of employee-based brand equity.

2.4. Financial Performance (CFP)

All the studies tend to select one or several indicators representing financial performance in the analysis (Glick & Hutchison, 2005). These indicators are formed based on three ways to measure a company’s financial performance, including accounting-based financial performance, market-based financial efficiency, and perceived financial performance. Accounting-based financial performance is usually assessed through ROA, ROE, ROS, etc. Overall, these indicators do reflect the performance of enterprises exactly, so they are generally accepted in all research studies. In the context of the market, the measure of CFP is built mainly by many economic factors to assess the capability of making a profit in the future of enterprises. It seems to have relatively little relationship with the accounting-based measures of enterprises, which provides outstanding advantages and opportunities to estimate and predict new factors in the future (McGuire et al., 1988). According to the perception perspective, Terpstra and Rozell (1993) surveyed the CFP of enterprises based on organizational criteria such as annual profit, and revenue growth to assess the relationship between employee performance and organizational performance. CFP is also measured by subjective feelings about indicators such as profit, productivity, and market share when studying the impact of human resource management on financial performance (Rhee et al., 2014).

2.5. Hypotheses

As a key stakeholder, the employee is a direct contributor to an organization’s success. The implementation of CSR toward the employees has a positive impact on CBV, specifically on the employee’s loyalty and commitment to the organization. CSR toward employees brings practical benefits to the business and positively affects their organizational commitment. In the perception of Vietnamese employees, it is only when they have good feelings for the company that they feel responsible and continue to work for a long time (Nguyen et al., 2019).

**H1:** Implementing CSR toward employees has a positive impact on CBV.

The focus on implementing CSR toward shareholders is disclosing the information transparently, operating the enterprises effectively, and using the capital reasonably to create added value for the sustainable enterprises. According to all stakeholders, CSR has a positive impact on brand equity, and shareholders are one of the aspects that clearly show this relationship (Torres et al., 2012). In Vietnam, the research by HUONG & THUAN (2019) with the case of bankers also shows that the shareholder aspect of CSR has a direct positive impact on the brand equity of the corporation.

**H2:** Implementing CSR toward shareholders has a positive impact on CBV.

From the perspective of customers, it is the responsibility of businesses to provide goods and services that meet the requirements of quality, safety, valuation, information about products, distribution, sales, and competition. In addition, after-sales services, caring for and answering customers’ questions in a dedicated way is also one of the factors contributing to the success of CSR implementation in enterprises. If the products of enterprises ensure the above factors and provide complete and accurate information to consumers, especially service providers, they will gain high efficiency in consumer trust and thereby increase CBV (Pivato et al., 2008; He & Li, 2011).

**H3:** Implementing CSR toward customers has a positive impact on CBV.

According to Yang et al. (2019), the CSR implementation toward community is to participate in donations, charitable funds, and community organizations; help to improve the quality of life in the area in which the enterprise operates; financial support for community activities in the fields of arts, culture, and sports as well as educational activities in localities. Du et al. (2007) also found that CSR toward community builds customer reputation and loyalty, thereby improving CBV. CSR toward community also positively correlated with financial-based brand equity, which was proved in the work of Zahari et al. (2020).

**H4:** Implementing CSR toward the community has a positive impact on CBV.

Analyzing the field of tourism, Inoue and Lee (2011) also concluded that the employee aspect in the implementation of CSR has a positive impact on ROA and Tobin’s Q. Chen and Wang (2011) considered employees as one of nine components of CSR according to the stakeholder theory, which has a positive impact on financial performance in Chinese enterprises, as proved by ROS, ROA, and GRS. Chau and Nguyen (2013) considered employees as one of the five aspects of CSR that positively affect financial performance through business benefits.

**H5:** Implementing CSR toward employees has a positive impact on CFP.
Regarding the shareholders’ aspect of CSR, the research of Chen and Wang (2011) on the relationship between CSR and financial performance through interviewing 141 senior executives from Cantonese Chinese enterprises have shown a positive correlation. The responsibility for shareholders includes metrics: shareholders’ benefits, managers’ salaries, the company’s image, and long-term growth. Pérez et al. (2013) have shown that implementing CSR in banks is the answer for the commitments to the economic interests of shareholders, and this aspect has a positive impact on financial performance. If the wishes of the stakeholders are fulfilled by the firm, then it can produce a harmonious relationship between stakeholders and the firm value (Machmuddah et al., 2020).

**H6: Implementing CSR toward shareholders has a positive impact on CFP.**

Research by Liu et al. (2019) in Chinese pharmaceutical enterprises shows that efforts to implement CSR toward stakeholders, including customers, will deliver better market-based performance and reporting. To be more specific in one field, the impact of CSR on financial performance has been proved in the study of Bui (2021) in commercial banks while looking at the regulatory role of ownership structures. The finding is that the positive relationship between spending on CSR activities and CFP in state-controlled banks was more significant than that of private banks.

**H7: Implementing CSR toward customers has a positive impact on CFP.**

Corporate social responsibility is a way for firms to take responsibility for the social and environmental impacts of their business operations, and the firm engaging in corporate social responsibility activities is likely to maintain high-quality financial reporting (Chae & Ryu, 2018). By implementing CSR activities toward community relations, enterprises will increase operational efficiency and competitive advantage, thereby bringing high short-term profits and profitability in the future. In addition, CSR implementation toward the community is regularly given positive results with CFP; that is, the more the enterprise invests in public interest activities, the higher business efficiency will be.

**H8: Implementing CSR toward the community has a positive impact on CFP.**

Many previous studies have shown that the CBV and CFP of the business have a favorable correlation with each other (De Chernatony et al., 2004; Kim & Kim, 2005; Wang et al., 2015). That is, the more a brand is appreciated, the more the business creates a position and prestige in the market, employees are always satisfied and do not want to leave the business, and the more positive the financial results. In studies with CSR awareness or CSR implementation, the results indicate that CSR will have a direct impact on CFP (Melo & Galan, 2011) or indirectly on CFP via CBV (Zhu et al., 2012). CSR implementation is becoming an important measure in the business, which make the competition between corporates more intense. Therefore, corporates need to promote more and more. The success of brand management comes from understanding the brand value and managing brand value in a way that increases CFP (Kim & Kim, 2005). In the banking sector, Huy & Thu (2019) stated that a good perception of CSR in employees leads to a positive CBV, thereby increasing the CFP.

**H9: CBV has a positive impact on CFP in Bancassurance service providers.**

### 3. Research Methodology

#### 3.1. Research Sample

The survey is conducted on the basis of the research’s theoretical background and hypotheses. Data was collected from the perspective of employees working in Bancassurance service providers in Vietnam to measure 3 aspects: (1) CSR aspects of the business; (2) Perception of CBV in the period of 2018–2020; (3) Perception of CFP in the period of 2018–2020. Of 550 survey questionnaires collected, there are 454 remained valid ones included in the final analysis. This data will be analyzed by descriptive statistics using SPSS software version 22.0, and AMOS software version 20.0 to evaluate the scales and determine the importance of variables as well as hypotheses. The scales were tested for reliability by Cronbach’s Alpha, Exploratory Factor Analysis (EFA), and Confirmatory Factor Analysis (CFA). We check the model and test the hypothesis through the Structural Equation Modelling (SEM).

#### 3.2. Research Model

Through the above theoretical basis and the inheritance and development from the research model of Le (2019), the authors propose a research model as shown in Figure 1.

### 4. Results and Discussion

#### 4.1. Measurement Model

The research team first entered data on 454 valid filtered surveys into Excel 2016 software. Next, the study variables are coded and named. Once having the input data set, the authors enter the data into SPSS 22.0 software to test the reliability of the scales in the potential variables. The testing...
results show that all the scales of the variables meet the reliability and validity test conditions according to Hair’s (2009) suggestions.

Table 1 demonstrates that the scales are reliable (all scales have Cronbach’s Alpha coefficient >0.8 and the total correlation coefficient >0.3). As the results of Table 1, all the latent variables satisfy the conditions and calculate the value and the reliability, which is the basis for progressing to the next steps.

To verify the scale value, we conducted a discovery factor analysis (EFA) showing KMO coefficient = 0.944, satisfying the condition of 0.5 < KMO < 1. A significance level of the Bartlett Sig level. = 0.000 < 0.05, which proves that the data used for EFA analysis is entirely appropriate. The value of the total variance explained by the six factors was 66.796%, meaning that the six factors accounted for 66.796% of the fluctuations in the survey data. Therefore, the factors ensure the ability to be represented (Table 2).

The latent variables were analyzed into six separate contracts to test the research hypotheses. For data that has been pre-tested with SPSS 22.0, the research team proceeded to import the filtered data via SPSS 22.0 into AMOS 20.0 to conduct Confirmatory Factor Analysis (CFA). The overall relevance of the data and the quality of the observed variables, confirm the factor structures are accessed. The CFA results of the model are shown in Figure 2.

4.2. Structural Model

The indicators are all at the right level, so the model is suitable for the market. The observed variables are of good quality. and the scale set is kept the same to go to the SEM model analysis. Next, the authors conducted SEM model to test the suitability, model accuracy and obtained the following results: χ²/df = 1.224 < 3; GFI = 0.938 and TLI = 0.987 were both greater than 0.9 (Good); CFI = 0.988 > 0.95 (Very good); RMSEA coefficient = 0.022 < 0.06 and PCLOSE = 1.00 > 0.05. These results of the model are shown in Figure 3.

With reliability of 95%, the P-value of the CSR_SHH showed the impact level on CFP is 0.131 > 0.05. Therefore, the CSR_SHH variable does not affect the CFP. The remaining variables all have a P-value < 0.05 indicates that these relationships are all statistically significant (Table 3). To evaluate the quality of observations in SEM, we evaluated based on the three outcomes as the standardized regression weights and the squared multiple correlations.

<p>| Table 1: Construct Reliability and Validity |</p>
<table>
<thead>
<tr>
<th>Encode</th>
<th>Variable Number</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>CSR_EMP</td>
<td>5</td>
</tr>
<tr>
<td>Shareholders</td>
<td>CSR_SHH</td>
<td>3</td>
</tr>
<tr>
<td>Customers</td>
<td>CSR_CUS</td>
<td>5</td>
</tr>
<tr>
<td>Community</td>
<td>CSR_COM</td>
<td>5</td>
</tr>
<tr>
<td>Corporate Brand Value</td>
<td>CBV</td>
<td>6</td>
</tr>
<tr>
<td>Corporate Financial Performance</td>
<td>CFP</td>
<td>5</td>
</tr>
</tbody>
</table>
Table 2: The Pattern Matrix for all Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Description</th>
<th>Pattern Matrix*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Factor</td>
<td>1</td>
</tr>
<tr>
<td>CBV02</td>
<td>I am ready to introduce my business as the best provider of Bancassurance service</td>
<td>0.841</td>
</tr>
<tr>
<td>CBV03</td>
<td>I’m interested in finding out the information about the brand of enterprise I’m working for</td>
<td>0.778</td>
</tr>
<tr>
<td>CBV01</td>
<td>I consider the possibility of impacting the enterprise before taking action to ensure the reputation of the brand</td>
<td>0.714</td>
</tr>
<tr>
<td>CBV04</td>
<td>I feel the current compensation and benefits are commensurate with the amount of work assigned.</td>
<td>0.676</td>
</tr>
<tr>
<td>CBV05</td>
<td>I plan to stay with the business for a long time in the future (&gt; 5 years)</td>
<td>0.612</td>
</tr>
<tr>
<td>CBV06</td>
<td>I actively introduce the brand of the business</td>
<td>0.572</td>
</tr>
<tr>
<td>CSR_EMP01</td>
<td>Fair treatment among employees</td>
<td>0.782</td>
</tr>
<tr>
<td>CSR_EMP05</td>
<td>Provide a career path and opportunities</td>
<td>0.765</td>
</tr>
<tr>
<td>CSR_EMP04</td>
<td>Annual human resource training and development programs</td>
<td>0.763</td>
</tr>
<tr>
<td>CSR_EMP02</td>
<td>Comfortable working environment</td>
<td>0.756</td>
</tr>
<tr>
<td>CSR_EMP03</td>
<td>Fair pay and worthy of personal competence</td>
<td>0.732</td>
</tr>
<tr>
<td>CFP04</td>
<td>I’ve noticed an increase in the number of business customers</td>
<td>0.827</td>
</tr>
<tr>
<td>CFP05</td>
<td>I’ve noticed the value of the company’s product and service packages increase</td>
<td>0.808</td>
</tr>
<tr>
<td>CFP02</td>
<td>I’ve noticed an increase in the profitability of the business</td>
<td>0.779</td>
</tr>
<tr>
<td>CFP01</td>
<td>I’ve noticed an increase in business sales</td>
<td>0.755</td>
</tr>
<tr>
<td>CFP03</td>
<td>I’ve noticed that the business’s market is expanding</td>
<td>0.702</td>
</tr>
<tr>
<td>CSR_COM02</td>
<td>Actively participate in events related to community culture</td>
<td>0.770</td>
</tr>
<tr>
<td>CSR_COM05</td>
<td>Priority to contribute to funds geared toward local community activities</td>
<td>0.754</td>
</tr>
<tr>
<td>CSR_COM03</td>
<td>Organize volunteer programs for the community</td>
<td>0.740</td>
</tr>
<tr>
<td>CSR_COM04</td>
<td>Take responsibility for managing issues related to the local community</td>
<td>0.703</td>
</tr>
<tr>
<td>CSR_COM01</td>
<td>Commitment to improving the welfare of the local community (in terms of education, facilities…)</td>
<td>0.682</td>
</tr>
<tr>
<td>CSR_CUS02</td>
<td>Having policies ensure the implementation of the contract’s terms with customers in an honest, fair, and accurate manner</td>
<td>0.807</td>
</tr>
<tr>
<td>CSR_CUS03</td>
<td>Customer complaint settlement policy satisfactorily and quickly</td>
<td>0.779</td>
</tr>
<tr>
<td>CSR_CUS01</td>
<td>Having policies ensure the provision and interpretation of complete and accurate information about the product</td>
<td>0.725</td>
</tr>
</tbody>
</table>
### Table 2: (Continued)

| CSR_CUS04  | Quality of customer service | 0.665 |
| CSR_CUS05  | The ability to capture customer and social needs | 0.621 |
| CSR_SHH03  | The company’s sustainable development goals | 0.832 |
| CSR_SHH02  | Management of expenses incurred | 0.756 |
| CSR_SHH01  | The goal is to maximize the owner’s interest in the operation of the company | 0.746 |


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**Figure 2:** The Results of the Analysis Confirmatory Factor Analysis (CFA)
In the four variables affecting CBV, the variables recorded the reversible effect with the order of the descending impact variables as follows: CSR_COM, CSR_EMP, CSR_SHH, CSR_CUS. Specifically:

The standardized regression weight of independent variables shows that the level of CSR_COM impact on CBV is the largest (0.311). Implementing CSR for the community represents the responsibility of ethics and charity, the building of a beautiful image in the community’s eyes helps enterprises complete the awareness and development with the community’s prosperity and stability, thereby increasing CBV and CFP.

4.3. Discussion

The standardized regression weight of 0.290 implies that the implementation of CSR toward employees has a direct positive impact on CBV in Bancassurance service providers. This result shows similarities with previous studies such as Lai et al. (2010) and Nguyen (2020). When employees are treated equally and receive worthy policy benefits, they will have a good sense of their organization. Therefore, proper implementation of responsibilities toward employees is mandatory when enterprises want to improve their own CBV.

The impact of CSR implementation on shareholders on CBV is correlated with each other, expressed in the

![Figure 3: The Results of the Analysis of Structural Equation Modelling (SEM)](image-url)
standardized regression weight of 0.218. This result has been acknowledged in the studies of Torres et al. (2012), Pai et al. (2015), and Huong and Thuan (2019). Employees know the principle sought by enterprises to maximize the benefits of owners. Therefore, they believe that the CSR implementation toward shareholders is doing their responsibilities to the owner, maintaining the effectiveness of the company’s operations, and positively affecting the employee’s satisfaction with the job and the intention to stick with it.

The level of impact of CSR_CUS on CBV is the lowest, at 0.138. This result implies that employees need to understand the policies and activities of customers of enterprises. From there, they will feel capable of serving the best together with the values that enterprises bring to customers. This result is similar to many studies such as that of He and Li (2011) and Lee et al. (2017).

There are 4 variables, including CBV, CSR_EMP, CSR_COM, and CSR_CUS all recorded a reversible impact, with the magnitude of the impact of CBV on CFP being the largest, at 0.350. An enterprise that uses a specific business model such as insurance will need the trust of its customers because customers nowadays are highly aware of researching products carefully before consumption.

The results showed a positive direction and statistically significant impact on the relationship between CSR implementation toward customers and CFP with a standardized regression weight of 0.286. This result is similar to the previous research of Chau and Nguyen (2013) and Crifo et al. (2016). Specifically, the products that Bancassurance enterprises provide directly affect the interests of customers. Thus, the creation of prestige as well as setting up policies for customers will increase the confidence in the selection of the company’s products compared to competitors, thereby increasing customer loyalty and contributing to sales of the company.

CSR implementation in the community gives a standardized regression weight of 0.198. This result implies that employees’ awareness of community-oriented activities positively affects the CFP of Bancassurance service providers. Previous studies have also produced similar results in the banking and insurance sector: Olowokudejo et al. (2011) and Arif et al. (2017). That businesses invest in community activities will bring financial results in the long term instead of the short term.

The impact of CSR_EMP on CFP is the smallest, at 0.116. This result is similar to the studies of Verschoor (1998) and Wang et al. (2012). Good implementation of CSR helps employees have good incentives and attitudes in their jobs, leading to a better quality of service and consulting and selling more products, which positively impacts CFP. However, this effect is not clear due to the professionalism and responsibility of consultancy and the provision of insurance products, so the attitude of employees will not fluctuate much due to the implementation of CSR activities.

CSR implementation toward shareholders does not show any relationship with the CFP variable. The cause of disproportionate results in these variable groups comes mainly from investors. The holding of their stocks is often greatly dominated by the crowd effect and the information asymmetry in the market. Another reason found is that there is a disparity in CSR performance assessments for shareholders and employee perceptions of CFP. This means that the owners of the company often make judgments about the state of the business’s finances through a variety of accounting and market metrics, while from the perspective of employees, it concludes that there is no impact. In addition, not all survey respondents are investors in their businesses, so these reviews and results have been made.

Finally, we examined the squared multiple correlations and found that the squared multiple correlations of CBV is 0.554 and of CFP is 0.564. This means the value R squared by the magnitude of independent variables on dependent variables. Thus, CSR implementation variables impacted 55.4% of CBV variability; the remaining 44.6% are due to external variables and random errors. And CSR implementation and CBV impacted 56.4% of the variation of CFP; the remaining 43.6% are due to external variables and random errors.

5. Conclusion

Bancassurance in Vietnam has been developing into a major insurance distribution channel which is raising banking profit. Furthermore, what bancassurance provides is protecting moral and human rights. Therefore, Bancassurance service providers need to take measures to improve the implementation of CSR. To raise the effectiveness of CSR implementation for the field of Bancassurance, enterprises are recommended to:

Firstly, invest in product research and development to meet customers’ needs, improve customer experience, and settle customer complaints in time to build long-term relationships with them.

Secondly, regarding policies and benefits, the information needs to be clear and fair to all employees. Enterprises need to care about their employees in both physical and mental health, which refers to a suitable salary and career roadmap, a healthy workplace, and adequate benefits and insurance.

Thirdly, focus on enhancing CSR in the community through financial support and social activity such as donations, volunteers, and environmental campaigns. Enterprises need to associate the implementation of CSR with their business activities and consider CSR as the goal of sustainable development.
Fourthly, making commitments on transparency of financial and non-financial statements and settlement of complaints of involved parties to create a solid investment environment.

Finally, strengthen the disclosure of information related to CSR to stakeholders, thereby increasing brand value. Besides, raising awareness of CSR among stakeholders and the value that it provides for them to see their rights and obligations. Since then, they have been motivated to perform well and contribute to enterprise benefit.

CSR-related issues are an important factor leading to sustainable development. In addition to enterprise solutions, the state should also have appropriate policies to improve the ability to meet social responsibility for businesses. The research team proposed some solutions as follows:

Firstly, complete legal documents to enhance the implementation of CSR. The state needs to have clear legal mechanisms and provide frameworks for CSR practice in Vietnam.

Secondly, the State Bank as well as the local community, should issue policies to encourage the implementation of CSR. They should prioritize and promote enterprises to effectively implement CSR and clarify their sustainable development.

Thirdly, issue mechanisms to support businesses in implementing their CSR policies. To support businesses, the State can lend from the development support fund and trade promotion fund. With preferential policies.

Finally, strengthen professional training, and propaganda about CSR by organizing events such as forums, seminars, and dialogues to raise awareness and capacity of implementing CSR for businesses providing Bancassurance services in Vietnam, gradually improving knowledge and skills in applying and practicing CSR.

References


